Novavax and Sanofi Announce Co-exclusive Licensing Agreement to Co-commercialize COVID-19 Vaccine and Develop Novel COVID-19-Influenza Combination Vaccines

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- *Agreement provides individuals with broader access to a protein-based non-mRNA adjuvanted COVID-19 vaccine through combined commercial strength, from 2025 onwards*
- *Provides Novavax with cash and an equity investment totalling approximately $1.2 billion (upfront payment of $500 million and up to $700 million in additional development, regulatory and launch milestones), plus tiered royalties*
- *Novavax is entitled to additional launch and sales milestone opportunities of up to $200 million, plus mid-single digit royalties, for each additional Sanofi vaccine product developed under a non-exclusive license with Novavax's Matrix-M™ adjuvant technology*
- *Accelerates potential for development of a novel COVID-19-Influenza combination product based on authorized vaccines with demonstrated efficacy and tolerability, potentially offering individuals enhanced convenience and protection*

GAITHERSBURG, Md., May 10, 2024 /PRNewswire/ -- Novavax, Inc. (Nasdaq: NVAX), a global company advancing protein-based vaccines with its Matrix-M™ adjuvant, has entered into a co-exclusive licensing agreement with Sanofi (Nasdaq: SNY).

The terms of the agreement include: a co-exclusive license to co-commercialize Novavax's current stand-alone adjuvanted COVID-19 vaccine worldwide (except in countries with existing Advance Purchase Agreements and in India, Japan and South Korea where Novavax has existing partnership agreements); a sole license to Novavax's adjuvanted COVID-19 vaccine for use in combination with Sanofi's flu vaccines while Novavax retains the right to and is developing its own COVID-19-Influenza Combination vaccine candidate; a non-exclusive license to use Novavax's adjuvanted COVID-19 vaccine for use in combination with non-flu vaccines; and a non-exclusive license to use the Matrix-M adjuvant in vaccine products. In addition, Sanofi will take a minority (<5%) equity investment in Novavax.

"With flu and COVID-19 hospital admission rates now closely mirroring each other, we have an opportunity to develop non-mRNA flu-COVID-19 combination vaccines, offering patients both enhanced convenience and protection against two serious respiratory viruses," said Jean-Francois Toussaint, Global Head of Vaccines R&D, Sanofi. "We're excited by the prospect of combining Novavax's adjuvanted COVID-19 vaccine that has shown high efficacy and favorable tolerability, with our rich portfolio of differentiated flu vaccines that have demonstrated superior protection against flu and its serious complications. Improved tolerability and thermostability, without compromise on efficacy, are what regulators, recommending bodies and patients will demand."

"This collaboration is important for Novavax and for global public health. Our new partnership combines Novavax's proprietary recombinant protein and nanoparticle technologies, Matrix™ adjuvant and R&D expertise with Sanofi's world-class leadership in launching and commercializing innovative vaccines. Together, we can broaden access to both our COVID-19 vaccine and our adjuvant to ensure more individuals can benefit from the protection vaccines can provide," said John C. Jacobs, President and Chief Executive Officer, Novavax. "Novavax is now in a stronger position to refocus our efforts on leveraging our technology platform and novel adjuvant in R&D and pipeline expansion to help advance our mission of developing life-saving vaccines to fight infectious diseases."

Under the terms of the licensing agreement:

- Novavax will receive an upfront payment of $500 million and up to $700 million in development, regulatory and launch milestones, up to $1.2 billion in total.
- Starting in 2025, Sanofi will book sales of Novavax's adjuvanted COVID-19 vaccine and will support certain R&D, regulatory and commercial expenses.
- Novavax will receive tiered double-digit percentage royalty payments on sales by Sanofi of COVID-19 vaccines and COVID-19-Influenza Combination vaccines.

- Sanofi will be solely responsible for development and commercialization of any novel flu-COVID-19 combination vaccine containing a Sanofi flu vaccine.
- Outside of the collaboration, each party may develop and commercialize their own COVID-19-Influenza combination vaccines and adjuvanted products at their own cost.
- Novavax is entitled to additional launch and sales milestone opportunities of up to $200 million, plus mid-single digit royalties for each additional Sanofi vaccine product developed under a non-exclusive license with Novavax's Matrix-M adjuvant technology.
- In addition, Sanofi will take a minority (<5%) equity investment in Novavax.

