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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 March 31, 2022

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	**13-3864870**
(State or other jurisdiction of incorporation or organization)	(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 ☐	Accelerated filer ☒
Non-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 April 18, 2022, the registrant had outstanding 72,406,667 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)

	March 31, 2022	December 31, 2021
ASSETS		
Current assets		
Cash and cash equivalents	$ 153,259,914	$ 103,138,819
Accounts receivable	5,338,900	83,650,450
Inventory	16,277,501	19,510,379
Prepaid expenses and other current assets	2,232,989	2,453,444
Total current assets	177,109,304	208,753,092
Property, plant and equipment, net	2,238,431	2,365,957
Deferred income taxes, net	4,035,141	2,422,607
Goodwill	898,334	898,334
Other assets	265,433	286,585
Total assets	$ 184,546,643	$ 214,726,575
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 1,778,359	$ 2,028,004
Accrued expenses and other current liabilities	4,653,420	9,252,812
Income tax payable	808,771	19,207,042
Total current liabilities	7,240,550	30,487,858
Warrant liability	6,170,337	6,521,441
Other liabilities	3,398,960	3,402,869
Total liabilities	16,809,847	40,412,168
Commitments and contingencies		
Stockholders' equity		
Common stock ($.0001 par value, 600,000,000 shares authorized, 72,566,367 and 73,543,602, issued and outstanding at March 31, 2022 and December 31, 2021, respectively)	7,256	7,354
Additional paid-in capital	226,426,529	226,070,308
Accumulated deficit	(58,696,989)	(51,763,255)
Total stockholders' equity	167,736,796	174,314,407
Total liabilities and stockholders' equity	$ 184,546,643	$ 214,726,575

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

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

	Three Months Ended March 31,	
	2022	**2021**
Revenues		
Product sales and supportive services	$ 7,320,872	$ 3,523,343
Research and development	3,218,427	1,290,401
Total revenues	10,539,299	4,813,744
Operating expenses		
Cost of sales and supportive services	4,720,116	250,848
Selling, general and administrative	3,518,030	4,056,184
Research and development	3,546,776	2,302,785
Patent expenses	193,258	193,334
Total operating expenses	11,978,180	6,803,151
Operating loss	(1,438,881)	(1,989,407)
Gain from change in fair value of warrant liability	351,104	918,801
Other income, net	23,322	25,568
Loss before income taxes	(1,064,455)	(1,045,038)
Benefit for income taxes	703,406	232,933
Net and comprehensive loss	$ (361,049)	$ (812,105)
Basic loss per share	$ (0.00)	$ (0.01)
Diluted loss per share	$ (0.01)	$ (0.02)
Weighted average shares outstanding: basic	73,070,565	76,757,010
Weighted average shares outstanding: diluted	73,883,058	77,572,587

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

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

	Three Months Ended March 31,	
	2022	**2021**
Cash flows from operating activities:		
Net loss	$ (361,049)	$ (812,105)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and other amortization	127,526	130,826
Gain on change in fair value of warrant liability	(351,104)	(918,801)
Stock-based compensation	368,754	246,412
Write down of inventory, net	135,471	—
Deferred income taxes, net	(1,612,534)	(28,541)
Changes in assets and liabilities:		
Accounts receivable	78,311,550	(660,996)
Inventory	3,097,407	(144,852)
Prepaid expenses and other assets	241,607	419,395
Accounts payable, accrued expenses and other liabilities	(1,881,714)	(3,330,241)
Income tax payable	(18,398,271)	—
Deferred revenue	(2,971,232)	292,591
Net cash provided by/(used in) operating activities	56,706,411	(4,806,312)
Cash flows from investing activities:		
Capital expenditures	—	(13,724)
Cash used in investing activities	—	(13,724)
Cash flows from financing activities:		
Payment of employee tax obligations for common stock tendered	(12,533)	(13,361)
Repurchase of common stock	(6,572,783)	(6,529,348)
Cash used in financing activities	(6,585,316)	(6,542,709)
Net increase/(decrease) in cash, cash equivalents and restricted cash	50,121,095	(11,362,745)
Cash, cash equivalents and restricted cash at the beginning of period	103,138,819	117,890,240
Cash and cash equivalents at end of period	$ 153,259,914	$ 106,527,495

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 (the "SEC") 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, 2021, included in the Company's 2021 Annual Report on Form 10-K filed on March 3, 2022 (the "2021 Form 10-K"). All terms used but not defined elsewhere herein have the meaning ascribed to them in the 2021 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 2021 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 months ended March 31, 2022 are not necessarily indicative of the results expected for the full year.

2. Summary of Significant Accounting Policies

Revenue Recognition
All of the Company's revenue is derived from long-term contracts that span multiple years. 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. As of March 31, 2022, the Company's active performance obligations, for the contracts outlined in Note 3, consist of the following: five performance obligations relate to research and development services; three relate to manufacture and delivery of product; and one is associated with storage of product. The aggregate amount of the transaction price allocated to remaining performance obligations was $59.9 million as of March 31, 2022. Remaining performance obligations represent the transaction price for which work has not been performed and excludes unexercised contract options. The Company expects to recognize this amount as revenue within the next three years as the specific timing for satisfying performance obligations is subjective and largely 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. 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 March 31, 2022, the accounts receivable balance in the condensed balance sheet includes approximately $1.3 million of unbilled receivables. This amount includes net proceeds (net of Meridian (as defined below) fee) from international sales, which are billed and collected by Meridian and paid to SIGA. 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 general and administrative costs. 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 three months ended March 31, 2022, the Company recognized $2.9 million of revenue that was included in deferred revenue at the beginning of the period.

