

Novavax Announces Closing of \$175.25 Million Offering of Convertible Senior Notes Due 2027 and \$74.75 Million Public Offering of Common Stock

December 28, 2022

GAITHERSBURG, Md., Dec. 28, 2022 /PRNewswire/ -- On December 20, 2022, Novavax, Inc. (Nasdaq: NVAX), a biotechnology company (the "Company" or "Novavax") dedicated to developing and commercializing next-generation vaccines for serious infectious diseases, completed the closing of its previously announced offering of \$150 million aggregate amount of 5.00% Senior Convertible Notes due 2027 (the "Notes"), and on December 23, 2022, the Company completed the closing of the initial purchasers' option to purchase up to an additional \$25.25 million aggregate principal amount of the Notes, which was exercised in full. On December 20, 2022, the Company also completed the closing of its previously announced underwritten public offering of 7,475,000 shares of its common stock, including the exercise in full of the underwriters' option to purchase up to an additional 975,000 shares of its common stock (the "Common Stock Offering") resulting in total gross proceeds of \$74.75 million. Total combined gross proceeds to the Company from both the offering of Notes and the Common Stock Offering was \$250 million.

The Notes were offered and sold only to persons reasonably believed to be qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"). J.P. Morgan, Jefferies and Cowen acted as joint book-running managers and representatives of the initial purchasers for the offering of the Notes. J. Wood Capital Advisors served as financial advisor to the Company in relation to the offering of the Notes.

The Notes bear cash interest at a rate of 5.00%, payable on June 15 and December 15 of each year, beginning on June 15, 2023. The Notes will be redeemable, in whole or in part (subject to certain limitations), for cash at Novavax' option at any time, and from time to time, on or after December 22, 2025, if the last reported sale price of Novavax' common stock has been at least 130% of the conversion price then in effect for at least 20 trading days (whether or not consecutive), during any 30 consecutive trading day period (including the last trading day of such period) ending on and including the trading day immediately preceding the date on which Novavax provides notice of redemption at a redemption price equal to 100% of the principal amount of the Notes to be redeemed, plus any accrued and unpaid interest to, but excluding, the redemption date. The Notes are convertible at an initial conversion rate of 80.0000 shares of the Company's common stock per \$1,000 principal amount of Notes, which is equivalent to an initial conversion price of \$12.50 per share of Novavax' common stock, representing a 25% conversion premium of the public offering price in the Company's concurrent common stock offering that closed on December 20, 2022. The Company will settle conversions by paying or delivering, as applicable, cash, shares of common stock, or a combination of cash and shares of common stock, at the Company's election.

Novavax estimates that the net proceeds from the offering of the Notes are approximately \$166.3 million, after deducting the initial purchasers' discounts and commissions and estimated offering expenses.

The offer and sale of the Notes and any shares of common stock issuable upon conversion of the Notes have not been, and will not be, registered under the Securities Act or any other securities laws, and the Notes and any such shares cannot be offered or sold absent registration or except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws.

For the Common Stock Offering, shares were issued at \$10.00 per share, resulting in total gross proceeds from the Common Stock Offering of \$74.75 million before deducting the underwriters' discount and offering expenses. J.P. Morgan, Jefferies and Cowen acted as joint book-running managers and representatives of the underwriters for the Common Stock Offering. B. Riley Securities and H.C. Wainwright & Co. acted as co-lead managers for the Common Stock Offering.

Novavax estimates that the net proceeds from the Common Stock Offering are approximately \$69.8 million, after deducting the underwriters' discounts and commissions and estimated offering expenses.

A registration statement relating to the Common Stock Offering was filed with the Securities and Exchange Commission ("SEC") on March 11, 2020, and is effective. The Common Stock Offering was made by means of a prospectus supplement and the accompanying prospectus. An electronic copy of the preliminary prospectus supplement and accompanying prospectus relating to the Common Stock Offering are available on the SEC's website at www.sec.gov, and may also be obtained from: J.P. Morgan, Attention: Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, NY 11717, by telephone at (866) 803-9204 or by email at prospectus-eq_fi@jpmchase.com; Jefferies LLC, Attention: Equity

Syndicate Prospectus Department, 520 Madison Avenue, New York, NY 10022, by telephone at (877) 821-7388 or by email at prospectus_department@jefferies.com; or Cowen and Company, LLC, c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, NY 11717, Attn: Prospectus Department, by telephone at (833) 297-2926, or by email at PostSaleManualRequests@broadridge.com.

About Novavax

Novavax, Inc. (Nasdaq: NVAX) is a biotechnology company that promotes improved health globally through the discovery, development, and commercialization of innovative vaccines to prevent serious infectious diseases. The Company's proprietary recombinant technology platform harnesses the power and speed of genetic engineering to efficiently produce highly immunogenic nanoparticles designed to address urgent global health needs. The Novavax COVID-19 vaccine has received authorization from multiple regulatory authorities globally, including the U.S. Food and Drug Administration, the European Commission, and the World Health Organization. The vaccine is currently under review by multiple regulatory agencies worldwide, including for additional indications and populations such as adolescents and as a booster. In addition to its COVID-19 vaccine, Novavax is also currently evaluating its COVID-19-Influenza Combination (CIC) vaccine candidate in a Phase 1/2 clinical trial, its quadrivalent influenza investigational vaccine candidate, and an Omicron strain-based vaccine (NVX-CoV2515) as well as a bivalent format Omicron-based / original strain-based vaccine. These vaccine candidates incorporate Novavax' proprietary saponin-based Matrix-M adjuvant to enhance the immune response and stimulate high levels of neutralizing antibodies.

Forward-Looking Statements

This press release contains forward-looking statements. Investors are cautioned not to place undue reliance on these forward-looking statements, including, but not limited to, the estimated net proceeds of the offerings. Novavax cautions that these forward-looking statements are subject to numerous risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. Applicable risks and uncertainties include, but are not limited to, those related to the possible adverse impact of the offerings on the market price of the shares of its common stock due to the dilutive effect of the securities sold in the offerings; Novavax' planned use of the proceeds from the offerings; capital market risks; and Novavax' ability to raise additional capital when needed. Novavax' management retains broad discretion with respect to the allocation of the net proceeds of the offerings. Applicable risks also include those that are listed under the heading "Risk Factors" and elsewhere in Novavax' Annual Report on Form 10-K for the fiscal year ended December 31, 2021, and Novavax' Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2022, in addition to the risk factors that are included from time to time in Novavax' subsequent SEC filings. The forward-looking statements in this press release speak only as of the date of this document, and Novavax undertakes no obligation to update or revise any of the statements. Novavax' business is subject to substantial risks and uncertainties, including those referenced above. Investors, potential investors, and others should give careful consideration to these risks and uncertainties. All forward-looking statements are qualified in their entirety by this cautionary statement.

Contacts:

Investors

Erika Schultz | 240-268-2022

ir@novavax.com

Media

Ali Chartan or Giovanna Chandler | 202-709-5563

media@novavax.com

SOURCE Novavax, Inc.

Image not found or type unknown