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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 June 30, 2023

Or

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

For the transition period from _____ to _____

Commission File No. 0-23047

SIGA Technologies, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**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 July 24, 2023, the registrant had outstanding 71,082,944 shares of common stock, par value $.0001, per share.

SIGA TECHNOLOGIES, INC.
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PART I - FINANCIAL INFORMATION
Item 1 - Condensed Consolidated Financial Statements

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

	June 30, 2023	December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	$ 76,213,484	$ 98,790,622
Accounts receivable	6,026,887	45,406,960
Inventory	50,497,103	39,273,090
Prepaid expenses and other current assets	1,560,626	2,315,672
Total current assets	134,298,100	185,786,344
Property, plant and equipment, net	1,605,222	1,848,314
Deferred tax asset, net	7,591,743	6,250,385
Goodwill	898,334	898,334
Other assets	2,117,360	252,546
Total assets	$ 146,510,759	$ 195,035,923
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 1,081,337	$ 3,355,268
Accrued expenses and other current liabilities	17,894,986	16,852,781
Income tax payable	11,822	1,309,672
Total current liabilities	18,988,145	21,517,721
Other liabilities	3,448,558	3,358,160
Total liabilities	22,436,703	24,875,881
Commitments and contingencies		
Stockholders' equity		
Common stock ($.0001 par value, 600,000,000 shares authorized, 71,082,944 and 72,675,190, issued and outstanding at June 30, 2023 and December 31, 2022, respectively)	7,109	7,268
Additional paid-in capital	234,873,128	233,957,767
Accumulated deficit	(110,806,181)	(63,804,993)
Total stockholders' equity	124,074,056	170,160,042
Total liabilities and stockholders' equity	$ 146,510,759	$ 195,035,923

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

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Revenues				
Product sales and supportive services	$ 1,263,255	$ 8,615,765	$ 6,965,769	$ 15,936,637
Research and development	4,614,911	8,051,280	7,235,421	11,269,708
Total revenues	5,878,166	16,667,045	14,201,190	27,206,345
Operating expenses				
Cost of sales and supportive services	974,420	882,096	2,124,608	5,602,212
Selling, general and administrative	4,425,959	5,874,139	8,661,068	9,585,427
Research and development	5,116,154	6,840,099	10,162,189	10,386,876
Total operating expenses	10,516,533	13,596,334	20,947,865	25,574,515
Operating (loss)/income	(4,638,367)	3,070,711	(6,746,675)	1,631,830
Gain from change in fair value of warrant liability	—	49,559	—	400,663
Other income, net	1,190,705	72,373	2,081,334	95,694
(Loss)/income before income taxes	(3,447,662)	3,192,643	(4,665,341)	2,128,187
Benefit/(Provision) for income taxes	572,186	(1,155,581)	871,608	(452,175)
Net and comprehensive (loss)/income	$ (2,875,476)	$ 2,037,062	$ (3,793,733)	$ 1,676,012
Basic (loss)/income per share	$ (0.04)	$ 0.03	$ (0.05)	$ 0.02
Diluted (loss)/income per share	$ (0.04)	$ 0.03	$ (0.05)	$ 0.02
Weighted average shares outstanding: basic	71,090,642	72,678,333	71,640,784	72,873,366
Weighted average shares outstanding: diluted	71,090,642	73,332,888	71,640,784	73,699,226

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

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

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

The accompanying notes are an integral part of these financial statements

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

1. Condensed Consolidated Financial Statements

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

2. Summary of Significant Accounting Policies

Revenue Recognition
The Company accounts for revenue in accordance with ASC Topic 606, *Revenue from Contracts with Customers* ("ASC 606"). In all transactions, the Company is the principal as it controls the specified good or service before it is transferred to the customer and therefore recognizes revenue on a gross basis. A contract's transaction price is allocated to distinct performance obligations and recognized as revenue when, or as, a performance obligation is satisfied. The Company accounts for shipping and handling activities as fulfillment costs rather than as an additional promised service. As of June 30, 2023, the Company's active contractual performance obligations consist of the following: six performance obligations relate to research and development services; and four relate to manufacture and delivery of product. The material performance obligations are referenced in Note 3. The aggregate amount of the transaction price allocated to remaining performance obligations as of June 30, 2023 was $59.0 million. In July, two new performance obligations in connection with option exercises under the 19C BARDA Contract were added when the Company received orders from the U.S. government for the manufacture and delivery of product. The amount related to such performance obligations is $138.2 million. Remaining performance obligations represent the transaction price for which work has not been performed and excludes unexercised contract options. With respect to performance obligations related to the manufacture and delivery of product, the Company expects such obligations to be recognized as revenues within the next 24 months, with a majority of the revenues being recognized in the next six months. With respect to the performance obligations related to research and development services, the Company expects such obligations to be recognized as revenue within the next three years as the specific timing for satisfying performance obligations is subjective and at times outside the Company's control.