Repurchase of shares
When shares recognized as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognized as a deduction from equity. The excess of the purchase price above par value of repurchased shares that are retired is presented as an increase to accumulated deficit (or a reduction of retained earnings, if any).

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 the intravenous (IV) formulation of TPOXX® (“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 March 31, 2022, 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 $239.7 million of payments are related to exercised options and up to approximately $311.1 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 advanced development of IV TPOXX®; and payments of approximately $0.6 million for supportive procurement activities. As of March 31, 2022, the Company has 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, $1.1 million for the delivery of IV FDP to the Strategic Stockpile and $14.3 million for other base period activities. IV BDS is being used for the manufacture of 20,000 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 the quarter ended March 31, 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 the Strategic Stockpile. As of March 31, 2022, there is a receivable of $3.2 million in connection with the delivery of IV FDP in the first quarter of 2022.

The options that have been exercised to date provide for payments up to approximately $239.7 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 $213.9 million for the delivery of up to 726,140 courses of oral TPOXX®; and payments of up to $14.6 million for funding of post-marketing activities for oral TPOXX®. As of March 31, 2022, the Company has delivered approximately $225.1 million (including the value of raw materials) of oral TPOXX® to the Strategic Stockpile, of which approximately $112.5 million was delivered in 2021; and $7.5 million has been received or billed for in connection with post-marketing activities for oral TPOXX®.

Unexercised options specify potential payments up to approximately $311.1 million in total (if all such options are exercised). There are options for the following activities: payments of up to $225.1 million for the delivery of oral TPOXX® to the Strategic Stockpile; payments of up to $76.8 million for the manufacture of courses of IV FDP, of which up to $30.7 million of payments would be paid upon 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 approximately $5.6 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). If BARDA decides to only exercise IV BDS Options, then the Company would receive payments up to $30.7 million; alternatively, if BARDA decides to exercise both IV BDS Options and IV FDP Options, then the Company would receive payments up to $76.8 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 March 31, 2022 and 2021, the Company recognized revenues of $0.7 million and $0.8 million, respectively, on an over time basis. Revenue recognized for product delivery, and therefore at a point in time, for the three months ended March 31, 2022 was $7.2 million. In contrast, no revenue was recognized for product delivery, and therefore no revenue was recognized at a point in time, for the three months ended March 31, 2021.

International Procurement Contracts

On March 30, 2022, a contract (the "Contract") was awarded to Meridian Medical Technologies, Inc. ("Meridian") by an international jurisdiction under which procurement of approximately $2.8 million of oral TPOXX® courses was ordered. The Company expects to deliver oral TPOXX® under this order in 2022.

On January 13, 2021, the Public Health Agency of Canada ("PHAC") awarded a contract to Meridian (the "PHAC Contract") for the purchase of up to approximately $33 million of oral TPOXX® (tecovirimat) within five years. In March 2022, PHAC executed an amendment in which total procurement of oral TPOXX® under the PHAC Contract was increased to an amount of up to $38 million, including an order for approximately $13 million of oral TPOXX® that is targeted for delivery in 2022. As of March 31, 2022, approximately $10 million of oral TPOXX® courses had been delivered to and accepted by PHAC in the first six months of 2021. Following delivery under the outstanding order, the remaining $15 million of courses under the PHAC Contract are targeted for delivery after March 31, 2023 and are subject to option exercise by PHAC.

On April 3, 2020, the Company announced that the Canadian Department of National Defence ("CDND") awarded a contract (the "Canadian Military Contract") to Meridian, pursuant to which the CDND would purchase up to approximately $14 million of oral TPOXX® over four years. In the second quarter of 2020, CDND purchased approximately $2 million of oral TPOXX®. In the third quarter of 2021, CDND purchased another approximately $2 million of oral TPOXX® courses. The remaining purchases are at the option of the CDND.

The above-listed contract awards were coordinated between SIGA and Meridian under the international promotion agreement (as amended, the "International Promotion Agreement") that was entered into by the parties on June 3, 2019. 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, 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.

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 years in which customer invoiced 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 years in which such net invoiced 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 months ended March 31, 2022, the Company did not recognize revenues related to international contracts. During the three months ended March 31, 2021, the Company recognized $3.4 million of revenue for delivery to PHAC.

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 U.S. Department of Defense ("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 $26 million. The period of performance for this contract, as modified, terminates on April 30, 2024. As of March 31, 2022, the PEP Label Expansion R&D Contract provided for future aggregate research and development funding under the award, as modified, of up to $21.9 million. 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 March 31, 2022 and 2021, the Company, under the PEP Label Expansion R&D Contract, recognized revenue of $2.3 million and $0.1 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.

