EDISON

SIGA Technologies

International traction builds as US wait extends

Q326 results

Healthcare

12 November 2026

In line with its procurement-driven business model, SIGA's Q326 performance was softer than Q226, with revenue of $1.3m and no TPOXX product deliveries during the quarter. However, this has limited read-through for underlying demand given the inherent revenue lumpiness. While the new US RFP remains delayed, the latest Canadian defence department contract (worth up to $15m) reinforces that smallpox preparedness is a government priority, while improving international revenue visibility from 2027. Another international agreement is in advanced negotiations, but these opportunities are modest relative to US stockpile replenishment. In terms of development, more FDA-requested validation work has pushed the PEP filing to 2028, while pediatric Phase I results remain on track for end-FY26. With $116.4m in cash and no debt, SIGA is well positioned to absorb procurement delays, but US contract timing remains the key consideration. We value SIGA at $11.24/share.

Year end	Revenue ($m)	EBITDA ($m)	PBT ($m)	EPS ($)	DPS ($)	P/E (x)	Yield (%)
12/24	138.7	70.5	76.1	0.83	0.60	3.8	19.1
12/25	94.6	24.3	30.4	0.33	0.60	9.6	19.1
12/26e	53.6	(2.4)	1.7	0.02	0.60	N/A	19.1
12/27e	157.9	96.4	100.4	1.06	0.60	3.0	19.1

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

US catalysts move right, not away

A new US contract remains the key swing factor for SIGA's near-term outlook. While we continue to expect a new RFP, slower-than-expected progress increases timing risk. For now, we retain our 2027 US TPOXX delivery assumptions, supported by ongoing stockpile replenishment needs, although we now expect the RFP process to extend into 2027 (H226 previously). Separately, additional FDA-requested validation work has pushed the post-exposure prophylaxis (PEP) supplemental New Drug Application submission from H127 to 2028, shifting our launch expectation by six months. Pediatric Phase I results remain expected by end-FY26.

International diversification gains momentum

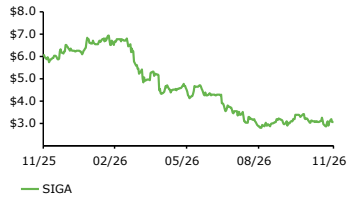
International procurement is emerging as a credible second leg to the SIGA investment case. The new CDND contract, worth up to $15m, includes $9m of firm commitments over the first three years, with deliveries commencing in 2027. While modest relative to the US opportunity, we view the award as an important validation that smallpox preparedness remains a government priority. A further international agreement is also in advanced negotiations. Together, these developments should improve revenue visibility given US RFP timing uncertainty.

Valuation: Cash cushions timing risk

We adjust our estimates to reflect Q326 performance and latest contract visibility. For PEP, we push our launch assumption back by six months to H228, while maintaining our pediatric timelines. Our valuation shifts modestly to $11.24/share ($11.57/share previously). SIGA's $116.4m end-Q3 cash balance provides meaningful downside support while procurement timing remains uncertain.

Price	**$3.14**
Market cap	**$225m**
Net cash/(debt) at 30 September 2026	$116.4m
Shares in issue	71.8m
Code	SIGA
Primary exchange	NASDAQ
Secondary exchange	N/A

Share price performance



%	1m	3m	12m
Abs	(0.9)	6.8	(45.6)
52-week high/low		$6.3	$2.8

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 it is expanding internationally.

Next events

US government RFP for TPOXX	H127 (expected)
FY26 results	February 2027

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Q326 financials

Q3 softness reflects procurement cadence

SIGA reported revenue of $1.3m in Q326 (Q226: $41.0m; Q325: $2.6m), with no product deliveries during the period. Product-related revenue of $0.2m reflected reimbursements related to the IV TPOXX manufacturing technology transfer, while $1.1m was earned under the Biomedical Advanced Research and Development Authority (BARDA)-funded R&D program. Such quarterly swings are intrinsic to stockpile procurement and SIGA's government contract-driven business model and do not reflect a structural shift in demand. Revenue in the first nine months of 2026 (9M26) of $48.6m (9M25: $90.8m) included $25.6m of intravenous (IV) TPOXX delivered to the US Strategic National Stockpile (SNS), $13.0m of oral TPOXX to two international customers and $3.0m of manufacturing support services, alongside $6.9m of R&D revenue. This compares with a more oral-heavy US procurement mix in 9M25. We note that SIGA has $25.6m of contracted R&D performance obligations, which management expects to recognize over the next two years, providing a degree of base revenue visibility. However, product procurement remains the key driver of future revenue and earnings.

