

Novavax and Gavi Reach Settlement on 2021 COVID-19 Vaccine Advance Purchase Agreement

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GAITHERSBURG, Md. and GENEVA, Feb. 22, 2024 /PRNewswire/ -- Novavax, Inc. (Nasdaq: NVAX) and Gavi, the Vaccine Alliance (Gavi) today announced they have reached a settlement related to the 2021 Advance Purchase Agreement (APA) for Novavax's prototype COVID-19 vaccine (NVX-CoV2373). This agreement brings the pending arbitration related to the APA to a close.

"Novavax is pleased to have reached this agreement with Gavi as it gives us the ability to continue to work together toward our shared mission of ensuring equitable access to safe and effective vaccines," said John C. Jacobs, President and Chief Executive Officer, Novavax. "We look forward to a long-term partnership with Gavi to provide continued access to our protein-based non-mRNA COVID-19 vaccine."

"Gavi welcomes this agreement, which allows us to maintain focus on our core programmatic goals, including providing access to COVID-19 vaccines for vulnerable people in lower income countries. It is good for global immunisation, for countries and for healthy manufacturing markets," said David Marlow, Chief Executive Officer (ad int) of Gavi, the Vaccine Alliance.

With the goal of furthering a joint commitment to public health, Novavax and Gavi have agreed to terms that will prioritize Gavi's and Novavax's shared mission to save lives and protect people's health by increasing equitable and sustainable use of vaccines. Under the terms, Novavax has made an initial payment of \$75 million to Gavi and has agreed to make deferred payments of \$80 million annually through December 31, 2028, which are due in quarterly installments and total up to \$400 million. Novavax's annual cash obligation would be offset or reduced pursuant to an \$80 million annual vaccine credit, which may be used for qualifying sales of any of the Company's vaccines funded by Gavi for supply to low-income and lower-middle income countries. Use of the annual vaccine credit for qualifying sales would reduce Novavax's annual cash obligation. In addition to the annual obligation, Novavax will provide an additional vaccine credit of up to \$225 million, should there be additional demand, which can be applied towards qualifying dose purchases of any of the Company's vaccines in such countries throughout the five-year term.

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 a vaccine for COVID-19 and influenza combined. 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](https://www.novavax.com) and [LinkedIn](https://www.linkedin.com/company/novavax) for more information.

About Gavi, the Vaccine Alliance

Gavi, the Vaccine Alliance is a public-private partnership that helps vaccinate more than half the world's children against some of the world's deadliest diseases. The Vaccine Alliance brings together developing country and donor governments, the World Health Organization, UNICEF, the World Bank, the vaccine industry, technical agencies, civil society, the Bill & Melinda Gates Foundation and other private sector partners. View the full list of donor governments and other leading organisations that fund Gavi's work [here](https://www.gavi.org).

Since its inception in 2000, Gavi has helped to immunise a whole generation – over 1 billion children – and prevented more than 17.3 million future deaths, helping to halve child mortality in 78 lower-income countries. Gavi also plays a key role in improving global health security by supporting health systems as well as funding global stockpiles for Ebola, cholera, meningococcal and yellow fever vaccines. After two decades of progress, Gavi is now focused on protecting the next generation, above all the zero-dose children who have not received even a single vaccine shot. The Vaccine Alliance employs innovative finance and the latest technology – from drones to biometrics – to save lives, prevent outbreaks before they can spread and help countries on the road to self-sufficiency. Learn more at www.gavi.org and connect with us on [Facebook](https://www.facebook.com/gavi) and [Twitter](https://twitter.com/gavi).

Forward-Looking Statements

Statements herein relating to the future of Novavax, its operating plans and prospects, its mission, its coordination with Gavi,

and the occurrence and timing of certain payments to Gavi 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 ability to successfully manufacture, distribute, or market its updated COVID-19 vaccine, 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; difficulty obtaining scarce raw materials and supplies; resource constraints, including human capital and manufacturing capacity, and constraints on Novavax's ability to pursue planned regulatory pathways, alone or with partners, in multiple jurisdictions simultaneously, leading to staggered regulatory filings and potential regulatory actions; challenges or delays in conducting clinical trials; challenges or delays in obtaining regulatory authorization for its product candidates, including for future COVID-19 variant strain changes; manufacturing, distribution or export delays or challenges; Novavax's significant 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 vaccines and the impact of any delays or disruptions in their operations on the delivery of customer orders; 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, NVX-CoV2373 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, 2022 and subsequent Quarterly Reports on Form 10-Q, as filed with the Securities and Exchange Commission (SEC). Novavax cautions investors not to place considerable reliance on forward-looking statements contained in this press release. Novavax encourages you to read its 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. Novavax's 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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