4. Inventory

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

	As of	
	March 31, 2022	December 31, 2021
Raw materials	$ 22,047	$ 22,047
Work in-process	14,720,449	17,453,358
Finished goods	1,535,005	2,034,974
Inventory	$ 16,277,501	$ 19,510,379

For the three months ended March 31, 2022, cost of goods sold included a net inventory-related loss of $0.1 million. This loss related to a $0.2 million inventory write-down, partially offset by a credit from a contract manufacturing organization ("CMO") in connection with the inventory write-down.

5. Property, Plant and Equipment

Property, plant and equipment consisted of the following:

	As of	
	March 31, 2022	December 31, 2021
Leasehold improvements	$ 2,420,028	$ 2,420,028
Computer equipment	473,386	511,062
Furniture and fixtures	377,859	377,859
Operating lease right-of-use assets	3,678,647	3,678,647
	6,949,920	6,987,596
Less - accumulated depreciation and amortization	(4,711,489)	(4,621,639)
Property, plant and equipment, net	$ 2,238,431	$ 2,365,957

Depreciation and amortization expense on property, plant, and equipment was $0.1 million for each of the three months ended March 31, 2022 and 2021.

6. Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following:

	As of	
	March 31, 2022	December 31, 2021
Research and development vendor costs	$ 868,837	$ 256,397
Deferred revenue	793,464	3,764,696
Other	753,540	558,362
Compensation	716,680	2,811,700
Lease liability, current portion	486,752	466,830
Professional fees	457,206	527,026
Vacation	446,873	379,720
Inventory	130,068	488,081
Accrued expenses and other current liabilities	$ 4,653,420	$ 9,252,812

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. The Warrant provides for weighted average anti-dilution protection and is exercisable in whole or in part for ten (10) years from the date of issuance. 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. Taking into account partial exercises of the Warrant, there were approximately 1.0 million shares underlying the outstanding Warrant as of March 31, 2022.

The Company accounts for the Warrant in accordance with the authoritative guidance, which requires that free-standing derivative financial instruments with certain anti-dilution and cash settlement features be classified as assets or liabilities at the time of the transaction and recorded at their fair value. Any changes in the fair value of the derivative instruments are reported in earnings or loss as long as the derivative contracts are classified as assets or liabilities. The Company classified the Warrant as a liability and reports the change in fair value in the statement of operations.

Under the terms of the Warrant, in the event of a declaration of a cash dividend, the Lender is entitled to receive a cash payment that is equivalent to the dividend that would have been received if the Warrant had been fully exercised immediately prior to the dividend record date.

As of March 31, 2022, the fair value of the Warrant was $6.2 million. The fair value of the liability-classified Warrant was calculated using the following assumptions: risk free interest rate of 2.43%; no dividend yield; an expected life of 4.4 years; and a volatility factor of 60%.

As of December 31, 2021, the fair value of the Warrant was $6.5 million. The fair value of the liability-classified Warrant was calculated using the following assumptions: risk free interest rate of 1.21%; no dividend yield; an expected life of 4.7 years; and a volatility factor of 55%.

8. Fair Value of Financial Instruments

The carrying value of 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. Common stock warrants, which are classified as a liability, are 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.

The Company uses model-derived valuations where certain inputs are unobservable to third parties to determine the fair value of certain common stock warrants on a recurring basis and classifies such liability-classified warrants in Level 3. As described in Note 7, the fair value of the liability classified warrant was $6.2 million at March 31, 2022.

There were no transfers between levels of the fair value hierarchy for the three months ended March 31, 2022. As of each of March 31, 2022 and December 31, 2021, the Company had approximately $0.1 million of cash equivalents classified as Level 1 financial instruments. There were no Level 2 financial instruments as of March 31, 2022.

The following table presents changes in the liability-classified warrant measured at fair value using Level 3 inputs:

	Fair Value Measurements of Level 3 liability-classified warrant
Warrant liability at December 31, 2021	$ 6,521,441
Decrease in fair value of warrant liability	(351,104)
Exercise of warrants	—
Warrant liability at March 31, 2022	$ 6,170,337

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 March 31,	
	2022	2021
Net loss for basic earnings per share	$ (361,049)	$ (812,105)
Less: Gain from change in fair value of warrants	351,104	918,801
Net loss, adjusted for change in fair value of warrants for diluted earnings per share	$ (712,153)	$ (1,730,906)
Weighted-average shares	73,070,565	76,757,010
Effect of potential common shares	812,493	815,577
Weighted-average shares: diluted	73,883,058	77,572,587
Loss per share: basic	$ (0.00)	$ (0.01)
Loss per share: diluted	$ (0.01)	$ (0.02)

For the three months ended March 31, 2022 and 2021, 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 March 31,	
	2022	2021
Warrants	—	—
Stock options	150,000	186,191
Restricted stock units (1)	325,903	163,946

(1) For the three months ended March 31, 2022, this includes 54,792 units which are expected to settle in cash.

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 March 31, 2022, the Company had approximately $22.7 million of purchase commitments associated with manufacturing obligations.

