UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the Fiscal Year Ended December 31, 2025

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 Number: 001-34949

Arbutus Biopharma Corporation

(Exact Name of Registrant as Specified in Its Charter)

British Columbia, Canada	**98-0597776**
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

701 Veterans Circle
Warminster
PA
18974
(Address of Principal Executive Offices)

267-469-0914
(Registrant's Telephone Number, Including Area Code)

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 shares, without par value	ABUS	The Nasdaq Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act: None.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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 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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to § 240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

As of June 30, 2025, the last business day of the registrant's most recently completed second fiscal quarter, the approximate aggregate market value of voting and non-voting common equity held by non-affiliates of the registrant was $472,133,611 (based on the closing price of $3.09 per share as reported on the Nasdaq Global Select Market as of that date).

As of March 18, 2026, the registrant had 195,478,068 common shares, without par value, outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive proxy statement for its 2026 Annual General Meeting of Shareholders, which the registrant intends to file pursuant to Regulation 14A with the Securities and Exchange Commission no later than 120 days after the registrant's fiscal year ended December 31, 2025, are incorporated by reference into Part III of this Form 10-K.

ARBUTUS BIOPHARMA CORPORATION

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Cautionary Note Regarding Forward-looking Statements

This Annual Report on Form 10-K (Form 10-K) contains "forward-looking statements" or "forward-looking information" within the meaning of applicable United States and Canadian securities laws (we collectively refer to these items as "forward-looking statements"). Forward-looking statements are generally identifiable by use of the words "believes," "may," "plans," "will," "anticipates," "intends," "budgets," "could," "estimates," "expects," "forecasts," "projects" and similar expressions that are not based on historical fact or that are predictions of or indicate future events and trends, and the negative of such expressions. Forward-looking statements in this Form 10-K, including the documents incorporated by reference, include statements about, among other things:

- our strategy, future operations, preclinical studies, clinical trials, and prospects;
- our beliefs, plans and expectations regarding our patent infringement lawsuit against Pfizer/BioNTech, and the expected timing thereof;
- our beliefs, plans and expectations regarding Moderna's limited appeal following the settlement of our patent infringement litigation, the contingent lump sum payment included in our settlement with Moderna, and the expected timing thereof;
- our evaluation of a potential return of capital to our shareholders in connection with the settlement of our patent infringement lawsuits against Moderna, and the expected timing thereof;
- our beliefs, plans and expectations regarding our patent infringement lawsuit against the United States, and the expected timing thereof;
- the potential for our product candidates to achieve their desired or anticipated outcomes;
- the expected cost, timing and results of our clinical development plans and clinical trials, including clinical collaborations with third parties;
- the development and commercialization of a therapy for chronic hepatitis B infection, a disease of the liver caused by the hepatitis B virus;
- our aim to prevent complications of hepatitis B virus disease progression, to decrease hepatitis B virus burden by minimizing patient stigma and to address the need for finite and more efficacious hepatitis B virus treatments that further improve long-term outcomes and reduce associated healthcare costs;
- the potential of our product candidates to improve upon the standard of care to treat hepatitis B infection and provide clinical benefits to hepatitis B patients;
- obtaining necessary regulatory approvals;
- obtaining adequate financing through a combination of financing activities and operations;
- the expected returns and benefits from strategic alliances, licensing agreements, and development collaborations with third parties, and the timing thereof;
- our expectations regarding our technology licensed to third parties, and the timing thereof;
- our anticipated revenue and expense fluctuation and guidance;
- our expectations regarding the timing of announcing data from our ongoing clinical trials;
- our expectations regarding our net cash burn; and
- our expectation for how long we can fund our operations with our existing cash resources,

as well as other statements relating to our future operations, financial performance or financial condition, prospects or other future events. Forward-looking statements appear primarily in the sections of this Form 10-K entitled "Item 1-Business," "Item 1A-Risk Factors," "Item 7-Management's Discussion and Analysis of Financial Condition and Results of Operations," and "Item 8-Financial Statements and Supplementary Data."

Forward-looking statements are based upon current expectations and assumptions and are subject to a number of known and unknown risks, uncertainties and other factors that could cause actual results to differ materially and adversely from those expressed or implied by such statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in this Form 10-K and in particular the risks and uncertainties discussed under "Item 1A-Risk Factors" of this Form 10-K. As a result, you should not place undue reliance on forward-looking statements.

Additionally, the forward-looking statements contained in this Form 10-K represent our views only as of the date of this Form 10-K (or any earlier date indicated in such statement). While we may update certain forward-looking statements from time to time, we specifically disclaim any obligation to do so, even if new information becomes available in the future. However, you

are advised to consult any further disclosures we make on related subjects in the periodic and current reports that we file with the Securities and Exchange Commission.

The foregoing cautionary statements are intended to qualify all forward-looking statements wherever they may appear in this Form 10-K, including any documents incorporated by reference therein. For all forward-looking statements, we claim protection of the safe harbor contained in the Private Securities Litigation Reform Act of 1995.

This Form 10-K also contains estimates, projections and other information concerning our industry, our business, the markets for certain diseases, including data regarding the estimated size of those markets, and the incidence and prevalence of certain medical conditions. Information that is based on estimates, forecasts, projections, market research or similar methodologies is inherently subject to uncertainties and actual events or circumstances may differ materially from events and circumstances reflected in this information. Unless otherwise expressly stated, we obtained this industry, business, market and other data from reports, research surveys, studies and similar data prepared by market research firms and other third parties, industry, medical and general publications, government data and similar sources.

Risk Factors Summary

The following is a summary of the principal risks that could adversely affect our business, operations and financial results. For more information, see "Item 1A. Risk Factors" in this Annual Report on Form 10-K for the year ended December 31, 2025.

Risks Related to Our Business, Our Financial Results and Need for Additional Capital

- We are involved in patent infringement lawsuits to protect and assert our intellectual property rights against large, well-capitalized companies and the United States, which requires that we continue to expend substantial resources, and we may not be successful in these proceedings.
- We face risks associated with the Contingent Settlement Payment (defined below) under the Moderna Settlement Agreement (defined below).
- We are in the early stages of our development, and there is a limited amount of information about us upon which you can evaluate our product candidates.
- We may require substantial additional capital to fund our operations. Additional funds may be dilutive to shareholders or impose operational restrictions. Further, if additional capital is not available, we may need to delay, limit or eliminate our development and commercialization programs and modify our business strategy.
- We have incurred operating losses in nearly every year since our inception and we anticipate that we will not achieve operating profits for the foreseeable future. To date, we have had no product revenues.
- We do not generate revenues from product sales and may never be profitable from operations.

Risks Related to Development, Clinical Testing, Regulatory Approval, Marketing, and Coverage and Reimbursement of our Product Candidates

- Our product candidates are in early stages of development and must go through clinical trials, which are very expensive, time-consuming and difficult to design and implement. The outcomes of clinical trials are uncertain.
- Preclinical studies and preliminary and interim data from clinical trials of our product candidates are not necessarily predictive of the results or success of ongoing or later clinical trials of our product candidates.
- Because we have limited operational resources, we may decide to pursue a particular product candidate and fail to advance product candidates that later demonstrate a greater chance of clinical and commercial success.
- Several of our clinical trials are currently or were conducted outside the United States, and the FDA may not accept data from trials conducted in locations outside the United States.
- We cannot guarantee how long it will take regulatory agencies to review our applications for product candidates.
- Disruptions at the FDA, including due to a reduction in the FDA's workforce and/or inadequate funding for the FDA, could prevent the FDA from performing normal functions on which our business relies, which could negatively impact our business.
- If a particular product candidate causes undesirable side effects, then we may be unable to receive regulatory approval of or commercialize such product candidate.
- We may find it difficult to enroll patients in our clinical trials, which could hinder such clinical trials.
- It may take considerable time and expense to resolve the clinical hold that has been placed on our IND application of AB-101 by the FDA, and no assurance can be given that the FDA will remove the clinical hold, in which case our business and financial prospects may be adversely affected.
- Even if our product candidates obtain regulatory approval, they will remain subject to ongoing regulatory requirements.
- We face significant competition from other biotechnology and pharmaceutical companies targeting HBV (defined below).
- Our ability to generate product revenues and become profitable from operations is largely dependent on the future commercial success of our HBV product candidates.
- We may incur substantial liabilities and may be required to limit commercialization of our products in response to product liability lawsuits.
- Coverage and adequate reimbursement may not be available for our product candidates, which could make it difficult for us to sell our products profitably.

- We are subject to United States and Canadian healthcare laws and regulations, which could expose us to criminal sanctions, civil penalties, contractual damages and reputational harm.
- If we participate in the Medicaid Drug Rebate Program and other governmental pricing programs, failure to comply with obligations under these programs could result in additional reimbursement requirements, penalties, sanctions and fines, which could have a material adverse effect on our business, financial condition, results of operations and growth prospects.
- Failure to comply with the United States Foreign Corrupt Practices Act, and potentially other global anti-corruption and anti-bribery laws, could subject us to penalties and other adverse consequences.

Risks Related to Our Dependence on Third Parties

- We depend on our license agreement with Alnylam Pharmaceuticals, Inc. for the commercialization of ONPATTRO™ (Patisiran).
- We expect to depend in part on our licensing agreements for a significant portion of our revenues for the foreseeable future and to develop, conduct clinical trials with, obtain regulatory approvals for, and manufacture, market and sell some of our product candidates. If these licensing agreements are unsuccessful, or anticipated milestone or royalty payments are not received, our business could be materially adversely affected.
- If conflicts arise between our licensing partners and us, our licensing partners may act in their best interest and not in our best interest, which could adversely affect our business.
- We rely on third parties to conduct our clinical trials, and if they fail to fulfill their obligations, our development plans may be adversely affected.
- We rely exclusively on third parties to formulate and manufacture our product candidates, which exposes us to a number of risks that may delay development, regulatory approval and commercialization of our products.

Risks Related to Our Intellectual Property

- Other entities may assert patent rights that prevent us from developing or commercializing our products.
- Certain of our patents and patent applications have been challenged and found to be invalid, and additional challenges may occur in the future, which could adversely affect our business.
- We have incurred, and may in the future continue to incur, substantial costs as a result of litigation or other proceedings relating to patent and other intellectual property rights, and we may not be successful in one or more of these lawsuits or proceedings, any of which could have a material adverse effect on our business, financial condition and results of operations and could cause the market value of our common shares to decline.
- Confidentiality agreements with employees and others, including collaborators, may not adequately prevent disclosure of trade secrets and other proprietary information.

Risks Related to the Ownership of our Common Shares

- The concentration of common share ownership will likely limit the ability of the other shareholders to influence corporate matters.
- We are incorporated in Canada, with our assets located both in Canada and the United States, with the result that it may be difficult for investors to enforce judgments obtained against us or some of our officers.
- If we are deemed to be a “passive foreign investment company” for the current or any future taxable year, investors who are subject to United States federal taxation would likely suffer materially adverse United States federal income tax consequences.
- Our articles and certain Canadian laws could delay or deter a change of control.