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

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

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

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

3. Procurement Contracts and Research Agreements

19C BARDA Contract

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

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

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

Une xercised options specify potential payments up to approximately $143.7 million in total (if all such options are exercised). There are options for the following activities: payments of up to $112.5 million for the delivery of oral TPOXX® to the Strategic Stockpile; payments of up to $25.6 million for the manufacture of courses of IV FDP, of which up to $10.2 million of payments would be paid upon the manufacture of IV BDS to be used in the manufacture of IV FDP; and payments of up to approximately $5.6 million for supportive procurement activities.

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

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

U.S. Department of Defense Procurement Contracts

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

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

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

International Procurement Contracts

As of July 31, 2023, the Company had firm commitments with two European countries for the delivery of approximately $8 million of oral TPOXX®, of which approximately $1 million of oral TPOXX® was delivered in April 2023 and approximately $7 million of oral TPOXX® was delivered in July 2023. The firm commitments noted above were originated under an International Promotion Agreement (defined and discussed below). Through the International Promotion Agreement, Meridian Medical Technologies, Inc. ("Meridian") is the counterparty to international contracts under which orders are placed for the purchase of oral TPOXX®.

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

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

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

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

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

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

Research Agreements and Grants

In July 2019, the Company was awarded a multi-year research contract valued at a total of $19.5 million, with an initial award of $12.4 million, from the DoD to support work in pursuit of a potential label expansion for oral TPOXX® that would include post-exposure prophylaxis ("PEP") of smallpox (such work known as the "PEP Label Expansion Program" and the contract referred to as the "PEP Label Expansion R&D Contract"). In subsequent modifications, the DoD increased the scope and the available funding under the PEP Label Expansion R&D Contract to approximately $27 million. The period of performance for this contract, as modified, terminates on January 31, 2025. As of June 30, 2023, remaining revenue to be recognized in the future under the PEP Label Expansion R&D Contract is up to $0.9 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 June 30, 2023 and 2022, the Company, under the PEP Label Expansion R&D Contract, recognized revenue of $4.0 million and $6.6 million, respectively, on an over time basis. For the six months ended June 30, 2023 and 2022, the Company, under the PEP Label Expansion R&D Contract, recognized revenue of $5.5 million and $8.9 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	
	June 30, 2023	**December 31, 2022**
Raw materials	$ 4,039,460	$ 6,370,581
Work in-process	37,447,497	27,038,845
Finished goods	9,010,146	5,863,664
Inventory	$ 50,497,103	$ 39,273,090

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

5. Property, Plant and Equipment

Property, plant and equipment consisted of the following:

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

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

6. Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following:

	As of	
	June 30, 2023	**December 31, 2022**
Deferred revenue	$ 11,374,910	$ 10,581,146
Research and development vendor costs	1,962,683	1,551,920
Compensation	1,479,651	2,378,035
Other	1,331,903	1,245,353
Professional fees	729,513	536,997
Lease liability, current portion	545,558	528,170
Inventory	470,768	31,160
Accrued expenses and other current liabilities	$ 17,894,986	$ 16,852,781

7. Financial Instruments

2016 Warrant

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

8. Fair Value of Financial Instruments

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

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

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

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

9. Per Share Data

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

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Net (loss)/income for basic earnings per share	$ (2,875,476)	$ 2,037,062	$ (3,793,733)	$ 1,676,012
Less: Change in fair value of warrants and cash-based RSUs	—	49,559	—	400,663
Net (loss)/income, adjusted for change in fair value of warrants and cash-based RSUs for diluted earnings per share	$ (2,875,476)	$ 1,987,503	$ (3,793,733)	$ 1,275,349
Weighted-average shares	71,090,642	72,678,333	71,640,784	72,873,366
Effect of potential common shares	—	654,555	—	825,860
Weighted-average shares: diluted	71,090,642	73,332,888	71,640,784	73,699,226
(Loss)/Income per share: basic	$ (0.04)	$ 0.03	$ (0.05)	$ 0.02
(Loss)/Income per share: diluted	$ (0.04)	$ 0.03	$ (0.05)	$ 0.02