The Q3 operating loss narrowed to $6.5m (Q325: $10.2m), principally as R&D expenditure fell to $2.6m from $7.1m; SG&A expenses declined modestly to $4.6m. The reported net loss of $2.9m also benefited from a $2.6m tax credit. The 9M26 gross margin of 49.4% (9M25: 68.9%) was heavily influenced by product mix, with $25.6m of lower-margin IV TPOXX deliveries in Q226 accounting for more than 60% of 9M26 product sales. As highlighted previously, IV TPOXX carries a gross margin of c 40%, versus c 85% for oral TPOXX. Importantly, we do not expect this mix to be representative of a future US stockpile contract. IV TPOXX accounted for less than 15% of procurement value under the prior $632m 19C BARDA contract and serves a narrower clinical role, principally for patients unable to receive oral therapy. This supports scope for a meaningful margin recovery if a successor contract is predominantly oral.

Cash position provides strategic flexibility

SIGA ended Q326 with $116.4m of cash and no debt, only marginally below the prior quarter figure of $117.6m, despite the absence of product deliveries in Q3. The 9M26 operating cash flow was positive at $5.3m. The available cash balance translates to 3.4x annualized 9M26 R&D and SG&A expenses, excluding cost of sales. We believe that this liquidity affords SIGA time to pursue a successor US contract without near-term financing pressure, although a protracted delay or a prolonged procurement gap would reduce that flexibility.

Estimates revision

We make modest adjustments to our FY26 and FY27 estimates, reflecting 9M26 performance and improved visibility on near-term deliveries. For FY26, we reduce our revenue forecast to $53.6m from $59.9m, primarily reflecting greater clarity on international TPOXX delivery timing, with the first Canadian Department of National Defence (CDND) shipment now expected in 2027. We currently assume no product deliveries in Q426, although any new orders would warrant a reassessment.

For FY27, we lower our revenue forecast to $157.9m, from $162.1m. This continues to assume c $114m of oral TPOXX deliveries to the US SNS. Further delays to the request for proposals (RFP) would narrow the window for contract award, manufacturing and delivery, increasing execution risk to our FY27 revenue assumptions.

On costs, we leave cost of goods sold broadly unchanged while making modest adjustments to R&D and SG&A to reflect the 9M26 run-rate. We now forecast an FY26 operating loss of $3.0m, versus a $0.2m profit previously. For FY27, we reduce our operating profit estimate to $95.8m from $97.8m.

Key Q326 takeaways

US RFP active, but timing likely shifts to 2027

Smallpox preparedness remains a durable US government requirement, but the central question is increasingly focused on the timing of the contractual conversion. During the Q326 earnings call, management acknowledged slower-than-anticipated progress on the RFP, but remained confident that a successor TPOXX contract will be awarded following continued engagement with government stakeholders. Management also does not expect the recent US midterm elections to materially alter biodefense funding priorities or the trajectory of the procurement process, citing historically bipartisan support for biodefense. We now expect the RFP process to extend into 2027, versus our previous H226 assumption. While this does not change our view on the underlying replenishment requirement, it increases timing risk around the associated revenues and cash flows.

Several recent developments continue to support the strategic rationale for stockpiling. BARDA has provided $27m of additional funding for TPOXX manufacturing and pediatric development, supplemented by a further $2.1m in August 2026 for regulatory activities. Notably, Emergent BioSolutions reported Tembexa tablet deliveries under a March 2026 contract modification, while BARDA's $97m exercise of Bavarian Nordic's JYNNEOS vaccine options in May 2026 supports 2027 stockpile supply. We view vaccines and antivirals as complementary components of preparedness. We also note the different mechanisms of action of TPOXX and Tembexa as well as TPOXX's superior safety profile (Tembexa comes with a boxed mortality warning), an important distinction in its clinical positioning and supportive of a diversified antiviral stockpile.

While the protracted RFP process makes timing increasingly important for our forecasts, we retain our 2027 oral SNS delivery assumptions for now, supported by ongoing stockpile replenishment needs. Our current FY27 estimates include $113.9m of US oral deliveries, equivalent to c 70% of group revenue, making contract timing increasingly important. A 2027 RFP could still support deliveries within the year, although the expected six- to 12-month period between contract award and delivery means that the execution window is narrowing. Further slippage would require us to revisit the phasing of revenues between FY27 and FY28.