General Risk Factors

- We could face liability from our controlled use of hazardous and radioactive materials.
- Our business, reputation, and operations could suffer in the event of information technology system failures.
- We may form strategic alliances or collaborations that could harm our business.

PART I

Item 1. Business

Overview

Arbutus Biopharma Corporation ("Arbutus", the "Company", "we", "us", and "our") is a clinical-stage biopharmaceutical company focused on infectious disease. We are currently developing imdusiran (AB-729), our proprietary, GalNAc-conjugated, subcutaneously-delivered ribonucleic acid interference (RNAi) therapeutic, and AB-101, our proprietary oral PD-L1 inhibitor, for the treatment of chronic hepatitis B (cHBV).

We continue to protect and defend our intellectual property, which is the subject of our ongoing lawsuit against Pfizer Inc. and BioNTech SE (collectively, Pfizer/BioNTech) for their use of our patented lipid nanoparticle (LNP) technology in their COVID-19 messenger ribonucleic acid interference (mRNA)-LNP vaccines. The court issued a claim construction ruling in September 2025, which construed the disputed claim terms in a manner we generally consider to be favorable. The parties are awaiting further scheduling in the litigation.

On March 3, 2026, we, along with Genevant Sciences GmbH and its parent (collectively, Genevant), entered into a settlement agreement (the Moderna Settlement Agreement) to resolve all patent infringement litigation and patent revocation proceedings involving Moderna, Inc. and its affiliates (collectively, Moderna) pending in the United States and internationally (the Moderna LNP Litigation). Under the terms of the Moderna Settlement Agreement, Moderna will make an aggregate $950.0 million noncontingent lump sum payment (the Noncontingent Settlement Payment) to us and Genevant on or before July 8, 2026. In addition, Moderna is obligated to pay us and Genevant an additional aggregate contingent lump sum payment of $1.3 billion (the Contingent Settlement Payment) upon a ruling that is favorable to us and Genevant in a limited appeal related to 28 U.S.C. §1498 (§1498) that Moderna is allowed to file pursuant to the Moderna Settlement Agreement (the Moderna §1498 Appeal). Under our license with Genevant, we are entitled to receive, after deduction of litigation costs, 20% of the Noncontingent Settlement Payment. In addition, as of the date of this annual report, we own approximately 16% of the outstanding common equity of Genevant. We are currently evaluating a return of capital to our shareholders in the third quarter of calendar year 2026, following the receipt of our portion of the Noncontingent Settlement Payment. For more information, see "Item 1 – Business – Other Collaborations, Royalty Entitlements and Intellectual Property Litigation" and "Item 3 – Legal Proceedings."

During 2024, we streamlined the organization to focus our efforts on advancing the clinical development of imdusiran and AB-101, and therefore ceased all discovery efforts, halted preparations for a potential IM-PROVE III clinical trial and reduced our workforce by 40%. In the first quarter of 2025, we announced the appointment of five new members of our Board of Directors (our Board) to replace all of the former directors, as well as the appointment of a new President, Chief Executive Officer and Chairperson of our Board and a new Chief Financial Officer. Additionally, our Board took action to reduce our workforce by an additional 57%. Our Board also decided to exit our corporate headquarters in Warminster, Pennsylvania and to discontinue in-house scientific research. In connection with these actions, we incurred one-time restructuring charges during 2025 of $12.9 million. With these organizational changes and our ongoing cost management efforts, we significantly reduced our net cash burn in 2025 when compared to 2024.

In June 2025, we launched a new Scientific Advisory Board (SAB) consisting of globally-recognized leaders in the treatment of cHBV with extensive experience in late-stage clinical trials. SAB members are advising us on the strategic evaluation of our cHBV pipeline.

In August 2025, we announced changes to our Board. Effective August 4, 2025, Anuj Hasija resigned from our Board due to his transition to a full-time executive role at another company that precludes his participation on our Board and other boards of directors. Dr. Roger Sawhney was appointed to the vacant seat on our Board, effective August 4, 2025. Dr. Sawhney was also appointed as a member of our Board's Audit Committee and Corporate Governance and Nominating Committee.

Strategy

Our strategy is focused on maximizing opportunities for our cHBV development programs and, through our exclusive license with Genevant, our in-house developed LNP technology.

LNP technology

In February 2022 and April 2023, we filed patent infringement lawsuits in the United States against Moderna and Pfizer/BioNTech, respectively, seeking compensation for their unlicensed use of our patented technologies in their COVID-19 mRNA-LNP vaccines. It is well established in the scientific literature that the most significant technological hurdle to developing and deploying medicines using mRNA is engineering a safe and effective way to deliver the mRNA to human cells. Scientists at Arbutus and Genevant have spent years developing and refining LNP technology, which has been licensed for various applications to many different third parties. Our and Genevant's LNP technology relies on microscopic particles built from four carefully selected types of fat-like molecules to shelter and protect nucleic acid molecules, including ribonucleic acid (RNA) molecules like the messenger RNA (mRNA) utilized in COVID-19 mRNA-LNP vaccines. This technology enables the mRNA to travel through the human body to a target cell and through the target cell's membrane, where it releases the mRNA. Without this crucial technology, the mRNA would quickly degrade in the body and be ineffective. We continue to protect and defend our intellectual property, which is the subject of our ongoing lawsuit against Pfizer/BioNTech for their use of our patented LNP technology in their COVID-19 mRNA-LNP vaccines.

cHBV programs

Our hepatitis B (HBV) strategy has been to develop a functional cure for patients with cHBV infection with imdusiran as a potential cornerstone in a combination therapy. Development to date has emphasized a combination of compounds that can suppress hepatitis B virus deoxyribonucleic acid (HBV DNA) replication, hepatitis B virus RNA (HBV RNA) transcription, and hepatitis B surface antigen (HBsAg) and other viral protein expression, as well as boost patients' HBV-specific immune response, which together could address the most important elements to achieving a functional cure. Functional cure is defined as sustained HBsAg seroclearance and HBV DNA less than the lower limit of quantification (<LLOQ) after 24 weeks off treatment, with or without anti-hepatitis B surface antibodies (anti-HBs). A functional cure for patients with cHBV could prevent complications of HBV disease progression, decrease HBV burden by minimizing patient stigma and address the need for finite and more efficacious HBV treatments that further improve long-term outcomes and reduce associated healthcare costs. Our current ongoing evaluation of our HBV strategy also includes analysis of imdusiran's potential to suppress HBV DNA replication and HBV RNA and HBsAg expression, without any immunotherapeutics. We are also continuing to evaluate and refine potential Phase 2b clinical trial designs for imdusiran.

Our HBV product pipeline includes the following:

- Imdusiran (AB-729) is our proprietary, GalNAc-conjugated, subcutaneously-delivered RNAi therapeutic product candidate that suppresses all HBV antigens, including HBsAg, which is thought to be a key prerequisite to enable potentiation of a patient's immune system to respond to HBV. Over 200 patients with cHBV infection have been dosed with imdusiran in Phase 1 and Phase 2a clinical trials. Clinical data generated thus far has shown imdusiran provides meaningful reductions in HBsAg and other viral proteins, HBV DNA and HBV RNA, and leads to functional cure in some patients, while being generally safe and well-tolerated. Benefits were observed in patients across all evaluated HBV genotypes (A to E). In the Phase 1 and Phase 2a clinical trials, eight patients achieved functional cure, off all treatment, in combination therapy that includes imdusiran, including two patients who did not receive any pegylated interferon alfa-2a (IFN) as part of the combination therapy. An additional 41 patients across our Phase 2a clinical trials were able to remain off nucleos(t)ide analogue (NA) therapy for at least 48 weeks after discontinuing NA therapy during their Phase 2a clinical trials. A total of 47% (49/105) of all Phase 2a patients achieved functional cure or remained off NA therapy after discontinuing NA therapy during their Phase 2a clinical trials. Of the 18 patients who are currently being followed long-term (which includes the eight functionally cured patients described above and 10 patients who discontinued and remained off NA therapy), one patient who discontinued NA therapy achieved functional cure during the long-term follow-up period, and 89% of the 18 patients continue to remain off NA therapy for between 82 and 134 weeks. Two of the original eight functionally cured patients seroreverted during long-term follow-up, but remain virally suppressed and off NA therapy. Furthermore, among an additional 11 patients with available data who discontinued NA therapy during their Phase 2a clinical trials, but were subsequently discontinued early from long-term follow-up, one patient achieved functional cure and two restarted NA therapy. To date, a total of 10 patients have achieved functional cure during our Phase 2a clinical trials and long-term follow-up.

- AB-101 is our proprietary oral PD-L1 inhibitor that has the potential to activate patients' HBV-specific immune response by inhibiting PD-L1. AB-101 is currently in a Phase 1a/1b clinical trial (AB-101-001) evaluating the safety, tolerability, pharmacokinetics (PK), and pharmacodynamics (PD) of single- and multiple-ascending oral doses in healthy subjects and patients with cHBV infection. The data from healthy subjects in Parts 1 and 2 and cHBV patients in Part 3 of this clinical trial have shown that AB-101 was generally well-tolerated with evidence of high receptor occupancy.

To help position imdusiran as a potential cornerstone in a combination therapy, we fully enrolled two Phase 2a clinical trials that combined imdusiran with other agents. The intent of these trials was to initially lower HBsAg levels with imdusiran and then administer a complementary agent, an immune modulator or a therapeutic vaccine, to further lower HBsAg levels and promote anti-HBV immunity. We believe that if we can lower HBsAg and other viral antigens and promote immunity, we may achieve sustained HBsAg seroclearance and HBV DNA <LLOQ, potentially leading to a functional cure in patients with cHBV. Currently, patients with cHBV have limited treatment options - either NA therapy, which requires lifelong treatment, or a finite duration of IFN, which is poorly tolerated and has serious complications and side effects. We believe patients can see significant benefits with imdusiran even without functional cure if they are well enough to be able to discontinue NA therapy and maintain viral suppression.

In the Phase 2a clinical trials, eight patients with cHBV achieved functional cure following treatment with imdusiran and NA therapy in combination with either IFN or with low dose nivolumab plus an immunotherapeutic. Seven of those eight total patients who achieved functional cure with the 60mg dose of imdusiran had HBsAg levels less than 1000 IU/mL at baseline. According to the literature, patients with HBsAg levels <1000 IU/mL represent a significant portion of the cHBV population. To date, six of those eight patients continue to sustain functional cure for periods ranging between 82 to 134 weeks, while two patients have seroreverted but remain virally suppressed and off NA therapy. In addition to the patients who achieved functional cure during their Phase 2a clinical trials, 41 more patients were able to remain off NA therapy for at least 48 weeks during their clinical trials after discontinuing NA therapy following treatment with imdusiran. In total, 47% (49/105) of all Phase 2a patients either achieved functional cure or remained off NA therapy after discontinuing NA therapy during their clinical trials following treatment with imdusiran. Of the 10 patients who were able to discontinue and remain off NA therapy for at least 48 weeks who are currently being followed long-term in our rollover study, one patient achieved functional cure during the long-term follow-up period, and a total of eight patients have continued to remain off NA therapy for periods ranging between 96 to 131 weeks. These results suggest that imdusiran has lasting durability in helping patients maintain viral suppression and may help patients achieve beneficial clinical outcomes years after completing finite imdusiran regimens.