11. Related Party Transactions

Board of Directors and Outside Counsel

A former member of the Company's Board of Directors who did not stand for re-election at the Company's 2021 annual meeting of stockholders is a partner at a law firm used by the Company. The Company did not incur any expenses related to services provided by the outside counsel during the three months ended March 31, 2022. During the three months ended March 31, 2021, the Company incurred $0.1 million of expenses related to services provided by the outside counsel. The Company had no outstanding payables or accrued expenses related to services performed by the outside counsel as of March 31, 2022.

Real Estate Leases

On May 26, 2017, the Company and MacAndrews & Forbes Incorporated ("M&F") entered into a ten-year Office Lease agreement (the "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 HQ Lease as its new corporate headquarters. The Company's rental obligations consist 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 will pay 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 months ended March 31, 2022, the Company paid expenses associated with this lease of $0.1 million.

12. 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 March 31, 2022 and 2021, we incurred pre-tax losses of $1.1 million and $1.0 million, respectively, and a corresponding income tax benefit of $0.7 million and $0.2 million, respectively.

The effective tax rate for the three months ended March 31, 2022 was 66.1% compared to 22.3% for the three months ended March 31, 2021. The effective tax rate for the three months ended March 31, 2022 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 Section 162(m) and a non-taxable adjustment for the fair market value of the Warrant.

13. Equity

The tables below present changes in stockholders' equity for the three months ended March 31, 2022 and 2021.

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Other Comprehensive Income	Total Stockholders' Equity
	Shares	Amount				
Balances at December 31, 2021	73,543,602	$ 7,354	$226,070,308	$(51,763,255)	$ —	$174,314,407
Net loss		—	—	(361,049)	—	(361,049)
Repurchase of common stock	(979,802)	(98)	—	(6,572,685)	—	(6,572,783)
Payment of common stock tendered for employee stock-based compensation tax obligations	(1,973)	—	(12,533)	—	—	(12,533)
Issuance of common stock upon vesting of RSUs	4,540	—	—	—	—	—
Stock-based compensation	—	—	368,754	—	—	368,754
Balances at March 31, 2022	72,566,367	$ 7,256	$226,426,529	$(58,696,989)	$ —	$167,736,796

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Other Comprehensive Income	Total Stockholders' Equity
	Shares	Amount				
Balances at December 31, 2020	77,195,704	$ 7,720	$224,978,430	$ (95,192,881)	$ —	$129,793,269
Net loss	—	—	—	(812,105)	—	(812,105)
Repurchase of common stock	(957,905)	(95)	—	(6,529,253)	—	(6,529,348)
Payment of common stock tendered for employee stock-based compensation tax obligations	(1,902)	—	(13,361)	—	—	(13,361)
Issuance of common stock upon vesting of RSUs	4,542	—	—	—	—	—
Stock-based compensation	—	—	246,412	—	—	246,412
Balances at March 31, 2021	76,240,439	$ 7,625	$225,211,481	$(102,534,239)	$ —	$122,684,867

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 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. During the three months ended March 31, 2022, the Company repurchased approximately 1.0 million shares of common stock under the New Repurchase Authorization for approximately $6.6 million.

Prior to the effective date of the New Repurchase Authorization, the Company repurchased shares under a program that was announced in March 2020. Under this program, $50 million of the Company's common stock was repurchased, including approximately 1.0 million shares of common stock for approximately $6.5 million that was repurchased during the three months ended March 31, 2021.

14. 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 2021.

On May 26, 2017 the Company and M&F entered into the 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 HQ Lease as its corporate headquarters. The Company has no leases that qualify as finance leases.

Operating lease costs totaled $0.1 million for each of the three months ended March 31, 2022 and 2021. Cash paid for amounts included in the measurement of lease liabilities from operating cash flows was $0.2 million and $0.1 million for the three months ended March 31, 2022 and 2021, respectively. As of March 31, 2022, the weighted-average remaining lease term of the Company's operating leases was 4.33 years while the weighted-average discount rate was 4.53%.

Future cash flows under operating leases as of March 31, 2022 are expected to be as follows:

2022	$	425,980
2023		669,048
2024		678,627
2025		406,994
2026		409,971
Thereafter		165,916
Total undiscounted cash flows under leases		2,756,536
Less: Imputed interest		(280,210)
Present value of lease liabilities	$	2,476,326

As of March 31, 2022, approximately $2.0 million of the lease liability is included in Other liabilities on the condensed consolidated balance sheet with the current portion included in accrued expenses.

15. Subsequent Event

On May 5, 2022, the Board of Directors declared a special dividend of $0.45 per share on the common stock of the Company. The special dividend is payable on June 2, 2022 to shareholders of record at the close of business on May 17, 2022.

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 3, 2022 (the "2021 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 "Safe Harbor Statement" at the end of this Item 2.

Overview

We are a commercial-stage pharmaceutical company. Our lead product, TPOXX® ("oral 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.

Oral TPOXX® is a novel, patented drug that is easy to store, transport and administer. Oral TPOXX® labeling, approved by the FDA, limits sales of oral TPOXX® in the U.S. to those for the U.S. Strategic National Stockpile ("Strategic Stockpile"). The Company has been delivering oral TPOXX® to the Strategic Stockpile since 2013.