PJT Partners is acting as the exclusive financial advisor to Novavax. Ropes & Gray LLP is serving as legal advisor.

About Novavax
Novavax, Inc. (Nasdaq: NVAX) promotes improved health by discovering, developing and commercializing innovative vaccines to help protect against serious infectious diseases. Novavax, a global company based in Gaithersburg, Md., U.S., offers a differentiated vaccine platform that combines a recombinant protein approach, innovative nanoparticle technology and Novavax's patented Matrix-M adjuvant to enhance the immune response. The Company's portfolio includes its COVID-19 vaccine and its pipeline includes its COVID-19-Influenza Combination and stand-alone influenza vaccine candidates. In addition, Novavax's adjuvant is included in the University of Oxford and Serum Institute of India's R21/Matrix-M™ malaria vaccine. Please visit novavax.com and LinkedIn for more information.

About Sanofi
We are an innovative global healthcare company, driven by one purpose: we chase the miracles of science to improve people's lives. Our team, across the world, is dedicated to transforming the practice of medicine by working to turn the impossible into the possible. We provide potentially life-changing treatment options and life-saving vaccine protection to millions of people globally, while putting sustainability and social responsibility at the center of our ambitions.

Forward-Looking Statements
Statements herein relating to enhanced access to a protein-based non-mRNA adjuvanted COVID-19 from 2025 onwards, development of COVID-19 combination vaccines (including COVID-19-Influenza combination vaccines), launching a phase 3 trial for Novavax's COVID-19-Influenza Combination vaccine candidate in the second half of 2024, future vaccines made with Novavax's proprietary Matrix-M™ adjuvant, potential royalties and milestones, the future of Novavax and its mission are forward-looking statements. 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. These risks and uncertainties include, without limitation, Novavax's and Sanofi's ability to successfully implement its partnership, including the ability to transition key processes and effect technology transfers; Novavax's ability to successfully and timely manufacture, distribute, or market its updated COVID-19 vaccine including as a single dose vial or pre-filled syringe product presentation for the 2024-2025 vaccination season; challenges satisfying, alone or together with partners, various safety, efficacy, and product characterization requirements, including those related to process qualification, assay validation and stability testing, necessary to satisfy applicable regulatory authorities; challenges or delays in conducting clinical trials; challenges or delays in obtaining regulatory authorization for its product candidates, including its updated COVID-19 vaccine in time for the 2024-2025 vaccination season or for future COVID-19 variant strain changes, its COVID-19-Influenza Combination vaccine candidate and its stand-alone influenza vaccine candidate; manufacturing, distribution or export delays or challenges; Novavax's substantial dependence on Serum Institute of India Pvt. Ltd. and Serum Life Sciences Limited for co-formulation and filling and PCI Pharma Services for finishing Novavax's COVID-19 vaccine and the impact of any delays or disruptions in their operations on the delivery of customer orders; difficulty obtaining scarce raw materials and supplies; resource constraints, including human capital and manufacturing capacity, constraints on Novavax's ability to pursue planned regulatory pathways, alone or with partners, in multiple jurisdictions simultaneously, leading to staggering of regulatory filings, and potential regulatory actions; challenges in implementing its global restructuring and cost reduction plan; Novavax's ability to timely deliver doses; challenges in obtaining commercial adoption and market acceptance of its updated COVID-19 vaccine or any COVID-19 variant strain containing formulation; challenges meeting contractual requirements under agreements with multiple commercial, governmental, and other entities, including requirements to deliver doses that may require Novavax to refund portions of upfront and other payments previously received or result in reduced future payments pursuant to such agreements; challenges related to the seasonality of vaccinations against COVID-19; and those other risk factors identified in the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of Novavax's Annual Report on Form 10-K for the year ended December 31, 2023 as filed with the Securities and Exchange Commission (SEC). We caution investors not to place considerable reliance on forward-looking statements contained in this press release. You are encouraged to read our filings with the SEC, available at www.sec.gov and www.novavax.com, for a discussion of these and other risks and uncertainties. The forward-looking statements in this press release speak only as of the date of this document, and we undertake no obligation to update or revise any of the statements. Our 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.

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