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

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

	Three Months Ended June 30, 2023	Six Months Ended June 30, 2023
Stock options	231,570	229,248
Restricted stock units (1)	428,566	362,360

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

10. Commitments and Contingencies

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

Purchase Commitments

In the course of our business, the Company regularly enters into agreements with third party organizations to provide contract manufacturing services and research and development services. Under these agreements, the Company issues purchase orders, which obligate the Company to pay a specified price when agreed-upon services are performed. In connection with many CMO purchase orders, reimbursement by CMOs for inventory losses is limited. Commitments under the purchase orders do not exceed our planned commercial and research and development needs. As of June 30, 2023, the Company had approximately $24.6 million of purchase commitments associated with manufacturing obligations.

11. Related Party Transactions

Real Estate Leases

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

Board of Directors and Outside Consultant

Effective June 13, 2023, a director was elected to the Company's Board of Directors who provides consulting services to the Company. Under a consulting agreement, the director receives a monthly fee of $20,000. The Company had no outstanding payables or accrued expenses related to the services performed by this vendor as of June 30, 2023.

12. Revenues by Geographic Region

Revenues by geographic region were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
United States	$ 4,646,983	$ 11,715,302	$ 12,970,007	$ 22,254,602
International				
Asia-Pacific	—	4,929,423	—	4,929,423
Canada	—	—	—	—
Europe, Middle East and Africa (EMEA)	1,231,183	—	1,231,183	—
Other	—	22,320	—	22,320
Total International	1,231,183	4,951,743	1,231,183	4,951,743
Total revenues	$ 5,878,166	$ 16,667,045	$ 14,201,190	$ 27,206,345

13. Income Taxes

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

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

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

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

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

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

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

14. Equity

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

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

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

	Common Stock		Additional Paid-in	Accumulated	Other Comprehensive	Total Stockholders'
	Shares	Amount	Capital	Deficit	Income	Equity
Balances at March 31, 2022	72,566,367	$ 7,256	$226,426,529	$(58,696,989)	$ —	$167,736,796
Net income	—	—	—	2,037,062	—	2,037,062
Repurchase of common stock	(494,979)	(49)	—	(3,576,873)	—	(3,576,922)
Issuance of common stock upon vesting of RSUs	127,856	13	(13)	—	—	—
Issuance of common stock upon exercise of warrants	824,903	82	6,120,696	—	—	6,120,778
Cash dividend ($0.45 per share)	—	—	—	(32,944,314)	—	(32,944,314)
Stock-based compensation	—	—	395,454	—	—	395,454
Balances at June 30, 2022	73,024,147	$ 7,302	$232,942,666	$(93,181,114)	$ —	$139,768,854

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

On August 2, 2021, the Company's Board of Directors authorized a share repurchase program ("New Repurchase Authorization") under which the Company may repurchase up to $50 million of the Company's common stock through December 31, 2023. The Company started repurchasing shares under this program in the fourth quarter of 2021. Repurchases under the New Repurchase Authorization may be made from time to time at the Company's discretion in open market transactions, through block trades, in privately negotiated transactions and pursuant to any trading plan that may be adopted by the Company's management in accordance with Rule 10b5-1 under the Securities Exchange Act of 1934, as amended (the "Exchange Act") or otherwise. The timing and actual number of shares repurchased will depend on a variety of factors, including: timing of procurement orders under government contracts; alternative opportunities for strategic uses of cash; the stock price of the Company’s common stock; market conditions; alternative capital management uses of cash; and other corporate liquidity requirements and priorities. During the three and six months ended June 30, 2023, the Company repurchased approximately 0.6 million and 1.7 million shares of common stock under the New Repurchase Authorization for approximately $3.5 million and $11.0 million, respectively. In addition, during the three and six months ended June 30, 2023, the Company recorded approximately $0.1 million of excise tax associated with the repurchase of common stock.