On December 1, 2021, the Company announced that Health Canada approved oral tecovirimat as an extraordinary use drug.

On January 10, 2022, a Marketing Authorisation Application ("MAA") with the European Medicines Agency ("EMA") for oral tecovirimat was approved. The MAA was filed under the centralized application process, which authorized the sale of oral tecovirimat in European Union member states, as well as Norway (which granted separate follow-on approval), Iceland, and Liechtenstein. The EMA approved label indication covers the treatment of smallpox, monkeypox, cowpox, and vaccinia complications following vaccination against smallpox.

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

For the intravenous formulation of TPOXX® ("IV TPOXX®"), SIGA filed a New Drug Application ("NDA") with the FDA on April 30, 2021. Based on its review of the NDA, the FDA will decide whether to approve IV TPOXX® and whether to impose any marketing restrictions or require additional post-approval clinical studies. The Company is targeting the second quarter of 2022 for completion of this review process. There can be no assurance that any approval will be granted on a timely basis, if at all.

COVID-19 Pandemic

The COVID-19 pandemic has caused significant societal and economic disruption. Such disruption, and the associated risks and costs, are expected to continue for an indeterminate period of time. Given the uncertain future course of the COVID-19 pandemic, and the uncertain scale and scope of its future direct and indirect impact, the Company is continually reviewing business and financial risks related to the pandemic and seeking coordination with its government partners with respect to the performance of current and future government contracts. Additionally, the Company is continually coordinating with service providers and vendors, in particular Contract Manufacturing Organizations ("CMOs") that constitute our supply chain, with respect to actions and risks caused by the COVID-19 pandemic.

As of the filing date of this report, the Company has not identified or been notified by government customers of impediments to the continued full performance of their government contracts. With regard to day-to-day operations, the COVID-19 pandemic, and the secondary effects of the pandemic, have at times slowed the daily pace of execution of government contracts as well as new contract generation. For example, U.S. and foreign government staffs overseeing health security preparedness have been involved directly or indirectly in governmental responses to the pandemic, which has diverted government staff time that might normally have been directed toward contract matters involving SIGA. Additionally, the COVID-19 pandemic, and the secondary effects of the pandemic have increased the risk of delays in connection with a broad range of operational activities, including: supply chain procurement of raw materials and manufacturing; and certain research and development activities, such as those that involve clinical trials. While the Company does not currently expect any pandemic-related delays in such operational activities to have a material adverse impact on the financial condition of the Company or its long-term performance, the Company cannot give assurances as to the full extent of the impact at this time.

Overall, while the COVID-19 pandemic has not adversely affected the liquidity position of the Company, the pandemic has diverted foreign government staff time normally directed toward contract matters involving SIGA and has affected and could continue to affect the timing of international contract awards for oral TPOXX®. Additionally, although SIGA has completed delivery of TPOXX® courses covered by the procurement option exercised in 2021, the pandemic could result in a slower pace of future product deliveries if the pandemic results in shortages or delays in the receipt by the supply chain of raw materials or supplies. Furthermore, Executive Order 14042 by the President of the United States, which subjects federal prime contractors and subcontractors to certain vaccination requirements and other COVID-19 related safety measures, could have a material impact on the availability and/or timing of services provided to SIGA by certain vendors for supply chain activities and research and development activities. The mandate has been challenged in several cases that are currently pending, and in at least one case a preliminary nationwide injunction has barred enforcement of the mandate while the cases are being pursued. The future outcome of such litigation is uncertain, and consequently the prospective scope and enforceability of the underlying vaccine mandate as it applies to federal contractors and subcontractors, is not known at this time. If the general negative effect of the COVID-19 pandemic becomes more acute, including due to resurgences in infections or lack of vaccination, there could be material adverse effects to our business and cash flows.

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 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 the intravenous (IV) formulation of TPOXX® (“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 March 31, 2022, 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 $239.7 million of payments are related to exercised options and up to approximately $311.1 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 advanced development of IV TPOXX®; and payments of approximately $0.6 million for supportive procurement activities. As of March 31, 2022, the Company has 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, $1.1 million for the delivery of IV FDP to the Strategic Stockpile and $14.3 million for other base period activities. IV BDS is being used for the manufacture of 20,000 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 the quarter ended March 31, 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 the Strategic Stockpile. As of March 31, 2022, there is a receivable of $3.2 million in connection with the delivery of IV FDP in the first quarter of 2022.

The options that have been exercised to date provide for payments up to approximately $239.7 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 $213.9 million for the delivery of up to 726,140 courses of oral TPOXX®; and payments of up to $14.6 million for funding of post-marketing activities for oral TPOXX®. As of March 31, 2022, the Company has delivered approximately $225.1 million (including the value of raw materials) of oral TPOXX® to the Strategic Stockpile, of which approximately $112.5 million was delivered in 2021; and $7.5 million has been received or billed for in connection with post-marketing activities for oral TPOXX®.