Our imdusiran development program includes the following two Phase 2a clinical trials:

- Imdusiran in combination with IFN, an approved immunomodulator, and ongoing standard-of-care NA therapy in patients with cHBV infection (IM-PROVE I). At the American Association for the Study of Liver Diseases (AASLD) – The Liver Meeting® in November 2024, we presented data from our IM-PROVE I Phase 2a clinical trial showing that six doses of imdusiran and 24 weeks of IFN added to ongoing NA therapy led to a functional cure rate of 50% (3/6) in hepatitis B e antigen (HBeAg) negative patients with baseline HBsAg levels less than 1000 IU/mL, and an overall functional cure rate of 25% (3/12). Additionally, three cHBV patients from other cohorts in the IM-PROVE I clinical trial achieved functional cure. Those patients who achieved functional cure also seroconverted. Furthermore, an additional 10 patients who did not achieve functional cure were able to remain off NA therapy for at least 48 weeks after discontinuing NA therapy following treatment with imdusiran. At the AASLD – The Liver Meeting in November 2025, we presented new analysis from our IM-PROVE I Phase 2a clinical trial showing beneficial clinical outcomes were observed across all evaluated HBV genotypes (A to D), even in genotypes described in literature as not responsive to IFN treatment. These data from the IM-PROVE I trial suggest that the combination of imdusiran, 24 weeks of IFN and NA therapy was generally safe and well-tolerated with beneficial clinical outcomes, and that imdusiran may enhance responsiveness to IFN in HBV genotypes that are poor responders to IFN.
- Imdusiran in combination with VTP-300, Barinthus Biotherapeutics plc's (Barinthus) HBV immunotherapeutic, and ongoing NA therapy in patients with cHBV infection, including a cohort with the addition of low dose nivolumab (Opdivo®) (IM-PROVE II). At the European Association for the Study of the Liver (EASL) Congress in May 2025, we presented data from this clinical trial showing that 25% (2/8) of the patients with low dose nivolumab added to the treatment regimen and with baseline HBsAg levels less than 1000 IU/mL achieved functional cure. Furthermore, an additional 31 patients (including some HBeAg positive patients) who did not achieve functional cure were able to

remain off NA therapy for at least 48 weeks after discontinuing NA therapy following treatment with imdusiran. These data from the IM-PROVE II trial suggest that the combination of imdusiran, VTP-300, NA therapy and low dose nivolumab was generally safe and well-tolerated with beneficial clinical outcomes.

Background on HBV

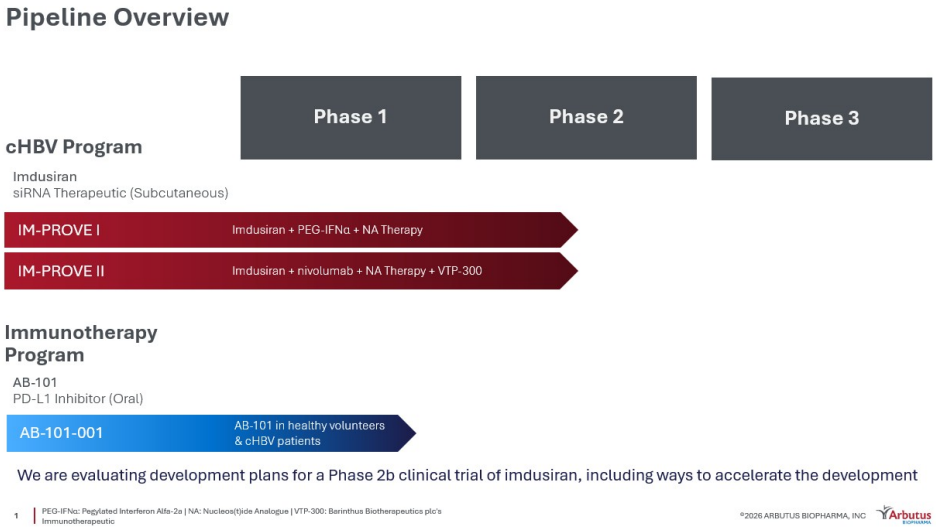
Hepatitis B is a potentially life-threatening liver infection caused by HBV. HBV can cause chronic infection which leads to a higher risk of death from cirrhosis and liver cancer. cHBV infection represents a significant unmet medical need. There are HBV vaccines approved by the United States Food and Drug Administration (FDA), which are indicated for the prevention of infection caused by HBV. However, the World Health Organization estimates that over 250 million people worldwide suffer from cHBV infection, while other estimates indicate that approximately 2 million people in the United States suffer from cHBV infection. Even with the availability of effective vaccines and current treatment options, approximately 1.1 million people die every year from complications related to cHBV infection. We believe there is a compelling market opportunity for an HBV curative regimen. Currently, an estimated 32 million (13%) of a total of over 250 million people worldwide with cHBV infection are diagnosed and approximately 7 million (3%) are on treatment. We believe that the introduction of an HBV curative regimen with a finite duration would substantially increase diagnosis and treatment rates for people with cHBV infection.

Current treatments and their limitations

Today's current treatment options for cHBV infection include IFN and NA therapies. IFN, a synthetic version of a substance produced by the body to fight infection, is administered by injection and has numerous side effects including flu-like symptoms and depression. NA therapies are oral antiviral medications which, when taken chronically, reduce HBV virus replication and inflammation and significantly reduce HBV DNA in the blood. Oral NA therapies have become the standard-of-care for HBV treatment, mainly due to their ability to drive viral load to undetectable levels in the serum of patients, their single pill once-a-day dosing and favorable safety profile. However, in most cases, once IFN and NA therapies are stopped, virus replication resumes and liver inflammation and fibrosis may still progress. While these treatments reduce viral load, fewer than 10% of patients are functionally cured after a finite treatment duration. With such low cure rates, most patients with cHBV infection are required to take NA therapy daily for the rest of their lives.

Our Product Candidates

Our pipeline consists of two product candidates that are designed to suppress HBV DNA and HBV RNA, reduce HBsAg and other viral antigens and/or boost HBV-specific immune responses, to allow cHBV patients to become and remain treatment-free, as follows:



We continue to explore pipeline opportunities in the form of potential strategic alliances, in order to accelerate the development of these programs.

RNAi therapeutic (imdusiran, AB-729)

RNAi therapeutics represent a significant advancement in drug development. RNAi therapeutics utilize a natural pathway within cells to effectively silence genes by eliminating the disease-causing proteins that they code for. We are developing an RNAi therapeutic, imdusiran, that is designed to reduce HBV DNA, HBV RNA, HBsAg and other HBV antigen expression in people with cHBV infection. Reducing HBsAg in addition to other viral proteins and HBV DNA are widely believed to be key prerequisites to potentiate an effective patient's immune response against the virus.

Imdusiran has the following advantages over other RNAi therapeutics in development for cHBV infection:

- Targeted to hepatocytes using our proprietary covalently conjugated GalNAc delivery technology which provides highly efficient liver-targeted uptake and enables subcutaneous dosing.
- Unique nucleotide sequence that is single trigger and targets all HBV transcripts including HBx from cccDNA and integrated HBV DNA.
- Specific chemical modifications and unique asymmetric RNA structure that reduces off-target effects while maintaining/enhancing potency and providing durable liver exposure and in vivo therapeutic effect.
- Delivered at a low dose and infrequently (4, 8 or 12 week intervals).
- Immune activation properties with HBV-specific T-cell immune restoration and a decrease in exhausted T-cells in responder patients.

IM-PROVE I Phase 2a proof-of-concept clinical trial evaluating imdusiran in combination with IFN

We have completed IM-PROVE I, a randomized, open label, multicenter Phase 2a proof-of-concept clinical trial investigating the safety and antiviral activity of imdusiran in combination with a short course of IFN and ongoing NA therapy in 43 stably NA-suppressed, HBeAg negative, non-cirrhotic patients with cHBV infection. Our primary intent for this trial was to initially

lower HBsAg and other viral proteins, HBV DNA and HBV RNA levels with imdusiran and then administer IFN as an immunomodulator to promote anti-HBV immune responses. Our belief in this trial was that if we can lower HBsAg, other viral proteins and HBV DNA levels and promote immune responses, we may achieve sustained HBsAg seroclearance and HBV DNA <LLOQ, potentially leading to a functional cure. After patients received 24-weeks of dosing with imdusiran (60mg every 8 weeks, 4 doses) plus ongoing NA therapy, patients were randomized into one of four cohorts to receive a short course of IFN plus ongoing NA therapy for either 12 or 24 weeks, with or without up to two additional doses of imdusiran across an additional 16 week period. After completion of the assigned IFN treatment period, all patients remained on NA therapy for a 24-week follow-up period, and then discontinued NA treatment, provided they met protocol-defined NA therapy discontinuation criteria. Patients who discontinued NA therapy entered an intensive follow-up period for 48 weeks.

Select key data from 12 patients in Cohort A1 of this Phase 2a clinical trial who received 6 doses of imdusiran, 24 weeks of IFN and ongoing NA therapy, as presented at the AASLD – The Liver Meeting in November 2024, include:

- 50% (3/6) of patients with baseline HBsAg <1000 IU/mL achieved functional cure.
- Overall, 25% (3/12) of patients achieved functional cure.
- Those patients who achieved functional cure also seroconverted with anti-HBs levels increasing as patients lost HBsAg.

At the EASL Congress in May 2025, we presented a poster characterizing the demographics and virological markers of the six cHBV patients across dosing cohorts in the IM-PROVE I Phase 2a clinical trial who achieved functional cure. The data showed that HBsAg at baseline was the only apparent marker in common associated with functional cure. In a second poster, we reported that patients who achieved functional cure in the 24-week IFN treatment cohorts experienced HBsAg seroclearance associated with transient HBV RNA elevations that were preceded by or coincided with increases in immunological markers. At the AASLD – The Liver Meeting in November 2025, we presented new analysis from our IM-PROVE I Phase 2a clinical trial showing beneficial clinical outcomes were observed across all evaluated HBV genotypes (A to D).

Additionally, a total of 10 patients in IM-PROVE I who did not achieve functional cure were still able to remain off NA therapy for at least 48 weeks after discontinuing NA therapy following treatment with imdusiran. Across all cohorts and all baseline HBsAg levels, 37% (16/43) of patients either achieved functional cure or remained off NA therapy for at least 48 weeks after discontinuing NA therapy following treatment with imdusiran at 60mg.