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

15. Leases

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

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

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

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

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

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

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

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

Overview

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

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

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

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

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

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

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

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

Procurement Contracts with the U.S. Government

19C BARDA Contract

On September 10, 2018, the Company entered into a contract with the U.S. Biomedical Advanced Research and Development Authority ("BARDA") pursuant to which SIGA agreed to deliver up to 1,488,000 courses of oral TPOXX® to the Strategic Stockpile, and to manufacture and deliver to the Strategic Stockpile, or store as vendor-managed inventory, up to 212,000 courses of IV TPOXX®. Additionally, the contract includes funding from BARDA for a range of activities, including: advanced development of IV TPOXX®, post-marketing activities for oral and IV TPOXX®, and procurement activities. As of July 31, 2023, the contract with BARDA (as amended, modified, or supplemented from time to time, the "19C BARDA Contract") contemplates up to approximately $602.5 million of payments, of which approximately $51.7 million of payments are included within the base period of performance of five years, approximately $407.1 million of payments are related to exercised options and up to approximately $143.7 million of payments are currently specified as unexercised options. BARDA may choose in its sole discretion when, or whether, to exercise any of the unexercised options. The period of performance for options is up to ten years from the date of entry into the 19C BARDA Contract and such options could be exercised at any time during the contract term, including during the base period of performance. With respect to an option that was exercised in July 2023 for the manufacture and delivery of approximately 363,000 courses of oral TPOXX®, the Company expects to deliver such courses in the next six months.

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

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

Unexercised options specify potential payments up to approximately $143.7 million in total (if all such options are exercised). There are options for the following activities: payments of up to $112.5 million for the delivery of oral TPOXX® to the Strategic Stockpile; payments of up to $25.6 million for the manufacture of courses of IV FDP, of which up to $10.2 million of payments would be paid upon the manufacture of IV BDS to be used in the manufacture of IV FDP; and payments of up to approximately $5.6 million for supportive procurement activities.

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

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

U.S. Department of Defense Procurement Contracts

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

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

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

International Procurement Contracts

As of July 31, 2023, the Company had firm commitments with two European countries for the delivery of approximately $8 million of oral TPOXX®, of which approximately $1 million of oral TPOXX® was delivered in April 2023 and approximately $7 million of oral TPOXX® was delivered in July 2023. The firm commitments noted above were originated under an International Promotion Agreement (defined and discussed below). Through the International Promotion Agreement, Meridian Medical Technologies, Inc. ("Meridian") is the counterparty to international contracts under which orders are placed for the purchase of oral TPOXX®.

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

International Promotion Agreement

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

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

Research Agreements and Grants

In July 2019, the Company was awarded a multi-year research contract valued at a total of $19.5 million, with an initial award of $12.4 million, from the DoD to support work in pursuit of a potential label expansion for oral TPOXX® that would include post-exposure prophylaxis ("PEP") of smallpox (such work known as the "PEP Label Expansion Program" and the contract referred to as the "PEP Label Expansion R&D Contract"). In subsequent modifications, the DoD increased the scope and the available funding under the PEP Label Expansion R&D Contract to approximately $27 million. The period of performance for this contract, as modified, terminates on January 31, 2025. As of June 30, 2023, remaining revenue to be recognized in the future under the PEP Label Expansion R&D Contract is up to $0.9 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.

Critical Accounting Estimates

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

Results of Operations

Three Months Ended June 30, 2023 and 2022

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

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

Cost of sales and supportive services for the three months ended June 30, 2023 and 2022 were $1.0 million and $0.9 million, respectively. Such costs in 2023 were primarily associated with the manufacture and delivery of courses of oral TPOXX® to a European country, as well as an inventory-related loss of $0.5 million in connection with the impairment of a manufacturing batch. Such costs in 2022 were primarily associated with the manufacture and delivery of courses of oral TPOXX®.

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

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

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

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

Six Months Ended June 30, 2023 and 2022

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

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

Cost of sales and supportive services for the six months ended June 30, 2023 and 2022 were $2.1 million and $5.6 million, respectively. Such costs in 2023 are associated with: the manufacture and delivery of courses of oral TPOXX® to the DoD and a European country; an inventory-related loss in connection with impairment of a manufacturing batch; and manufacturing costs related to a potential backup facility within a segment of the supply chain. Such costs in 2022 were primarily associated with the manufacture and delivery of courses of IV TPOXX® to the Strategic Stockpile.