Unexercised options specify potential payments up to approximately $311.1 million in total (if all such options are exercised). There are options for the following activities: payments of up to $225.1 million for the delivery of oral TPOXX® to the Strategic Stockpile; payments of up to $76.8 million for the manufacture of courses of IV FDP, of which up to $30.7 million of payments would be paid upon 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 approximately $5.6 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). If BARDA decides to only exercise IV BDS Options, then the Company would receive payments up to $30.7 million; alternatively, if BARDA decides to exercise both IV BDS Options and IV FDP Options, then the Company would receive payments up to $76.8 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 IV FDP Options were 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 940,000 courses of smallpox antiviral treatment would need to be delivered to the U.S. Government between 2022 and 2024 in order to maintain stockpile levels of unexpired smallpox antiviral treatment during this period.

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 U.S. Department of Defense ("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 $26 million. The period of performance for this contract, as modified, terminates on April 30, 2024. As of March 31, 2022, the PEP Label Expansion R&D Contract provided for future aggregate research and development funding under the award, as modified, of up to $21.9 million. 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.

International Procurement Contracts

On March 30, 2022, a contract (the "Contract") was awarded to Meridian Medical Technologies, Inc. ("Meridian") by an international jurisdiction under which procurement of approximately $2.8 million of oral TPOXX® courses was ordered. The Company expects to deliver oral TPOXX® under this order in 2022.

On January 13, 2021, the Public Health Agency of Canada ("PHAC") awarded a contract to Meridian (the "PHAC Contract") for the purchase of up to approximately $33 million of oral TPOXX® (tecovirimat) within five years. In March 2022, PHAC executed an amendment in which total procurement of oral TPOXX® under the PHAC Contract was increased to an amount of up to $38 million, including an order for approximately $13 million of oral TPOXX® that is targeted for delivery in 2022. As of March 31, 2022, approximately $10 million of oral TPOXX® courses had been delivered to and accepted by PHAC in the first six months of 2021. Following delivery under the outstanding order, the remaining $15 million of courses under the PHAC Contract are targeted for delivery after March 31, 2023 and are subject to option exercise by PHAC.

On April 3, 2020, the Company announced that the Canadian Department of National Defence ("CDND") awarded a contract (the "Canadian Military Contract") to Meridian, pursuant to which the CDND would purchase up to approximately $14 million of oral TPOXX® over four years. In the second quarter of 2020, CDND purchased approximately $2 million of oral TPOXX®. In the third quarter of 2021, CDND purchased another approximately $2 million of oral TPOXX® courses. The remaining purchases are at the option of the CDND.

The above-listed contract awards were coordinated between SIGA and Meridian under the international promotion agreement (as amended, the "International Promotion Agreement") that was entered into by the parties on June 3, 2019. 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.

International Promotion Agreement

Under the terms of the International Promotion Agreement, 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.

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 years in which customer invoiced 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 years in which such net invoiced amounts exceed the specified threshold. 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® 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%. 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).

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 2021 Form 10-K. Our most critical accounting estimates include revenue recognition over time, the valuation of stock-based awards including options and warrants granted or issued by the Company and income taxes.

Results of Operations

Three Months Ended March 31, 2022 and 2021

For the three months ended March 31, 2022, revenues from product sales and supportive services were $7.3 million. Such revenues primarily relate to sales of IV TPOXX® to the U.S. Government under the 19C BARDA Contract. For the three months ended March 31, 2021, revenues from product sales and supportive services were $3.5 million. Such revenues relate to international sales of oral TPOXX®.

Revenues from research and development activities for the three months ended March 31, 2022 and 2021, were $3.2 million and $1.3 million, respectively. The increase of $1.9 million of revenue is primarily related to clinical trial activity under the PEP Label Expansion R&D Contract in connection with the PEP development program.

Cost of sales and supportive services for the three months ended March 31, 2022 and 2021 were $4.7 million and $0.3 million, respectively. Such costs in 2022 were primarily associated with the manufacture and delivery of courses of IV TPOXX® to the U.S. Government. Such costs in 2021 were associated with the manufacture and delivery of courses of oral TPOXX® in connection with international sales.

Selling, general and administrative ("SG&A") expenses for the three months ended March 31, 2022 and 2021 were $3.5 million and $4.1 million, respectively. The decrease of approximately $0.6 million or 13% primarily reflects promotion fees paid in connection with international sales in the three months ended March 31, 2021.

Research and development ("R&D") expenses for the three months ended March 31, 2022 and 2021 were $3.5 million and $2.3 million, respectively, reflecting an increase of approximately $1.2 million, or 54%. The increase is primarily attributable to an increase in direct vendor-related expenses incurred to support revenues generated pursuant to the PEP Label Expansion R&D Contract.

Patent expenses were $0.2 million for each of the three months ended March 31, 2022 and 2021. These expenses reflect our ongoing efforts to protect our lead drug candidates in various geographic territories.

Changes in the fair value of the liability-classified warrant to acquire common stock were recorded within the statement of operations. For the three months ended March 31, 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. For the three months ended March 31, 2021, we recorded a gain of approximately $0.9 million, reflecting a decrease in the fair value of the liability-classified warrant primarily due to the decrease in our stock price.

