

# Novavax Announces Pricing of \$150 Million Offering of Convertible Senior Notes

December 15, 2022

GAITHERSBURG, Md., Dec. 15, 2022 /PRNewswire/ -- Novavax, Inc. (Nasdaq: NVAX), a biotechnology company dedicated to developing and commercializing next-generation vaccines for serious infectious diseases, today announced the pricing of an offering of \$150 million aggregate principal amount of its 5.00% convertible senior notes due 2027 (the "notes"). The notes are being 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. In connection with the offering of the notes, Novavax has granted to the initial purchasers a 30-day option to purchase up to an additional \$25.25 million aggregate principal amount of the notes. The offering of the notes is expected to close on December 20, 2022, subject to customary closing conditions.

The notes will represent senior unsecured obligations of Novavax and will accrue interest payable semi-annually in arrears and will mature on December 15, 2027, unless earlier converted, redeemed or repurchased. Novavax will settle conversions by paying or delivering, as applicable, cash, shares of its common stock, par value \$0.01 per share ("common stock"), or a combination of cash and shares of its common stock, at Novavax' election. 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 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 will be convertible at an initial conversion rate of 80.0000 shares of common stock per \$1,000 principal amount of notes (equivalent to an initial conversion price of \$12.50 per share, which represents a conversion premium of 25% of the public offering price in the concurrent common stock offering described below).

J.P. Morgan, Jefferies and Cowen are acting 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.

Concurrently with the offering of the notes, Novavax also announced today the pricing of its previously announced underwritten public offering to sell up to 6,500,000 shares of its common stock at a public offering price of \$10.00 per share, or \$65 million worth of shares of its common stock. In connection with the common stock offering, Novavax granted the underwriters a 30-day option to purchase up to an additional 975,000 shares of its common stock at the public offering price, less underwriting discounts and commissions. The offering of the notes is not contingent upon the consummation of the concurrent common stock offering, and the concurrent common stock offering is not contingent upon the consummation of the offering of the notes. The concurrent common stock offering is expected to close on December 20, 2022, subject to customary closing conditions.

Novavax may use the net proceeds from the offering of the notes and, if consummated, the concurrent common stock offering, for general corporate purposes, including but not limited to the continued global commercial launch of Nuvaxovid, repayment or repurchase of a portion of the \$325 million in outstanding principal amount of its 3.75% convertible senior unsecured notes due February 1, 2023, working capital, capital expenditures, research and development expenditures, clinical trial expenditures, repayments under its supply agreements, as well as acquisitions and other strategic purposes.

Novavax estimates that the net proceeds from the offering of the notes will be approximately \$142.2 million (or approximately \$166.3 million if the initial purchasers exercise in full their option to purchase additional notes), after deducting the initial purchasers' discounts and estimated offering expenses payable by Novavax.

The offer and sale of the notes are not being registered under the Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws. The notes may not be offered or sold in the U.S. except pursuant to an exemption from the registration requirements of the Securities Act and any applicable state securities laws.

The notes are being offered only to persons reasonably believed to be qualified institutional buyers pursuant to Rule 144A under the Securities Act. 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.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy the securities being offered, nor shall there be any sale of the securities being offered in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or other jurisdiction.

## 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, statements regarding the ability of Novavax to successfully complete the offerings, the estimated net proceeds of the offerings and Novavax' anticipated use of proceeds. 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 whether or not Novavax will be able to consummate the potential offerings on the timelines or with the terms anticipated, if at all, and the possible adverse impact on the market price of the shares of its common stock. In addition, 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](mailto:ir@novavax.com)

### Media

Ali Chartan or Giovanna Chandler | 202-709-5563

[media@novavax.com](mailto:media@novavax.com)

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