These data from the IM-PROVE I trial suggest that the combination of imdusiran and IFN was generally safe and well-tolerated. There were no serious adverse events related to imdusiran, IFN or NA therapy, and no adverse events leading to discontinuation. The most common imdusiran-related treatment emergent adverse events (TEAEs) were injection site bruising and transient alanine aminotransferase elevations, which occurred in association with decreasing HBsAg levels and/or markers of immune activation, and which returned to baseline values in all instances. The IFN-related TEAEs were consistent with the known safety profile of IFN.

IM-PROVE II Phase 2a proof-of-concept clinical trial evaluating imdusiran in combination with Barinthus' VTP-300

Through a clinical collaboration agreement with Barinthus that we entered into in July 2021, we completed IM-PROVE II, a Phase 2a proof-of-concept clinical trial evaluating the safety, antiviral activity and immunogenicity of a combination treatment with Barinthus' VTP-300, an HBV immunotherapeutic, administered after imdusiran in patients with cHBV infection. The initial trial design enrolled 40 NA-suppressed, HBeAg negative or positive, non-cirrhotic cHBV infected patients. Our primary intent for this trial was to initially lower HBsAg and other viral proteins, HBV DNA and HBV RNA levels with imdusiran and then administer VTP-300 as an immunomodulator to promote anti-HBV immune responses. All patients received imdusiran (60mg every 8 weeks, 4 doses) plus NA therapy for 24 weeks. After week 24, treatment with imdusiran was stopped. Patients continued only on NA therapy and were randomized to receive VTP-300 or placebo at week 26 and week 30. At week 48, all patients were evaluated for eligibility to discontinue NA therapy and were followed for an additional 24 to 48 weeks. Subsequently, we amended the IM-PROVE II clinical trial protocol to include another cohort that received imdusiran, VTP-300, NA therapy and low dose nivolumab, an approved PD-1 inhibitor in oncology. In this additional cohort, patients received imdusiran (60mg every 8 weeks, 4 doses) plus NA therapy for 24 weeks, followed by administration of VTP-300 plus up to two low doses of nivolumab while remaining on NA therapy. At week 48, all patients were evaluated for eligibility to discontinue NA therapy, and were followed for an additional 24 to 48 weeks.

The cohort that included low dose nivolumab was the best performing cohort in the IM-PROVE II clinical trial. At the AASLD – The Liver Meeting in November 2024, we presented data from this clinical trial showing that the addition of low dose nivolumab increased rates of HBsAg seroclearance in cHBV patients and that 23% (3/13) of patients who received the treatment regimen with low dose nivolumab achieved HBsAg seroclearance by week 48. At the EASL Congress in May 2025, we presented data showing that 25% (2/8) of patients with low dose nivolumab added to the treatment regimen and with baseline HBsAg<1000 IU/mL achieved functional cure.

Additionally, a total of 31 patients in IM-PROVE II who did not achieve functional cure were still able to remain off NA therapy for at least 48 weeks after discontinuing NA therapy following treatment with imdusiran at 60mg. A total of 53% (33/62) of patients either achieved functional cure or remained off NA therapy for at least 48 weeks after discontinuing NA therapy following treatment with imdusiran at 60mg, across all cohorts and all baseline HBsAg levels, and both HBeAg negative and positive patients. Treatment with imdusiran, VTP-300, NA therapy and low dose nivolumab in this clinical trial was generally safe and well-tolerated. There were no serious adverse events, immune-related adverse events, or discontinuations due to adverse events.

The IM-PROVE II clinical trial was managed by us, subject to oversight by a joint development committee comprised of representatives from both companies. We and Barinthus retained full rights to our respective product candidates and split all costs associated with the clinical trial. Pursuant to the agreement, the parties could have undertaken a larger Phase 2b clinical trial depending on the results of the initial Phase 2a clinical trial. However, in January 2025, Barinthus announced a shift in its strategic business focus that included postponing further development of VTP-300. The parties do not intend to undertake a larger Phase 2b with this combination treatment regimen.

At the AASLD - The Liver Meeting in November 2025, we presented cumulative data across all of our imdusiran clinical trials demonstrating that imdusiran was safe and well-tolerated at all tested repeat doses of 60mg or 90mg, and that beneficial clinical outcomes in our Phase 2a clinical trials were potentially linked to immune reawakening in patients.

Imdusiran Treatment Without Immunotherapeutic

In our single and multiple ascending dose Phase 1b clinical trial for imdusiran, we enrolled HBeAg negative and positive patients, as well as HBV DNA positive patients not on NA therapy. Across all arms, which included doses up to 180mg, 71% (44/62) of patients achieved HBsAg levels below 100 IU/mL, including 5% (3/62) of patients who achieved HBsAg seroclearance. Additionally, 56% (5/9) of patients who elected to discontinue NA therapy remained off NA therapy for at least three years after discontinuation. Furthermore, all patients in all imdusiran clinical trials showed significant early decreases in HBsAg levels, often observed after the first or second dose of imdusiran. In Group B of IM-PROVE II, after just 24 weeks of imdusiran dosing at just 60 mg with only background NA therapy and no other combination agent, 37% (7/19) of patients were able to remain off NA therapy for at least 48 weeks after discontinuing NA therapy, including one patient who achieved HBsAg seroclearance. Based on the effect imdusiran alone appears to have on reducing HBsAg levels and suppressing HBV DNA and HBV RNA replication, we are also evaluating imdusiran as a treatment without any immunotherapeutic.

Oral PD-L1 Inhibitor (AB-101)

PD-L1 inhibitors complement our pipeline of agents and could potentially be an important part of a combination therapy for the treatment of HBV by activating the immune system. Highly functional HBV-specific T-cells within our immune system are believed to be required for long-term HBV viral resolution. However, HBV-specific T-cells become functionally defective, and greatly reduced in number during cHBV infection. One approach to boost HBV-specific T-cells is to prevent PD-L1 proteins from binding to PD-1, which would otherwise lead to inhibition of the HBV-specific immune function of T-cells.

AB-101 is our proprietary oral small-molecule PD-L1 inhibitor candidate that we believe will allow for controlled checkpoint blockade while minimizing the systemic safety issues often seen with checkpoint inhibitor antibody therapies. AB-101 is differentiated from monoclonal antibody checkpoint inhibitors such as durvalumab (anti-PD-L1) and nivolumab (anti-PD-1) because it is liver centric, has a much shorter duration of effect in preclinical models (which may provide dosing and safety advantages), and has a novel mechanism of action as it binds to PD-L1 on the surface of cells causing dimerization, internalization and degradation of the PD-L1 protein.

Phase 1a/1b clinical trial to evaluate safety, tolerability and PK/PD of AB-101 (AB-101-001)

AB-101-001 is a Phase 1a/1b clinical trial designed to investigate the safety, tolerability and PK/PD of single and multiple-ascending oral doses of AB-101 for up to 28 days in healthy subjects and patients with cHBV infection. The trial consists of three parts starting with single ascending doses in healthy subjects, followed by multiple ascending doses in healthy subjects and culminating with multiple doses in patients with cHBV infection. Safety and PK/PD assessments are performed prior to dose escalation in all parts of the clinical trial.

Part 1 of this clinical trial enrolled five sequential cohorts of eight healthy subjects each (6 active: 2 placebo) receiving a single dose of AB-101 at increasing dose levels. In Part 1, all five evaluable subjects in the 40mg cohort showed evidence of 100% receptor occupancy. Part 2 of this clinical trial enrolled three sequential cohorts of ten healthy subjects that each received 10, 25 or 40mg of AB-101 (8 active: 2 placebo) daily for seven days. In Part 2, all subjects in the 40mg cohort showed evidence of high receptor occupancy between 74-100%, with six of the eight subjects demonstrating 100% receptor occupancy during the seven-day dosing period. Across Parts 1 and 2, eleven of the thirteen evaluable healthy subjects that received either single or multiple doses of 40mg of AB-101 achieved 100% receptor occupancy. The data from Part 1 and Part 2 showed that AB-101 was well-tolerated with evidence of high receptor occupancy.

Part 3 of this clinical trial evaluated repeat doses of AB-101 for 28 days in patients with cHBV. At the EASL Congress in May 2025, we presented data showing that a single dose of 10mg of AB-101 for 28 days in cHBV patients was well tolerated with PD-L1 receptor occupancy similar to that seen in healthy subjects at this dose. At the AASLD - The Liver Meeting in November 2025, we presented a Poster of Distinction highlighting maximal PD-L1 receptor occupancy between 68-100% at the 30mg daily dose. Treatment with AB-101 in Part 3 of this clinical trial was generally safe and well-tolerated. There were no serious adverse events related to AB-101 and no evidence of liver dysfunction.

Other Collaborations, Royalty Entitlements and Intellectual Property Litigation

Collaboration with Qilu Pharmaceutical Co., Ltd. (Qilu)

In December 2021, we entered into a technology transfer and license agreement (the Qilu License Agreement) with Qilu, pursuant to which we granted Qilu a sublicensable, royalty-bearing license, under certain intellectual property owned by us, which was non-exclusive as to development and manufacturing and exclusive with respect to commercialization of imdusiran, including pharmaceutical products that include imdusiran, for the treatment or prevention of hepatitis B in China, Hong Kong, Macau and Taiwan (Greater China and Taiwan).

In partial consideration for the rights granted by us, Qilu paid us a one-time upfront cash payment of $40 million on January 5, 2022 and agreed to pay us up to $245 million, net of withholding taxes, upon the achievement of certain technology transfer, development, regulatory and commercialization milestones. Qilu also agreed to pay us double-digit royalties into the low twenties percent based upon annual net sales of imdusiran in Greater China and Taiwan. The royalties were to be payable on a product-by-product and region-by-region basis, subject to certain limitations.

Qilu was responsible for all costs related to developing, obtaining regulatory approval for, and commercializing imdusiran for the treatment or prevention of hepatitis B in Greater China and Taiwan. Qilu was required to use commercially reasonable efforts to develop, seek regulatory approval for, and commercialize at least one imdusiran product candidate in Greater China and Taiwan. A joint development committee was established between us and Qilu to coordinate and review the development, manufacturing and commercialization plans. Both parties also entered into a supply agreement and related quality agreement pursuant to which we would manufacture and supply Qilu with all quantities of imdusiran necessary for Qilu to develop and commercialize in Greater China and Taiwan until we had completed manufacturing technology transfer to Qilu and Qilu had received all approvals required for it or its designated contract manufacturing organization to manufacture imdusiran in Greater China and Taiwan.

Concurrent with the execution of the Qilu License Agreement, we entered into a Share Purchase Agreement (the Share Purchase Agreement) with Anchor Life Limited, a company established pursuant to the applicable laws and regulations of Hong Kong and an affiliate of Qilu (the Investor), pursuant to which the Investor purchased 3,579,952 of our common shares at

a purchase price of USD $4.19 per share, which was a 15% premium on the thirty-day average closing price of our common shares as of the close of trading on December 10, 2021 (the Share Transaction). We received $15.0 million of gross proceeds from the Share Transaction on January 6, 2022. The common shares sold to the Investor in the Share Transaction represented approximately 2.5% of our common shares outstanding immediately prior to the execution of the Share Purchase Agreement.