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

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

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

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

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

Liquidity and Capital Resources

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

Operating Activities

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

Net cash provided by operating activities for the six months ended June 30, 2023 and 2022 was $20.9 million and $54.5 million, respectively. For the six months ended June 30, 2023, the receipt of approximately $35 million for 2022 product deliveries was partially offset by an increase in inventory investment in connection with a broadening of the customer base for TPOXX® and mitigation of increasing general supply chain risks; and costs in relation to customary operating activities. For the six months ended June 30, 2022, the receipt of approximately $80 million for product delivery and acceptance of oral TPOXX® courses delivered to the Strategic Stockpile in December 2021 was partially offset by the payment of approximately $19 million of federal income taxes, as well as customary operating activities.

Investing Activities

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

Financing Activities

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

Future Cash Requirements

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

Off-Balance Sheet Arrangements

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

Recently Issued Accounting Standards

The Company did not adopt any accounting standards this quarter.

Forward-Looking Statements

Certain statements in this Quarterly Report on Form 10-Q, including certain statements contained in the foregoing “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” constitute “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including statements relating to the progress of SIGA’s development programs and timelines for bringing products to market, delivering products to the Strategic Stockpile, the enforceability of our procurement contracts, such as the 19C BARDA Contract (the "BARDA Contract"), with BARDA, and responding to the global outbreak of monkeypox ("mpox"). The words or phrases “can be,” “expects,” “may affect,” “may depend,” “believes,” “estimate,” “project” and similar words and phrases are intended to identify such forward-looking statements. Such forward-looking statements are subject to various known and unknown risks and uncertainties, and SIGA cautions you that any forward-looking information provided by or on behalf of SIGA is not a guarantee of future performance. SIGA’s actual results could differ materially from those anticipated by such forward-looking statements due to a number of factors, some of which are beyond SIGA’s control, including, but not limited to, (i) the risk that BARDA elects, in its sole discretion as permitted under the BARDA Contract, not to exercise all, or any, of the remaining unexercised options under those contracts, (ii) the risk that SIGA may not complete performance under the BARDA Contract on schedule or in accordance with contractual terms, (iii) the risk that the BARDA Contract, DoD Contract #2 or PEP Label Expansion R&D Contract are modified or canceled at the request or requirement of the U.S. Government, (iv) the risk that the nascent international biodefense market does not develop to a degree that allows SIGA to continue to successfully market TPOXX® internationally, (v) the risk that potential products, including potential alternative uses or formulations of TPOXX® that appear promising to SIGA or its collaborators, cannot be shown to be efficacious or safe in subsequent pre-clinical or clinical trials, (vi) the risk that 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, (xiv) risks associated with actions or uncertainties surrounding the debt ceiling, (xv) the risk that the U.S. or foreign governments' responses (including inaction) to national or global economic conditions or infectious diseases, such as COVID-19, are ineffective and may adversely affect SIGA’s business, and (xvi) risks associated with responding to the current mpox outbreak, as well as the risks and uncertainties included in Item 1A “Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2022 and SIGA's subsequent filings with the Securities and Exchange Commission. SIGA urges investors and security holders to read those documents, which are available free of charge at the SEC's website at http://www.sec.gov. All such forward-looking statements are current only as of the date on which such statements were made. SIGA does not undertake any obligation to update publicly any forward-looking statement to reflect events or circumstances after the date on which any such statement is made or to reflect the occurrence of unanticipated events. The information contained on any website referenced in this Form 10-Q is not incorporated by reference into this filing.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

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

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of June 30, 2023. The term “disclosure controls and procedures” is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Management recognizes that any disclosure controls and procedures, no matter how well designed and operated, can only provide reasonable assurance of achieving their objectives, and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective as of June 30, 2023.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting during the quarter ended June 30, 2023 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II-OTHER INFORMATION

Item 1. Legal Proceedings

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

Item 1A. Risk Factors

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

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

ISSUER PURCHASES OF EQUITY SECURITIES

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

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

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

Item 3. Defaults upon Senior Securities

None.