For the three months ended March 31, 2022 and 2021, we incurred pre-tax losses of $1.1 million and $1.0 million, respectively, and a corresponding income tax benefit of $0.7 million and $0.2 million, respectively. The effective tax rates during the three months ended March 31, 2022 and 2021 were 66.1% and 22.3%, respectively. Our effective tax rate for the periods ended March 31, 2022 and 2021 differ 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 March 31, 2022, we had $153.3 million in cash and cash equivalents compared with $103.1 million at December 31, 2021.

Operating Activities

We prepare our condensed consolidated statement of cash flows using the indirect method. Under this method, we reconcile net income/(loss) to cash flows from operating activities by adjusting net income/(loss) for those items that impact net income/(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/(used in) operating activities for the three months ended March 31, 2022 and 2021 was $56.7 million and ($4.8) million, respectively. For the three months ended March 31, 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 net cash usage primarily related to manufacturing of inventory and customary operating activities. For the three months ended March 31, 2021, net cash usage related to support of ordinary working capital (accounts receivable, accounts payable, inventory, and prepaids, among other items) and customary operating activity was partially offset by the receipt of cash from international sales.

Investing Activities

There was no cash-related investing activity for the three months ended March 31, 2022. For the three months ended March 31, 2021, we used cash of $13,724 for capital expenditures.

Financing Activities

Cash used in financing activities for the three months ended March 31, 2022 was $6.6 million, which was substantially all attributable to our repurchase of approximately 1.0 million shares of common stock. Cash used in financing activities for the three months ended March 31, 2021 was $6.5 million, which was substantially all attributable to our repurchase of approximately 1.0 million shares of common stock.

Future Cash Requirements

As of March 31, 2022, we had outstanding purchase orders associated with manufacturing obligations in the aggregate amount of approximately $22.7 million.

On May 5, 2022, the Board of Directors declared a special dividend of $0.45 per share on the common stock of the Company. The special dividend is payable on June 2, 2022 to shareholders of record at the close of business on May 17, 2022.

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.

Safe Harbor Statement

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, and Section 21E of 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 and the enforceability of our procurement contracts, including the 19C BARDA Contract (the "BARDA Contracts"), with BARDA. The words or phrases "can be," "expects," "may affect," "may depend," "believes," "estimate," "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 Contracts, 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 Contracts on schedule or in accordance with contractual terms, (iii) the risk that the BARDA Contracts 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 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 SIGA or its collaborators will not obtain appropriate or necessary governmental approvals to market these or other potential products or uses, (vii) the risk that SIGA may not be able to secure or enforce sufficient legal rights in its products, including intellectual property protection, (viii) 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, (ix) 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, (x) the risk that the volatile and competitive nature of the biotechnology industry may hamper SIGA's efforts to develop or market its products, (xi) 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, (xii) the effect of federal, state, and foreign regulation, including drug regulation and international trade regulation, on SIGA's businesses, (xiii) 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, and (xiv) 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, 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, 2021 and SIGA's subsequent filings with the Securities and Exchange Commission. SIGA urges investors and security holders to read those documents 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.

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. Additionally, we are subject to the impact of stock price fluctuations of our common stock in that we have a liability-classified warrant in which 1.0 million shares of SIGA common stock can be purchased at a strike price of $1.50 per share. For every $1 increase in the stock price of SIGA, the intrinsic value of the liability-classified warrant will increase by approximately $1.0 million.

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 March 31, 2022. 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 March 31, 2022.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting during the quarter ended March 31, 2022 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 2021 Annual Report on Form 10-K for the fiscal year ended December 31, 2021. There have been no material changes to the risk factors described in Part I, Item 1A "Risk Factors" of our 2021 Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

ISSUER PURCHASES OF EQUITY SECURITIES

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs	Dollar Value of Shares That May Yet Be Purchased Under the Programs
January 1, 2022 to January 31, 2022	308,400	$ 6.79	308,400	$ 43,381,015
February 1, 2022 to February 28, 2022	327,974	6.40	327,974	41,280,567
March 1, 2022 to March 31, 2022	343,428	6.92	343,428	38,902,752
	979,802	$ 6.71	979,802	

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.

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 April 14, 2016).
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	Amendment of Solicitation/Modification of Contract 000023, dated February 15, 2022, to Agreement, dated 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.
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).

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: May 5, 2022

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)

Exhibit 10.1

CONFIDENTIAL 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 | 4

2. AMENDMENT/MODIFICATION NO. P00023	3. EFFECTIVE DATE 01/14/2022	4. REQUISITION/PURCHASE REQ. NO. OS288262	5. PROJECT NO. (*if applicable*) ASPR-22-00229

6. ISSUED BY CODE HHS/OS/ASPR/BARDA	7. ADMINISTERED BY (*if other than Item 6*) CODE ASPR-BARDA02
HHS/OS/ASPR/BARDA 330 Independence Ave., S.W. Room 640-G Washington DC 20201	ASPR-BARDA 330 Independence Ave., S.W., Rm G640 Washington DC 20201

8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)	(x)	9A. AMENDMENT OF SOLICITATION NO.
SIGA TECHNOLOGIES, INC. 1385150 Attn: Kady Honeychurch SIGA TECHNOLOGIES, INC. 35 E 6 35 E 62ND ST NEW YORK NY 100658014		9B. DATED (*SEE ITEM 11*)
	x	10A. MODIFICATION OF CONTRACT/ORDER NO. HHSO100201100023C
CODE 1385150 FACILITY CODE		10B. DATED (*SEE ITEM 13*) 06/01/2011

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: $219,872.37
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 date, 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: 52.243-2 Changes – Cost Reimbursement, Alt V
	D. OTHER (*Specify type of modification and authority*)

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

1. The purpose of this cost-reimbursement type modification P00023 is to provide supplemental funding in the amount of $219,872.37 to fund budget shortages for CLIN 00005 pursuant to indirect rate redetermination and in accordance with accepted contractor revised CLIN 0005 Shortage Table received 01/14/2022.