In June 2025, we and Qilu mutually agreed to conclude our strategic partnership and terminate the Qilu License Agreement and related agreements, and we now once again hold global rights for imdusiran. As no obligations remain under the Qilu License Agreement, we recognized all previously deferred revenue in the second quarter of 2025.

Alnylam Pharmaceuticals, Inc. (Alnylam) and Acuitas Therapeutics, Inc. (Acuitas)

In 2012, we entered into a license agreement with Alnylam that entitles Alnylam to develop and commercialize products with our LNP technology in exchange for milestone and royalty payments. We have two royalty entitlements to global net sales of ONPATTRO (Patisiran) (ONPATTRO), an RNA interference therapeutic currently being sold by Alnylam. In addition, we are entitled to receive payments upon the achievement of contractual milestones related to Alnylam's use of our proprietary LNP technology in other products.

Alnylam's ONPATTRO, which represents the first approved application of our LNP technology, was approved by the FDA and the European Medicines Agency (EMA) during the third quarter of 2018 and was launched by Alnylam immediately upon approval in the United States. Under the terms of this license agreement, we are entitled to tiered royalty payments on global net sales of ONPATTRO ranging from 1.00% - 2.33% after offsets, with the highest tier applicable to annual net sales above $500 million. This royalty interest was sold to the Ontario Municipal Employees Retirement System (OMERS), effective as of January 1, 2019, for $20 million in gross proceeds before advisory fees. OMERS will retain this entitlement until it has received $30 million in royalties, at which point 100% of this royalty entitlement on future global net sales of ONPATTRO will revert to us. OMERS has assumed the risk of collecting up to $30 million of future royalty payments from Alnylam and we are not obligated to reimburse OMERS if it fails to collect any such future royalties. If this royalty entitlement reverts to us, it has the potential to provide an active royalty stream or to be otherwise monetized again in full or in part. From the inception of the royalty sale through December 31, 2025, an aggregate of $26.5 million of royalties have been earned by OMERS.

We also are receiving a second royalty interest ranging from 0.75% to 1.125% on global net sales of ONPATTRO, with 0.75% applying to sales greater than $500 million, originating from a settlement agreement and subsequent license agreement with Acuitas. This royalty entitlement from Acuitas has been retained by us and was not part of the royalty entitlement sale to OMERS.

In December 2025, we recognized revenue of $0.5 million following the achievement of a contractual milestone related to Alnylam's use of our proprietary LNP technology in an additional product candidate to treat hepatocellular carcinoma (HCC), underscoring the important role our LNP technology plays in the delivery of nucleic acids to the body. We received this payment in January 2026.

Genevant Sciences, Ltd.

In April 2018, we entered into an agreement with Roivant Sciences Ltd. (Roivant), our largest shareholder, to launch Genevant Sciences Ltd., a company focused on nucleic acid- and gene editing-based therapeutics enabled by our LNP and ligand conjugate delivery technologies. We licensed rights to our LNP and ligand conjugate delivery platforms to Genevant outside of HBV, except to the extent certain rights had already been licensed to other third parties (the Genevant License). We retained all rights to our LNP and conjugate delivery platforms for HBV.

Under the Genevant License, as amended, if a third-party sublicensee of intellectual property licensed by Genevant from us commercializes a sublicensed product, we become entitled to receive a specified percentage of certain revenue that may be received by Genevant for such sublicense, including royalties, commercial milestones and other sales-related revenue, or, if less, tiered low single-digit royalties on net sales of the sublicensed product. The specified percentage is 20% in the case of a mere sublicense (i.e., naked sublicense) by Genevant without additional contribution and 14% in the case of a bona fide collaboration with Genevant.

Additionally, if Genevant receives proceeds from an action for infringement by any third parties of our intellectual property licensed to Genevant, we would be entitled to receive, after deduction of litigation costs, 20% of the proceeds received by Genevant or, if less, tiered low single-digit royalties on net sales of the infringing product (inclusive of the proceeds from litigation or settlement, which would be treated as net sales).

In July 2020, Roivant recapitalized Genevant through an equity investment and conversion of previously issued convertible debt securities held by Roivant. We participated in the recapitalization of Genevant with an equity investment of $2.5 million. In connection with the recapitalization, the three parties entered into an Amended and Restated Shareholders Agreement that provides Roivant with substantial control of Genevant. We have the right to have a non-voting observer attend meetings of Genevant's Board of Directors.

As of December 31, 2025, we owned approximately 16% of the common equity of Genevant and the carrying value of our investment in Genevant was zero. Our entitlement to receive future royalties or sublicensing revenue from Genevant was not impacted by the recapitalization.

Under the terms of the Moderna Settlement Agreement, Moderna will make an aggregate $950.0 million Noncontingent Settlement Payment to us and Genevant on or before July 8, 2026. In addition, Moderna is obligated to make an additional Contingent Settlement Payment of up to an aggregate $1.3 billion to us and Genevant upon the occurrence of certain events related to the Moderna §1498 Appeal, but which may be subject to repayment. Under the Genevant License, we are entitled to receive, after deduction of litigation costs, 20% of the Noncontingent Settlement Payment, exclusive of our ownership of approximately 16% of the outstanding common equity of Genevant.

Patent Infringement Litigation vs. Pfizer and BioNTech

On April 4, 2023, we and Genevant filed a lawsuit in the United States District Court for the District of New Jersey against Pfizer/BioNTech seeking damages for infringement of United States Patent Nos. 9,504,651; 8,492,359; 11,141,378; 11,298,320; and 11,318,098 in the manufacture and sale of any COVID-19 mRNA-LNP vaccines. The patents relate to nucleic acid-lipid particles and their composition, manufacture, delivery and methods of use. In the lawsuit, we seek fair compensation for Pfizer's and BioNTech's use of our patented technology that was developed with great effort and at great expense, without which their COVID-19 mRNA-LNP vaccines would not have been successful. The claim construction hearing occurred in December 2024, and in September 2025, the court issued a claim construction ruling, which construed the disputed claim terms in a manner we generally consider to be favorable. The parties are awaiting further scheduling in the litigation.

Patent Infringement Litigation vs. Moderna

On February 28, 2022, we and Genevant filed a lawsuit in the United States District Court for the District of Delaware against Moderna seeking damages for infringement of United States Patent Nos. 8,058,069, 8,492,359, 8,822,668, 9,364,435, 9,504,651, and 11,141,378 in the manufacture and sale of MRNA-1273, Moderna's vaccine for COVID-19. On March 3, 2025, we and Genevant filed five international lawsuits against Moderna seeking to enforce patents protecting our patented LNP technology. Together, these lawsuits comprise the Moderna LNP Litigation.

On March 3, 2026, we, Genevant, and, solely for specified purposes, Genevant Sciences Ltd., and Moderna entered into the Moderna Settlement Agreement to resolve the Moderna LNP Litigation. Pursuant to the Moderna Settlement Agreement, all parties filed stipulated judgments and stipulations of dismissal for the respective courts or tribunals to enter judgment, dismiss with prejudice or withdraw (as the case may be) all claims in the Moderna LNP Litigation, except that Moderna may file the Moderna §1498 Appeal. The Moderna §1498 Appeal is an appeal of the consent judgment entered in the District Court solely with respect to whether §1498 bars our and Genevant's claims for direct infringement and indirect infringement against Moderna for vaccine doses that were sold to the United States Government under a particular contract and characterized by the District Court as "vaccines that did not go directly to United States Government employees."

Under the terms of the Moderna Settlement Agreement, Moderna will make an aggregate $950.0 million Noncontingent Settlement Payment to us and Genevant on or before July 8, 2026.

In addition, as described in more detail in, and subject to the terms of, the Moderna Settlement Agreement, Moderna will make an additional Contingent Settlement Payment of an aggregate $1.3 billion to us and Genevant (i) if the Court of Appeals for the

Federal Circuit (whether by the initial panel, upon panel rehearing or *en banc*) affirms, or if there is a final non-appealable judgment that affirms, the rejection of Moderna's affirmative defense pursuant to §1498 by the District Court in its entirety or otherwise holds that §1498 does not bar our and Genevant's claim against Moderna as to either or both of direct infringement and indirect infringement with respect to all of the doses subject to the Moderna §1498 Appeal, or (ii) upon a failure to timely file, or voluntary dismissal of, the Moderna §1498 Appeal (any of the foregoing (clause (i) or (ii) above), an Arbutus/Genevant §1498 Victory). If an appellate ruling were to hold that §1498 bars our and Genevant's infringement claims as to some, but not all, of the doses subject to the Moderna §1498 Appeal, the Moderna Settlement Agreement provides that Moderna will pay us and Genevant a prorated amount of the Contingent Settlement Payment, calculated based on the number of doses for which §1498 bars our and Genevant's infringement claims as clearly articulated by the Federal Circuit or, if not clearly articulated by the Federal Circuit, as mutually agreed by the parties or determined in an accelerated binding arbitration process.

Under certain circumstances, as described in more detail in, and subject to the terms of, the Moderna Settlement Agreement, if the Arbutus/Genevant §1498 Victory is subsequently overturned in Moderna's favor in a final nonappealable decision, we and Genevant are required to return any Contingent Settlement Payment to Moderna, plus interest. If, following an Arbutus/Genevant §1498 Victory, either (i) Moderna does not timely appeal such Arbutus/Genevant §1498 Victory or (ii) such Arbutus/Genevant §1498 Victory is subsequently affirmed in a final nonappealable decision, Moderna will have no further right to a potential repayment of the Contingent Settlement Payment.

The Moderna Settlement Agreement includes mutual financial covenants to protect the payment or repayment of the Contingent Settlement Payment, as described above.

The Moderna Settlement Agreement also contains customary mutual releases in favor of each of us/Genevant and Moderna in respect of the Moderna LNP Litigation. In addition, the Moderna Settlement Agreement includes a fully paid-up, royalty free, irrevocable, non-exclusive, worldwide license and covenant not to sue granted to Moderna under any patents and patent applications owned or licensable by us or Genevant or our respective direct and indirect wholly owned subsidiaries that exist, or that claim priority to patents or patent applications that exist, as of the effective date of the Moderna Settlement Agreement, to make, sell and generally otherwise exploit Moderna's SPIKEVAX™, mNEXSPIKE™ and mRESVIA™ vaccines and any other mRNA vaccines that include a lipid SM-102-based LNP formulation against an infectious disease and meet certain conditions, as well as a covenant not to sue with respect to certain other of our and Genevant's patents and Moderna products.

On March 19, 2026, we and Genevant filed a complaint against the United States in the United States Court of Federal Claims, seeking to recover compensation for Moderna's infringement for vaccine doses that were sold to the United States Government under a particular contract and were deemed by the District Court to be doses that were provided directly to United States Government employees. The complaint also includes a protective request to recover compensation from the United States for any other vaccine doses where, as a result of the Moderna §1498 Appeal, §1498 is deemed to bar our and Genevant's claims for direct infringement and indirect infringement against Moderna.