Item 4. Mine Safety Disclosures

No disclosure is required pursuant to this item.

Item 5. Other Information

No disclosure is required pursuant to this item.

Item 6. Exhibits

Exhibit No.	Description
3.1	Amended and Restated Certificate of Incorporation of SIGA Technologies, Inc. (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K of the Company filed on June 16, 2022).
3.2	Amended and Restated By-laws of SIGA Technologies, Inc. (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K of the Company filed on December 15, 2021).
10.1*	Proposal for the Amendment of the Employment Agreement with Dennis E. Hruby.
10.2*	Amendment of Solicitation/Modification of Contract 00013, dated July 27, 2023, to Agreement, dated September 10, 2018, by and between SIGA and the Biomedical Advanced Research and Development Authority of the United States Department of Health and Human Services.
10.3	Amended and Restated Transition Agreement, dated July 26, 2023, between SIGA Technologies, Inc. and Phillip Louis Gomez, III (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K of the Company filed July 28, 2023)
31.1	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)
101.SCH	Inline XBRL Taxonomy Extension Schema
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101).

* Portions of this exhibit have been omitted pursuant to Item 601(b)(2)(ii) or 601(b)(10)(iv) of Regulation S-K, as applicable.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SIGA TECHNOLOGIES, INC.
(Registrant)

Date: August 8, 2023

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

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

Dr. Dennis E. Hruby
[***]

Dear Dr. Hruby:

This letter sets forth a proposal for the amendment of your employment agreement with SIGA Technologies, Inc., dated as of January 22, 2007, as amended on April 12, 2016, and further amended on December 10, 2020 (as amended, modified, or supplemented, the "Original Employment Agreement").

1. We hereby propose to amend the Original Employment Agreement by amending, restating, and replacing Section 2(b) with the following:

   "(b) Performance of Duties. Throughout Executive's employment with the Company, Executive shall faithfully and diligently perform Executive's duties in conformity with the lawful directions of the Company and serve the Company to the best of Executive's ability. Executive shall devote Executive's full business time and best efforts to the business and affairs of the Company. In Executive's capacity as the Executive Vice President and Chief Scientific Officer of the Company, Executive shall have such duties and responsibilities as Executive may be assigned by the Board of Directors or Chief Executive Officer not inconsistent with Executive's position as Executive Vice President and Chief Scientific Officer. Executive may perform Executive's duties remotely from the State of Oregon, subject to reasonable travel requirements and so long as working remotely from the State of Oregon does not interfere with Executive's duties or responsibilities under this Agreement; provided that, if Executive (i) relocates his residence to a jurisdiction outside of Oregon or (ii) performs work for the Company outside of Oregon other than for brief periods due to vacation or travel, Executive agrees to provide written notice to the Company prior to such circumstances described in (i) or (ii) arising, and the Company may, in its sole discretion, allow Executive to work for the Company in such jurisdiction outside of the State of Oregon under this Agreement."

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

Sincerely,

SIGA TECHNOLOGIES, INC.

/s/ Phillip L. Gomez, Ph.D.
Name: Dr. Phillip L. Gomez, Ph.D.
Title: Chief Executive Officer

AGREED AND ACCEPTED

/s/ Dennis E. Hruby
Dr. Dennis E. Hruby

Date: June 7, 2023

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

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT	1. CONTRACT ID CODE	PAGE OF PAGES 1 8

2. AMENDMENT/MODIFICATION NO. P00013	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO. See Schedule	5. PROJECT NO. *(If applicable)*

6. ISSUED BY CODE ASPR-BARDA ASPR-BARDA 200 Independence Ave., S.W. Room 640-G Washington DC 20201	7. ADMINISTERED BY *(If other than Item 6)* CODE

8. NAME AND ADDRESS OF CONTRACTOR *(No., street, county, State and ZIP Code)* SIGA TECHNOLOGIES, INC. 1385150 Attn: Daniel Luckshire SIGA TECHNOLOGIES, INC. 31 East 62nd street NEW YORK NY 100658446	(x)	9A. AMENDMENT OF SOLICITATION NO.
		9B. DATED *(SEE ITEM 11)*
	x	10A. MODIFICATION OF CONTRACT/ORDER NO. HHSO100201800019C
		10B. DATED *(SEE ITEM 13)* 09/10/2018

CODE 1385150	FACILITY CODE

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

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

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

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

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

CHECK ONE	
	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: *(Specify authority)* THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES *(such as changes in paying office, appropriation data, etc.)* SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
X	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR Part 43.103(a) - Bilateral Modifications
	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
The purpose of this bilateral modification is to exercise and fully fund Option CLINs 0011, 0018, 0020, and 0022. Additionally CLIN0001, CLIN0007, and CLIN0007-3 are extended to 09/09/2028 at no additional cost to the government.