International traction offers a partial offset

FY26 is emerging as a strong year for SIGA's international business, with $13.0m of TPOXX deliveries across Asia-Pacific and Europe in 9M26, representing c 31% of product revenue and more than double the $5.8m recorded in 9M25. We view this as an important validation that procurement demand is broadening beyond the US, although the revenue base remains comparatively small. This momentum was reinforced by the new CDND contract in October 2026, for up to $15m of oral TPOXX through March 2031, comprising $9m of firm commitments over the first three fiscal years and a further $6m of optional purchases. Management expects an equal number of courses to be delivered in each of FY27–29, commencing in 2027. Given Canada's April–March fiscal year, calendar-year deliveries could be uneven; for now, we model $3m annually in CY27–29. The award also demonstrates repeat demand from an established customer, following completion in 2025 of CDND's previous $14m contract awarded in 2020. Management also identified another international contract in advanced negotiations, although the timelines for such announcement and subsequent deliveries are undisclosed as of now and we therefore include no contribution in our forecasts.

The broader European opportunity remains less mature but strategically relevant. Bavarian Nordic's new four-year UK smallpox vaccine contract provides further evidence of government willingness to fund preparedness, although European stockpiling has historically been vaccine-led. SIGA is therefore working with authorities to establish the case for antivirals as a complementary component of national stockpiles. Management acknowledged that removal of the mpox indication from TPOXX's European label has added complexity to some discussions and could lengthen procurement timelines, but does not believe it alters the longer-term smallpox opportunity, for which European and UK authorizations remain intact. The Hikma agreement provides a separate route into the Middle East and North Africa, although we currently assume no contribution from the region.

Overall, we increasingly view international procurement as a credible second growth pillar for SIGA, improving customer diversification and providing revenue visibility between larger US procurement cycles. However, at the current scale, it remains a partial rather than full offset to any meaningful slippage in US SNS replenishment.

PEP delay shifts launch expectations

While PEP remains an important lifecycle-management and commercial opportunity for SIGA, progression towards the market has been slower than expected, primarily due to delays in the initiation of the sample analysis at the US Centers for Disease Control and Prevention. On the Q326 call, management disclosed that, following a recent FDA meeting, SIGA has been asked to complete additional assay validation and related laboratory work before progressing the sample analysis.. Management is therefore now targeting a supplemental New Drug Application filing in 2028, versus H127 previously.

For now, we view this as a timing setback rather than a change in the underlying PEP opportunity, and defer our launch assumption by six months to H228. We retain our 50% probability of success, although the additional regulatory work introduces greater execution uncertainty and any further delays would warrant reassessment of both our launch timing and risk assumptions.

Pediatric readout offers nearer-term catalyst

Phase I results for the pediatric liquid formulation remain targeted for year-end 2026. Backed by $13.2m of BARDA development funding, the program could extend TPOXX coverage to children weighing less than 13kg and improve the completeness of the US medical-countermeasure stockpile. The next regulatory steps remain dependent on the readout. Its strategic value is clear, but we regard it as incremental franchise protection rather than a substantial commercial prospect. We continue to model a 2028 market launch.

Valuation

Following the Q326 results, we roll forward our model and incorporate the revisions discussed above. We now expect a new US procurement RFP in Q127, supporting initial TPOXX deliveries in 2027 (to be reviewed with the FY26 results should the RFP be delayed further). For PEP, we push our launch assumption back by six months to H228, while maintaining our pediatric timelines. Incorporating these changes and the latest cash position, our valuation adjusts modestly to $808m or $11.24/share, from $831m or $11.57/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	209
TPOXX (Canada)	Treatment of smallpox	On market	100%	2020	6	7
TPOXX US IV and pediatric formulations	Treatment of smallpox	IV (approved May 2022), pediatric (being formulated)	50–100%	2022-2028	31	16
TPOXX US PEP	Post-exposure prophylaxis following exposure to smallpox	Development	50%	H228	123	148
TPOXX EU, Japan, Korea, Australia	Treatment of smallpox	Approved	100%	2022	186	271
Commercialization of TPOXX, PEP Europe, Asia	Post-exposure prophylaxis following exposure to smallpox	Development	50%	H228	37	41
Total						**691**
Net Cash (Q326) ($m)						116
Total firm value ($m)						**808**
Total basic shares (m) outstanding						71.8
Value per basic share ($)						**11.24**