Moderna and Merck European Oppositions

On April 5, 2018, Moderna and Merck, Sharp & Dohme Corporation (Merck) filed Notices of Opposition to our European patent EP 2279254 (the '254 Patent) with the European Patent Office (EPO), requesting that the '254 Patent be revoked in its entirety for all contracting states. From 2018 until 2024, various hearings were held by different divisions of the EPO regarding requests submitted by all parties. Oral proceedings were held in June 2024, and the Opposition Division of the EPO upheld the '254 Patent but declined our and Genevant's request to broaden certain claims in the '254 Patent. Both parties appealed the Opposition Division's decision, and on January 15, 2026, in a verbal decision, the Board of Appeal of the EPO revoked the '254 Patent. A written decision is expected in the next few months. We disagree with the outcome, and upon receipt of the written decision, we plan to file a petition for review by the Enlarged Board of Appeal of the EPO. The revocation was based on an EPO standard of "added matter" that does not apply in the United States. In March 2026, pursuant to the Moderna Settlement Agreement, Moderna withdrew from this revocation proceeding. We do not expect the EPO revocation decision to have an impact on the potential outcome, or timing, of our patent infringement litigation pending against Pfizer/BioNTech in the United States.

On April 29, 2025, Moderna filed a revocation action on our European patent EP 4241767 (the '767 patent) with the EPO, requesting that the patent be revoked in its entirety for all contracting states. In July 2025, Merck, Arrowhouse GmbH and Keltie LLP filed three additional revocation actions against the '767 patent. Initial briefing has been completed and we are

currently awaiting an initial hearing date. In March 2026, pursuant to the Moderna Settlement Agreement, Moderna withdrew from this revocation proceeding.

While we are the patent owner, the ’254 Patent, the ’767 Patent, and the other patents in our LNP portfolio have been licensed to Genevant under the Genevant License.

Potential Additional Payments Related to the Acquisition of Enantigen Therapeutics, Inc.

In October 2014, Arbutus Inc., our wholly-owned subsidiary, acquired all of the outstanding shares of Enantigen Therapeutics, Inc. (Enantigen) pursuant to a stock purchase agreement. The amount paid to Enantigen’s selling shareholders could be up to an additional $102.5 million in sales performance milestones in connection with the sale of the first commercialized product by us for the treatment of HBV, regardless of whether such product is based upon assets acquired under this stock purchase agreement, and a low single-digit royalty on net sales of such first commercialized HBV product, up to a maximum royalty payment of $1.0 million that, if paid, would be offset against our performance milestone payment obligations.

Patents and Proprietary Rights

Our commercial success depends in part on our ability to obtain and maintain proprietary protection for our product candidates, novel discoveries, product development technologies and other know-how, to operate without infringing on the proprietary rights of others and to prevent others from infringing our proprietary rights. Our policy is to seek to protect our proprietary position by, among other methods, filing or in-licensing United States and foreign patents and patent applications related to our proprietary technology, inventions and improvements that are important to the development and implementation of our business. We also rely on trademarks, trade secrets, know how, continuing technological innovation and potential in-licensing opportunities to develop and maintain our proprietary position.

In addition to our proprietary expertise, we own a portfolio of patents and patent applications directed to RNAi drugs and processes directed at particular disease indications, chemical modification of RNAi molecules, LNP inventions, LNP compositions for delivering nucleic acids such as mRNA and RNAi, and the formulation and manufacture of LNP-based pharmaceuticals. In the United States our patents might be challenged in post-grant review proceedings, such as inter partes review. In Europe, upon grant, a period of nine months is allowed for notification of opposition to such granted patents. If our patents are subjected to post-grant review, such as opposition proceedings, we would incur significant costs to defend them. Further, our failure to prevail in any such proceedings could limit the patent protection available to our therapeutic HBV programs, or RNAi platform, including our product candidates.

We own many patent families related to our compounds, formulations, and technology, but we cannot be certain that issued patents will be enforceable or provide adequate protection or that pending patent applications will result in issued patents.

The following table shows the estimated expiration dates, based on filing dates, in the United States and the European Union for the primary patents for our product candidates currently in clinical trials.

Product candidate	**Estimated Patent Expiration in US**	**Estimated Patent Expiration in EU**
Imdusiran	2038	2038
AB-101	2042	2042
LNP	2029	2029

Human Capital

Employee Composition

As of December 31, 2025, we had 19 full-time employees. In the first quarter of 2025, our Board took action to reduce our workforce by 57%, resulting in a total workforce after reductions of 19 employees. None of our employees are represented by a labor union or covered by a collective bargaining agreement, nor have we experienced any work stoppages. We believe that

relations with our employees are good. We supplement our in-house expertise with outsourced capabilities when it would be cost prohibitive to build our own in-house capabilities. For example, we outsource a substantial portion of our clinical trial work to clinical research organizations and a majority of our drug manufacturing is out-sourced to contract manufacturers. Our clinical development and manufacturing teams implement our development strategies and oversee the activities of our outside vendors.

Employee Oversight, Training and Development

We are invested in the professional development of our employees. In order to promote long-term retention and to maximize the potential of our employees, we provide individualized performance management programs. We also offer needs-based supplemental training as well as mandatory compliance training to our employees.

Compensation and Benefits

Drug development is a complex endeavor that requires deep expertise and attracting and retaining qualified employees for specialized biopharmaceutical positions. Our compensation programs are designed to attract and retain top talent. We offer non-executive officer employees a total compensation package consisting of base salary, cash target bonus, a comprehensive benefit package, including medical, dental and vision health care coverage, a 401(k) plan with an employer match, tax-advantaged savings accounts and equity compensation for every employee, which includes stock options and restricted stock units. We also provide eligible employees the opportunity to participate in our employee stock purchase plan. In addition, we offer mental health support to our employees and dependents.

We offer 25 paid days of time off and 13 days of paid holidays, in addition to a company closure during the last week of December. We provide paid parental leave to both birth and adoptive parents. In addition, during 2025, we shifted to remote work arrangements for all employees.

Environmental, Social and Governance

Environmental

We are a pre-commercial company engaged in clinical development with fewer than fifty employees. Manufacturing activities to support these activities is almost entirely outsourced, and biohazardous and chemical waste disposal is handled by third-party vendors. Our environmental footprint is small, and when we exited our Warminster, Pennsylvania, headquarters in March 2025, we shifted to a remote work model which further reduced our environmental footprint.

Social

The culture at Arbutus reflects our commitment to our employees, to our community, and to making a meaningful contribution to world health.

Diversity

Our commitment to diversity is demonstrated by our placement of ultimate responsibility for diversity with our Board, informed by the recommendations of management and our Board's Nominating and Governance Committee. Our Code of Business Conduct (the Code of Conduct) prohibits discrimination and harassment of any kind, including discrimination or harassment based on age, race, national origin, color, religion, gender identity or expression, pregnancy status, sexual orientation, genetic information and disability. In addition to our anti-harassment and human rights policies, we also require mandatory annual anti-harassment training.

Our Contribution to World Health

We are dedicated to meaningfully contributing to world health. We are pursuing the mission of developing a functional cure for hepatitis B viral infections, an unmet medical need affecting over 250 million people worldwide.

Governance

As stated in our Code of Conduct, we are committed to complying with all applicable laws, rules and regulations not just in the United States and Canada, but in all the countries in which we operate. In addition to mandating training on our Code of Conduct on an annual basis, we also provide annual training on insider trading, cyber security and data privacy. In addition, we require our suppliers' agreements to comply with anti-bribery and anti-fraud provisions, and to comply with all applicable laws. All vendors also receive our Code of Conduct at the time of their engagement with us. We comply with all applicable regulations in conducting clinical trials, including FDA ethical regulations, the Declaration of Helsinki and the International Conference on Harmonisation - good Clinical Practices (ICH-GCP).

Competition

We face a broad range of current and potential competitors, from established global pharmaceutical companies with significant resources, to research-stage companies. In addition, we face competition from academic and research institutions and government agencies for the discovery, development and commercialization of novel therapeutics to treat HBV. Many of our competitors, either alone or with their collaborative partners, have significantly greater financial, product development, technical, manufacturing, sales, and marketing resources than we do. In addition, many of our direct competitors are large pharmaceutical companies with internal research and development departments that have significantly greater experience in testing product candidates, obtaining FDA and other regulatory approvals of product candidates, and achieving widespread market acceptance for those products.

As a significant unmet medical need exists for HBV, there are several large and small pharmaceutical companies focused on delivering singular or combinations of therapeutics for the treatment of HBV. These companies include, but are not limited to, GSK plc, Gilead Sciences, Inc., Assembly Biosciences, Inc., Aligos Therapeutics, Inc., AusperBio Therapeutics, Inc., Brii Biosciences Limited, Mirum Pharmaceuticals, Inc., and Precision Biosciences, Inc. These companies are developing products such as antisense oligonucleotides, capsid inhibitors, RNAi therapeutics, immune modulators, surface antigen inhibitors, and gene editing therapies. These product candidates are in various stages of preclinical and clinical development. Further, in addition to current investigational therapeutics in development, it is likely that additional drugs will become available in the future for the treatment of HBV.

We anticipate that we will face competition as new products enter the marketplace. Our competitors' products may be safer, more effective, or more effectively marketed and sold than any product we may commercialize. Competitive singular or combination products may render one or more of our product candidates obsolete or non-competitive before we can recover the expenses of developing and commercializing any of our product candidates. It is also possible that the development of a cure or new treatment methods for HBV could render one or more of our product candidates non-competitive, obsolete, or reduce the demand for our product candidates.

We believe that our ability to compete depends, in part, upon our ability to successfully complete clinical trials and regulatory approval processes, and effectively market any approved products. Further, we need to attract and retain qualified personnel, obtain patent protection or otherwise develop proprietary processes, and secure sufficient capital resources for the substantial time period between the completion of clinical trials and regulatory approval processes and subsequent commercial sales, if any.

Manufacturing

We currently rely on third-party manufacturers to supply drug substance and drug products, including imdusiran and AB-101, for our ongoing and anticipated clinical trials and non-clinical studies. We currently have no plans to establish any large-scale internal manufacturing facilities for our product candidates.

Government Regulation

Regulation by governmental authorities in the United States and in other countries is a significant consideration in our product development, manufacturing and, if our product candidates are approved, marketing strategies. We expect that all our product candidates will require regulatory approval by the FDA and by similar regulatory authorities in foreign countries prior to commercialization and will be subjected to rigorous preclinical, clinical, and post-approval testing to demonstrate safety and effectiveness, as well as other significant regulatory requirements and restrictions in each jurisdiction in which we would seek to market our products. In the United States, we are subject to extensive regulation by the FDA and other federal, state, and local regulatory agencies. United States federal laws, such as the Federal Food, Drug, and Cosmetic Act (FD&C Act), and regulations issued thereunder, govern the testing, development, manufacture, quality control, safety, effectiveness, approval, storage, labeling, record keeping, reporting, distribution, import, export, sale, and marketing of all biopharmaceutical products intended for therapeutic purposes. We believe that we and the third parties that work with us are in compliance in all material respects with currently applicable laws, rules and regulations; however, any failure to comply could have a material negative impact on our ability to successfully develop and commercialize our products, and therefore on our financial performance. In addition, the laws, rules and regulations that apply to our business are subject to change and it is difficult to foresee whether, how, or when such changes may affect our business.