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

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

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

15A. NAME AND TITLE OF SIGNER *(Type or print)*	16A. NAME AND TITLE OF CONTRACTING OFFICER *(Type or print)*
DENNIS HRUBY, CSO & EVP	JONATHAN F. GONZALEZ

15B. CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED
/s/ Dennis Hruby *(Signature of person authorized to sign)*	7/27/2023	/s/ Jonathan F. Gonzalez *(Signature of Contracting Officer)*	7/27/2023

NAME OF OFFEROR OR CONTRACTOR
SIGA TECHNOLOGIES, INC. 1385150

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	such fact or circumstance giving rise to this modification. OTA: N Discount Terms: HHS NET 30P Period of Performance: 01/01/2020 to 09/09/2028 Add Item 11 as follows:				
11	ASPR-23-01673 CLIN0011 - procurement and delivery of oral TPOXX Obligated Amount: $101,276,070.00 Requisition No: OS315704 Accounting Info: 2023.1995361.26088 Appr. Yr.: 2023 CAN: 1995361 Object Class: 26088 Funded: $101,276,070.00 Add Item 12 as follows:				101,276,070.00
12	ASPR-23-01673 CLIN0018- procurement of bulk IV TPOXX doses Obligated Amount: $10,240,000.00 Requisition No: OS315704 Accounting Info: 2023.1995361.26039 Appr. Yr.: 2023 CAN: 1995361 Object Class: 26039 Funded: $10,240,000.00 Add Item 13 as follows:				10,240,000.00
13	ASPR-23-01673 CLIN0020 - procurement of finished IV TPOXX doses Obligated Amount: $15,360,000.00 Requisition No: OS315704 Accounting Info: 2023.1995361.26088 Appr. Yr.: 2023 CAN: 1995361 Object Class: 26088 Funded: $15,360,000.00 Add Item 14 as follows:				15,360,000.00
14	ASPR-23-01673 CLIN0022 - delivery of IV TPOXX Continued ... Obligated Amount: $25,600.00 Requisition No: OS315704 Accounting Info: 2023.1995361.22006 Appr. Yr.: 2023 CAN: 1995361 Object Class: 22006 Funded: $25,600.00 Add Item 15 as follows:				25,600.00
15	Tecovirimat-exercising optional CLIN 0011 for treatment courses Amt 11 275 630 00 Obligated Amount: $11,275,630.00 Requisition No: OS315273 Accounting Info: 2023.199SN23.26088 Appr. Yr.: 2023 CAN: 199SN23 Object Class: 26088 Funded: $11,275,630.00				11,275,630.00

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

B.2.1. ESTIMATED COST AND FIXED FEE

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

B.2.2. FIRM FIXED PRICE

Base Period Fixed Price CLINS					
Item	**Period of Performance**	**Supplies/Services**	**Units (# of Doses or Dose Equivalents)**	**Unit Price ($)**	**Total ($)**
0002 Base	[***]	Initial purchase and delivery of nonparenteral (oral) formulated antiviral as final drug product (FDP) to SNS	35,718	[***]	$11,072,580 (Funded)
0003 Base	[***]	Initial procurement of parenteral (IV) formulated antiviral as bulk drug substance (BDS) *course = 14 vials	20,000	[***]	$3,200,000 (Funded)
0004 Base	[***]	Fill/finish of final drug product (from bulk drug substance procured under CLIN0003)	20,000	[***]	$4,800,000 (Funded)
0005 Base	[***]	Storage of final drug product in VMI for 5 years (from bulk drug substance procured under CLIN0003) *Monthly rate/TC = [***]	20,000	[***]	[***]
0006 Base	[***]	Delivery of FDP to the SNS (from bulk drug substance procured under CLIN0003)	20,000	[***]	[***]
Total					[***]