Source: Edison Investment Research

Exhibit 2: Financial summary

$000s	2023	2024	2025	2026e	2027e
Year end 31 December	US GAAP	US GAAP	US GAAP	US GAAP	US GAAP
PROFIT & LOSS					
Revenue	**139,917**	**138,719**	**94,575**	**53,552**	**157,934**
Of which Product revenue	130,668	133,330	88,048	43,109	145,402
Of which R&D revenue	9,249	5,389	6,527	10,443	12,531
Cost of Sales	(17,825)	(31,289)	(29,704)	(21,818)	(18,839)
Gross Profit on product sales	**112,843**	**102,041**	**58,344**	**21,291**	**126,564**
Research & Development	(16,428)	(12,311)	(19,956)	(15,815)	(18,977)
General & Administrative	(22,043)	(25,136)	(21,213)	(18,906)	(24,326)
EBITDA	**84,159**	**70,522**	**24,265**	**(2,424)**	**96,355**
Operating profit (before amort. and excepts.)	**83,621**	**69,983**	**23,702**	**(2,987)**	**95,792**
Net Interest	4,156	6,087	6,680	4,649	4,633
Exceptionals	0	0	0	0	0
Profit Before Tax (norm)	**87,777**	**76,070**	**30,382**	**1,662**	**100,426**
Profit Before Tax (reported)	**87,777**	**76,070**	**30,382**	**1,662**	**100,426**
Tax	(19,708)	(16,856)	(7,103)	(399)	(24,102)
Profit After Tax (norm)	**68,069**	**59,214**	**23,279**	**1,263**	**76,323**
Profit After Tax (reported)	**68,069**	**59,214**	**23,279**	**1,263**	**76,323**
Average Number of Shares Outstanding (m)	71.4	71.3	71.5	71.7	71.8
EPS - normalized ($), basic	0.95	0.83	0.33	0.02	1.06
EPS - normalised fully diluted ($)	0.95	0.82	0.32	0.02	1.06
EPS - reported ($)	0.95	0.83	0.33	0.02	1.06
DPS - reported ($)	0.45	0.60	0.60	0.60	0.60
Gross Margin (%)	86.4	76.5	66.3	49.4	87.0
EBITDA Margin (%)	60.1	50.8	25.7	(4.5)	61.0
Operating Margin (before GW and except.) (%)	59.8	50.4	25.1	(5.6)	60.7
BALANCE SHEET					
Fixed Assets	**15,362**	**13,292**	**6,611**	**6,403**	**6,195**
Intangible Assets	898	898	898	898	898
Tangible Assets	1,332	1,298	1,091	883	676
Other	13,132	11,095	4,621	4,621	4,621
Current Assets	**238,991**	**231,045**	**212,857**	**164,336**	**201,612**
Stocks	64,218	49,564	49,055	39,244	41,206
Debtors	21,131	21,166	3,264	6,527	7,180
Cash	150,146	155,400	154,966	115,836	144,024
Other	3,496	4,915	5,572	2,728	9,201
Current Liabilities	**(54,118)**	**(25,332)**	**(17,993)**	**(7,623)**	**(7,795)**
Creditors	(1,456)	(1,340)	(825)	(695)	(867)
Short term borrowings	0	0	0	0	0
Other	(52,661)	(23,991)	(17,168)	(6,928)	(6,928)
Long Term Liabilities	**(3,376)**	**(3,201)**	**(2,653)**	**(2,653)**	**(2,653)**
Other long term liabilities	(3,376)	(3,201)	(2,653)	(2,653)	(2,653)
Net Assets	**196,859**	**215,805**	**198,822**	**160,462**	**197,359**
Minority Interests	0	0	0	0	0
Shareholder equity	**196,859**	**215,805**	**198,822**	**160,462**	**197,359**
CASH FLOW					
Operating Cash Flow	**94,799**	**48,762**	**43,471**	**4,531**	**71,653**
Capex	(22)	(42)	(355)	(355)	(355)
Acquisitions/disposals	0	0	0	0	0
Financing	0	0	0	0	0
Dividends	(32,135)	(42,665)	(43,117)	(43,307)	(43,110)
Other (including share buybacks)	(11,287)	(800)	(434)	0	0
Net Cash Flow	51,355	5,254	(434)	(39,130)	28,188
Opening net debt/(cash)	**(98,791)**	**(150,146)**	**(155,400)**	**(154,966)**	**(115,836)**
Exchange rate movements	0	0	0	0	0
Closing net debt/(cash)	**(150,146)**	**(155,400)**	**(154,966)**	**(115,836)**	**(144,024)**

Source: Company documents, Edison Investment Research

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