Obtaining governmental approvals to market our product candidates and maintaining ongoing compliance with applicable federal, state, local and foreign statutes and regulations following any such approvals will require the expenditure of significant financial and human resources.

Development and Approval

The process to develop and obtain approval for biopharmaceutical products for commercialization in the United States and many other countries is lengthy, complex and expensive, and the outcome is far from certain. Although foreign requirements for conducting clinical trials and obtaining approval may differ in certain respects from those in the United States, there are many similarities and they often are equally rigorous, and the outcome cannot be predicted with confidence. A key component of any submission for approval in any jurisdiction is preclinical and clinical data demonstrating the product candidate's safety and effectiveness.

Preclinical Testing. Before testing any product candidate in humans in the United States, a company must develop preclinical data, generally including laboratory evaluation of the product candidate's chemistry and formulation, as well as toxicological and pharmacological studies, potentially in animal species, to assess safety and quality. Certain types of animal studies must be conducted in compliance with the FDA's Good Laboratory Practice (GLP) regulations and the Animal Welfare Act, which is enforced by the Department of Agriculture.

IND Application. A person or entity sponsoring clinical trials in the United States to evaluate a product candidate's safety and effectiveness must submit to the FDA, prior to commencing such trials, an investigational new drug (IND) application, which contains, among other data and information, preclinical testing results and provides a basis for the FDA to conclude that there is an adequate basis for testing the drug in humans. If the FDA does not object to the IND application within 30 days of submission, the clinical testing proposed in the IND may begin. Even after the IND has gone into effect and clinical testing has begun, the FDA may put the clinical trials on "clinical hold," suspending (or in some cases, ending) them because of safety concerns or for other reasons.

Clinical Trials. Clinical trials involve administering a product candidate to human volunteers or patients under the supervision of a qualified clinical investigator. Clinical trials are subject to extensive regulation. In the United States, this includes compliance with the FDA's bioresearch monitoring regulations and current good clinical practices (GCP) requirements, which establish standards for conducting, recording data from, and reporting the results of clinical trials, with the goals of assuring that the data and results are credible and accurate and that study participants' rights, safety and well-being are protected. Each clinical trial must be conducted under a protocol that details, among other things, the study objectives and parameters for monitoring safety and the efficacy criteria, if any, to be evaluated. The protocol is submitted to the FDA as part of the IND and reviewed by the agency. Additionally, each clinical trial must be reviewed, approved and conducted under the auspices of an Institutional Review Board (IRB). The sponsor of a clinical trial, the investigators and IRBs each must comply with requirements and restrictions that govern, among other things, obtaining informed consent from each study subject, complying

with the protocol and investigational plan, adequately monitoring the clinical trial, and timely reporting adverse effects. Foreign studies conducted under an IND must meet the same requirements applicable to studies conducted in the United States. However, if a foreign study is not conducted under an IND, the data may still be submitted to the FDA in support of a product application, if the study was conducted in accordance with GCP and the FDA is able to validate the data.

The sponsor of a clinical trial or the sponsor's designated responsible party may be required to register certain information about the trial and disclose certain results on government or independent registry websites, such as clinicaltrials.gov.

Clinical testing is typically performed in three phases, which may overlap or be subdivided in some cases.

In Phase 1 trials, the product candidate is administered to a small number of human subjects to assess its safety and to develop detailed profiles of its pharmacological and pharmacokinetic actions (i.e., absorption, distribution, metabolism and excretion), assess the early safety profile, determine side effects associated with increasing doses, and, if possible, gain early evidence of effectiveness. Although Phase 1 trials are typically conducted in healthy human subjects, in some instances (including, for example, with some cancer therapies) the trial subjects are patients with the targeted disease or condition.

In Phase 2 trials, the product candidate is administered to a relatively small sample of the intended patient population to develop initial data regarding efficacy in the targeted disease, determine the optimal dose range, and generate additional information regarding the product candidate's safety. Additional animal toxicology studies may precede this phase.

In Phase 3 trials, the product candidate is administered to a larger group of patients with the target disease or disorder, which may include patients with concomitant diseases and medications. Typically, Phase 3 trials are conducted at multiple study sites and may be conducted concurrently for the sake of time and efficiency. The purpose of Phase 3 clinical trials is to obtain additional information about safety and effectiveness necessary to evaluate the product candidate's overall risk-benefit profile and to provide a basis for product labeling. Phase 3 data often form the core basis on which the FDA evaluates a product candidate's safety and effectiveness when considering the product application.

The study sponsor, the FDA or an IRB may suspend or terminate a clinical trial at any time on various grounds, including a determination that study subjects are being exposed to an unacceptable health risk. Success in early-stage clinical trials does not assure success in later-stage clinical trials. Moreover, data from clinical trials are not always conclusive and may be subject to alternative interpretations that could delay, limit or prevent approval.

When a clinical trial is carried out in the European Union, the Clinical Trials Regulation (CTR) provides the regulatory framework. On January 31, 2022, this CTR repealed the Clinical Trials Directive (CTD) and national implementing legislation in the European Union Member States. From January 31, 2025, all trials approved under the old CTD that continue running after this date, will need to comply with the new CTR. Until January 30, 2023, clinical trial sponsors could choose whether to start a new clinical trial under the CTD or under the new CTR. However, from January 31, 2023 onwards, new clinical trials would automatically fall under the scope of the new CTR. The main characteristics of the CTR include: a streamlined application procedure to the EMA through a single entry point, the "Clinical Trials Information System" enabling sponsors to apply for clinical trial authorization in up to 30 European countries; a single set of documents to be prepared and submitted for the application as well as simplified reporting procedures for clinical trial sponsors; and a harmonized procedure for the assessment of applications for clinical trials.

NDA Submission and Review. After completing the clinical studies, a sponsor seeking approval to market a product candidate in the United States submits to the FDA a New Drug Application (NDA). The NDA is a comprehensive application intended to demonstrate the product candidate's safety and effectiveness and includes, among other things, preclinical and clinical data, information about the product candidate's composition, the sponsor's plans for manufacturing and packaging and proposed labeling. When an NDA is submitted, the FDA makes an initial determination as to whether the application is sufficiently complete to be accepted for review. If the application is not, the FDA may refuse to accept the NDA for filing and request additional information. A refusal to file, which requires resubmission of the NDA with the requested additional information, delays review of the application.

FDA performance goals generally provide for action on an NDA within 10 months of the 60-day filing date, or within 12 months of the NDA submission. That deadline can be extended under certain circumstances, including by the FDA's requests

for additional information. The targeted action date can also be shortened to 6 months of the 60-day filing date, or 8 months after NDA submission for product candidates that are granted priority review designation because they are intended to treat serious or life-threatening conditions and, if approved, would provide a significant improvement in safety or effectiveness when compared to standard application. The FDA has other programs to expedite development and review of product candidates that address serious or life-threatening conditions. For example, the Fast Track program is intended to facilitate the development and review of new drugs that demonstrate the potential to address unmet medical needs involving serious or life-threatening diseases or conditions. If a product candidate receives Fast Track designation, the FDA may review sections of the NDA on a rolling basis, rather than requiring the entire application to be submitted to begin the review. Product candidates with Fast Track designation also may be eligible for more frequent meetings and correspondence with the FDA about the product candidate's development. Another FDA program intended to expedite development is the Accelerated Approval pathway, which allows approval on the basis of a surrogate endpoint that is reasonably likely to predict clinical benefit or on an intermediate clinical endpoint that is reasonably likely to predict clinical benefit. To qualify for review under the Accelerated Approval pathway, a product candidate must treat a serious condition, provide a meaningful advantage over available therapies, and demonstrate an effect on a surrogate endpoint that is reasonably likely to predict clinical benefit or on an intermediate clinical endpoint. On December 29, 2022, Congress enacted the Consolidated Appropriations Act of 2023, which included several changes to the Accelerated Approval pathway within the Food and Drug Omnibus Reform Act (FDORA).

Under FDORA, the FDA must specify the conditions for any post-approval studies before granting an Accelerated Approval. FDORA gives the agency significant flexibility in setting forth such conditions, which may include enrollment targets, study protocol and milestones—including the target date of study completion. The FDA may also require, as appropriate, that certain post-approval studies be underway prior to Accelerated Approval or within a specified time from the date of approval. Accelerated Approval sponsors are required to report progress every six months on required post-approval trials. Breakthrough Therapy designation, which is available for product candidates under development for serious or life-threatening conditions and where preliminary clinical evidence shows that the product candidate may have substantial improvement on at least one clinically significant endpoint over available therapies, means that a product candidate will be eligible for all of the benefits of Fast Track designation, as well as more intensive guidance from the FDA on an efficient drug development program and a commitment from the agency to involve senior FDA managers in such guidance. Even if a product candidate qualifies for Fast Track designation or Breakthrough Therapy designation, the FDA may later decide that the product no longer meets the conditions for designation and may rescind the designation, and/or may determine that the product does not meet the standards for approval. As applicable, we anticipate seeking to utilize these programs to expedite the development and review of our product candidates, but we cannot ensure that our product candidates will qualify for such programs, or that we will be able to maintain such designations if we qualify for such programs.

The FDA reviews applications to determine, among other things, whether a product is safe and effective for its intended use and whether the manufacturing controls are adequate to assure and preserve the product's identity, strength, quality, and purity. For some NDAs, the FDA may convene an advisory committee to seek insights and recommendations on issues relevant to approval of the application. Although the FDA is not bound by the recommendation of an advisory committee, the agency considers such recommendations carefully when making decisions. Before approving a new drug product, the FDA also requires that the facilities at which the product will be manufactured or advanced through the supply chain be in compliance with current good manufacturing practices (GMP) requirements and regulations governing, among other things, the manufacture, shipment, and storage of the product. The FDA also can conduct audits to determine if the clinical trials were conducted in compliance with GCP. After review of an NDA, the FDA may grant marketing approval, request additional information, or issue a complete response letter (CRL) communicating the reasons for the agency's decision not to approve the application. The CRL may request additional information, including additional preclinical or clinical data, for the FDA to reconsider the application. An NDA may be resubmitted with the deficiencies addressed, but resubmission does not guarantee approval. Data from clinical trials are not always conclusive, and the FDA's interpretation of data may differ from the sponsor's. Obtaining approval can take years, requires substantial resources and depends on a number of factors, including the severity of the targeted disease or condition, the availability of alternative treatments, and the risks and benefits demonstrated in clinical trials. Additionally, as a condition of approval, the FDA may impose restrictions that could affect the commercial prospects of a product and increase our costs, such as a Risk Evaluation and Mitigation Strategy (REMS), and/or post-marketing requirements to conduct additional clinical trials or non-clinical studies or to conduct surveillance programs to monitor the product's effects. Under the Pediatric Research Equity Act (PREA), certain applications for approval must also include an assessment, generally based on clinical study data, of the safety and effectiveness of the subject product in relevant pediatric populations, unless a waiver or deferral is granted.