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

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

		antiviral as FDP and delivery to the SNS			
0010 (Option Funded)	1/1/20-12/31/21	Additional procurement of **nonparenteral (oral)** formulated antiviral as FDP and delivery to the SNS	363,070	[***]	$112,551,700 Funded
0011 (Option)	[***]	**Additional procurement of a nonparenteral (oral) formulated antiviral as FDP and delivery to the SNS**	**363,070**	[***]	**$112,551,700 (Funded)**
0012 (Option)	[***]	Additional procurement of a **nonparenteral (oral)** formulated antiviral as FDP and delivery to the SNS	363,072	[***]	$112,552,320
0013 (Option)	[***]	Surge Capacity – Additional procurement of parenteral (IV) formulated antiviral as bulk drug substance (BDS) *course = 14 vials	64,000	[***]	$10,240,000 (Funded)
0014 (Option)	[***]	Surge Capacity – Storage of **parenteral (IV)** formulated antiviral as bulk drug substance (BDS) in VMI for 5 years (from bulk drug substance procured under CLIN0013). *Monthly rate per TC = [***]	64,000	[***]	[***]
0015 (Option)	[***]	Surge Capacity – Fill/finish of final drug product (from bulk drug substance procured under CLIN0013)	64,000	[***]	$15,360,000 (Funded)
0016 (Option)	[***]	Surge Capacity – Storage of final drug product in VMI for 5 years (from bulk drug substance procured under CLIN0013). *Monthly rate per TC = [***]	64,000	[***]	[***]
0017 (Option)	[***]	Surge Capacity – Delivery of FDP to the SNS (from bulk drug substance procured under CLIN0013) *[***] SNS Shipments @ [***]	64,000	[***]	[***]
0018 (Option)	[***]	**Surge Capacity – Additional procurement of parenteral (IV) formulated antiviral as bulk drug substance (BDS) *course = 14 vials**	**64,000**	[***]	**$10,240,000 (Funded)**
0019 (Option)	[***]	Surge Capacity – Storage of **parenteral (IV)** formulated antiviral as bulk drug substance (BDS) in VMI for 5 years (from bulk drug substance procured under CLIN0018). *Monthly rate per TC = [***]	64,000	[***]	[***]
0020 (Option)	[***]	**Surge Capacity – Fill/finish of final drug product from bulk drug substance procured under CLIN0018).**	**64,000**	[***]	**$15,360,000 (Funded)**
0021 (Option)	[***]	Surge Capacity – Storage of final drug product in VMI for 5 years (from bulk drug substance procured under CLIN0018). *Monthly rate per TC: [***]	64,000	[***]	[***]
0022 (Option)	[***]	**Surge Capacity – Delivery of FDP to the SNS (from bulk drug substance procured under CLIN0018). *[***] SNS Shipments @ [***]**	**64,000**	[***]	[***] **(Funded)**
0023 (Option)	[***]	Surge Capacity – Additional procurement of **parenteral (IV)** formulated antiviral as bulk drug substance (BDS) *course = 14 vials	64,000	[***]	$10,240,000
0024 (Option)	[***]	Surge Capacity – Storage of **parenteral (IV)** formulated antiviral as bulk drug substance (BDS) in VMI for 5 years (from	64,000	[***]	[***]

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

Total Funded	**$458,763,601**

End of Modification P00013

Exhibit 31.1

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

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

1. I have reviewed this quarterly report on Form 10-Q of SIGA Technologies, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 8, 2023

/s/ Phillip L. Gomez, Ph.D.
Phillip L. Gomez, Ph.D.
Chief Executive Officer

Exhibit 31.2

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

I, Daniel J. Luckshire, certify that:

1. I have reviewed this quarterly report on Form 10-Q of SIGA Technologies, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 8, 2023

/s/ Daniel J. Luckshire

Daniel J. Luckshire
Executive Vice President and
Chief Financial Officer

Exhibit 32.1

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

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

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Phillip L. Gomez, Ph.D.
Phillip L. Gomez, Ph.D.
Chief Executive Officer
August 8, 2023

Exhibit 32.2

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

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

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Daniel J. Luckshire

Daniel J. Luckshire
Executive Vice President and Chief Financial Officer
August 8, 2023