2. The total contract amount funded under this contract (inclusive of fixed fee) is increased by $219,872.37 from $[***] to $[***]. For further provisions on funding, see the Limitations of Costs clause in PART II Section I, Clauses.

3. The overall revised contract value $[***].

4. the Contractor is hereby notified that mandatory U.S. Treasury Invoice Processing

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 E. Hruby, CSO & EVP		16A. NAME AND TITLE OF CONTRACTING OFFICER (*Type or print*) JOHN K. WARNER	
15B.	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE

CONTRACTOR/OFFEROR	15 Feb 2022	/s/ John K. Warner	SIGNED
/s/ Dennis E. Hruby (*Signature of person authorized to sign*)		(*Signature of Contracting Officer*)	02/03/2022

Previous edition unusable

STANDARD FORM 30 (REV. 11-2016)
Prescribed by GSA FAR (48 CFR) 53.243

NAME OF OFFEROR OR CONTRACTOR
SIGA TECHNOLOGIES, INC. 1385150

ITEM NO (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	Platform (IPP) invoice submittal system will be incorporated at yet an undetermined date into this contract upon formal authorization of HHS IPP clause. (See block 14 continuation sheet). 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):				
7	ASPR-17-00856 Exercise of CLINS 3 4 5 7 8 Accounting Info: 2017.1992017.25103 Appr. Yr.: 2017 CAN: 1992017 Object Class: 25103 Funded: $0.00 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: $219,872.37 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				219,872.37

5. **ARTICLE B.4 ADVANCE UNDERSTANDINGS**

The following final indirect cost rates incorporated under modification P00019 remain in effect and apply to the following item 5 and 6 supplemental funding:

- G&A: [***]
- Overhead: [***]
- Fringe: [***]

6. **ARTICLE 4.B ADVANCE UNDERSTANDINGS,** subsection j. Subcontracts/Consultant Agreements is modified as follows:

Change From		[***]			
CLIN	Scope	[***]	[***]	[***]	[***]
0005	Stability and Storage	[***]	[***]	[***]	[***]

Change To		[***]			
CLIN	Scope	[***]	[***]	[***]	[***]
0005	Stability and Storage	[***]	[***]	[***]	[***]

7. **Article B.5 – Option(s)** The pricing (to include the subcontract by Options Period Chart) is updated as follows (adjustments reflect API/Kleptose credit in the amount of **-$[***]**).

ARTICLE B.5 – OPTION(S)

Change From				[***]		
CLINS	Specified Time	Date	Description of Work	[***]	[***]	[***]
CLIN 0005	IV Option 4	12/30/2020- 12/30/2020	Scale-Up, Process Validation and DP Stability	[***]	[***]	[***]

Change To				[***]		
CLINS	Specified Time	Date	Description of Work	[***]	[***]	[***]
CLIN 0005	IV Option 4	02/08/2024- 02/08/2024	Scale-Up, Process Validation and DP Stability	[***]	[***]	[***]

8. **ARTICLE C.2. REPORTING REQUIREMENTS,** subsection b. Other Reports/Deliverables,
10. FDA Communications, Correspondence and Meeting Summaries is amended as follows:

a) Within two (2) calendar days of the submission of any communication to the FDA, send copies of the communication to the Project Officer (PO):

b) Within thirty (30) calendar days of receiving correspondence or meeting with the FDA, submit copies of correspondence or meeting minutes/summaries to the PO.

c) No mention of BARDA involvement in FDA meeting, BARDA review prior to FDA submissions, notification of FDA IRs to BARDA of correspondences in real time.
FDA Meeting Notification

a) No later than 10 business days prior to the scheduled meeting, or as soon as meeting is scheduled.

b) Contractor shall forward the dates and times of any meeting with the FDA to BARDA and arrange for appropriate BARDA staff to attend the FDA meetings.

FDA correspondence and meeting minute
Within three (3) calendar days of receiving correspondence from the FDA

FDA Submissions
a) At least fifteen (15) business days prior to submission to the FDA, or as soon as available.

b) Contractor shall provide BARDA the opportunity to review and comment upon all draft regulatory documents before submission to the FDA. Contractor shall provide BARDA with an electronic copy of the final FDA submission.

c) Contractor shall address in writing all concerns raised by BARDA before FDA submission

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:

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: May 5, 2022

/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: May 5, 2022

/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 March 31, 2022 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
May 5, 2022

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 March 31, 2022 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
May 5, 2022