Moreover, once a product is approved, information about its safety or effectiveness from broader clinical use may limit or prevent successful commercialization because of regulatory action, market forces or for other reasons. Post-approval modifications to a drug product, such as changes in indications, labeling or manufacturing processes or facilities, may require development and submission of additional information or data in a new or supplemental NDA, which would also require prior FDA approval.

Competition. The Drug Price Competition and Patent Term Restoration Act of 1984 (the Hatch-Waxman Act) establishes two abbreviated approval pathways for product candidates that are in some way follow-on versions of already approved branded NDA products: (i) generic versions of the approved reference listed drug (RLD), which may be approved under an abbreviated new drug application (ANDA) by showing that the generic product is the "same as" the approved product in key respects; and (ii) a product that is similar but not identical to a listed drug, which may be approved under a 505(b)(2) NDA, in which the sponsor relies to some degree on information from investigations that were not conducted by or for the applicant and for which the applicant has not obtained a right of reference, and submits its own product-specific data to support the differences between the product and the listed drug.

The sponsor of an ANDA or 505(b)(2) application seeking to rely on an approved product as the RLD or listed drug must make one of several certifications regarding each patent for the RLD that is listed in the FDA publication, *Approved Drug Products with Therapeutic Equivalence Evaluations*, which is referred to as the *Orange Book*. A "Paragraph I" certification is the sponsor's statement that patent information has not been filed for the RLD. A "Paragraph II" certification is the sponsor's statement that the RLD's patents have expired. A "Paragraph III" certification is the sponsor's statement that it will wait for the patent to expire before obtaining approval for its product. A "Paragraph IV" certification is an assertion that the patent does not block approval of the later product, either because the patent is invalid or unenforceable or because the patent, even if valid, is not infringed by the new product. Once the FDA accepts for filing an ANDA or 505(b)(2) application containing a Paragraph IV certification, the applicant must within 20 days provide notice to the RLD or listed drug NDA holder and patent owner that the application has been submitted and provide the factual and legal basis for the applicant's assertion that the patent is invalid or not infringed. If the NDA holder or patent owner files suit against the ANDA or 505(b)(2) applicant for patent infringement within 45 days of receiving the Paragraph IV notice, the FDA is prohibited from approving the ANDA or 505(b)(2) application for a period of 30 months or the resolution of the underlying suit, whichever is earlier.

Exclusivity and Patent Protection. In the United States and elsewhere, certain regulatory exclusivities and patent rights can provide an approved drug product with protection from certain competitors' products for a period of time and within a certain scope. In the United States, those protections include regulatory exclusivity under the Hatch-Waxman Act, which provides periods of exclusivity for a branded drug product that would serve as an RLD for a generic drug applicant filing and an ANDA under section 505(j) of the FD&C Act or as a listed drug for an applicant filing an NDA under section 505(b)(2) of the FD&C Act. If such a product is a "new chemical entity" (NCE) generally meaning that the active moiety has never before been approved in any drug, there is a period of five years from the product's approval during which the FDA may not accept for filing any ANDA or 505(b)(2) application for a drug with the same active moiety. An ANDA or 505(b)(2) application may be submitted after four years, however, if the sponsor of the application makes a Paragraph IV certification (as described above). Such a product that is not an NCE may qualify for a three-year period of exclusivity if its NDA contains new clinical data (other than bioavailability studies), derived from studies conducted by or for the sponsor, that were necessary for approval. In this instance, the three-year exclusivity period does not preclude filing or review of an ANDA or 505(b)(2) application; rather, the FDA is precluded from granting final approval to the ANDA or 505(b)(2) application until three years after approval of the RLD. This three-year exclusivity applies only to the conditions of approval that required submission of the clinical data.

The Hatch-Waxman Act also provides for the restoration of a portion of the patent term lost during product development and FDA review of an NDA if approval of the application is the first permitted commercial marketing of a drug containing the active ingredient. The patent term restoration period is generally one-half the time between the effective date of the IND or the date of patent grant (whichever is later) and the date of submission of the NDA, plus the time between the date of submission of the NDA and the date of FDA approval of the product. The maximum period of restoration is five years, and the patent cannot be extended to more than 14 years from the date of FDA approval of the product. Only one patent claiming each approved product is eligible for restoration and the patent holder must apply for restoration within 60 days of approval. The USPTO, in consultation with the FDA, reviews and approves the application for patent term restoration.

In the European Union, new medicinal products are granted a protection period of eight years of data exclusivity and an additional two years of market exclusivity. As such, for a period of eight years, generics cannot use the data of the innovator to obtain a marketing authorization. Only after eight years have lapsed, other parties that apply for a marketing authorization (generics or biosimilars) may make reference to the dossier of the originator product. Only after another two years (i.e., a total of ten years) may a generic or biosimilar medicinal product be placed on the market.

In April 2023, the European Commission published a proposal to reform this system. The European Commission, European Parliament and European Council reached an agreement in December 2025. Under the agreed revision, regulatory data protection will consist of eight years of data exclusivity and one additional year of market exclusivity. This means a total of nine years of protection, instead of the current 10 years. Under the reformed legislation, there will be a possibility to obtain one additional year of exclusivity under certain circumstances and another year for a new indication of significant clinical benefit, with a capped overall regulatory protection of 11 years. The final text of the reform proposal is expected to be endorsed and published in the first half of 2026 and, after a transition period, the new legislation is expected to start to apply beginning in mid-2028.

Post-Approval Regulation

Once approved, drug products are subject to continuing extensive regulation by the FDA, including ongoing monitoring for safety information, maintaining appropriate registrations and licenses, and hosting periodic inspections. If ongoing regulatory requirements are not met, or if safety problems occur after a product reaches market, the FDA may take actions to change the conditions under which the product is marketed, such as requiring labeling modifications, restricting distribution, or even withdrawing approval. In addition to FDA regulation, our business is also subject to extensive federal, state, local and foreign regulation.

Good Manufacturing Practices. Companies engaged in manufacturing drug products or their components must comply with applicable GMP requirements, which include requirements regarding organization and training of personnel, building and facilities, equipment, control of components and drug product containers, closures, production and process controls, packaging and labeling controls, holding and distribution, laboratory controls and records and reports. The FDA inspects equipment, facilities and manufacturing processes before approval and conducts periodic re-inspections after approval. If, after receiving approval, a company makes a material change in manufacturing equipment, location, or process (all of which are, to some degree, incorporated in the NDA), additional regulatory review and approval may be required. Failure to comply with applicable GMP requirements or the conditions of the product's approval may lead the FDA to take enforcement actions, such as issuing a warning letter, or to seek sanctions, including fines, civil penalties, injunctions, suspension of manufacturing operations, imposition of operating restrictions, withdrawal of FDA approval, seizure or recall of products, and criminal prosecution. Although we periodically monitor FDA compliance of the third parties on which we rely for manufacturing our product candidates, we cannot be certain that our present or future third-party manufacturers will consistently comply with GMP or other applicable FDA regulatory requirements.

Sales and Marketing. Once a product is approved, the advertising, promotion and marketing of the product will be subject to close regulation, including with regard to promotion to healthcare practitioners, direct-to-consumer advertising, communications regarding unapproved uses, industry-sponsored scientific and educational activities and promotional activities involving the internet. In addition to FDA restrictions on marketing of pharmaceutical products, state and federal fraud and abuse laws have been applied to restrict certain marketing practices in the pharmaceutical industry. Failure to comply with applicable requirements in this area may subject a company to adverse publicity, investigations and enforcement action by the FDA, the Department of Justice, the Office of the Inspector General of the Department of Health and Human Services, and/or state authorities. This could subject a company to a range of penalties that could have a significant commercial impact, including civil and criminal fines and agreements that materially restrict the manner in which a company promotes or distributes drug products.

New Legislation. New legislation is passed periodically in Congress, or at the state level, that could significantly change the statutory provisions governing the approval, manufacturing and marketing of products regulated by the FDA. Further, the FDA revises its regulations and guidance in light of new legislation or may revise, withdraw, or issue new regulations and guidance in light of the priorities of the new presidential administration in ways that may affect our business or product candidates. It is

impossible to predict whether other changes to legislation, regulation, or guidance will be enacted, or what the impact of such changes, if any, may be.

However, an important and foreseeable example of new legislation is the forthcoming European Union pharmaceutical legislation revision. The European Commission presented a legislative proposal in April 2023 that would change European Union pharmaceutical law with respect to for example regulatory data exclusivity, environmental risk assessment, medicines shortages and other topics. In December 2025, the European Commission, European Parliament and the European Council reached an agreement on pharmaceutical reform. The final text of the reform proposal is expected to be endorsed and published in the first half of 2026 and, after a transition period, the new legislation is expected to start to apply beginning in mid-2028.

Other Requirements. Companies that manufacture or distribute drug products pursuant to approved NDAs must meet numerous other regulatory requirements, including adverse event reporting, submission of periodic reports, and record-keeping obligations.

Fraud and Abuse Laws. At such time as we market, sell and distribute any products for which we obtain marketing approval, it is possible that our business activities could be subject to scrutiny and enforcement under one or more federal or state health care fraud and abuse laws and regulations, which may constrain the business or financial arrangements and relationships through which we market, sell and distribute any products for which we obtain marketing approval. The applicable federal and state health care fraud and abuse laws and regulations that may affect our ability to operate include:

- The United States federal Anti-Kickback Law, which prohibits, among other things, knowingly or willingly offering, paying, soliciting or receiving remuneration, directly or indirectly, in cash or in kind, to induce or reward the purchasing, leasing, ordering or arranging for or recommending the purchase, lease or order of any health care items or service for which payment may be made, in whole or in part, by federal healthcare programs such as Medicare and Medicaid. This statute has been interpreted to apply to arrangements between pharmaceutical companies on one hand and prescribers, purchasers and formulary managers on the other. Liability may be established under the United States federal Anti-Kickback Law without proving actual knowledge of the statute or specific intent to violate it. In addition, the government may assert that a claim including items or services resulting from a violation of the United States federal Anti-Kickback Law constitutes a false or fraudulent claim for purposes of the United States federal civil False Claims Act. Although there are a number of statutory exemptions and regulatory safe harbors to the United States federal Anti-Kickback Law protecting certain common business arrangements and activities from prosecution or regulatory sanctions, the exemptions and safe harbors are drawn narrowly, and practices that do not fit squarely within an exemption or safe harbor, or for which no exception or safe harbor is available, may be subject to scrutiny.

- The United States federal civil False Claims Act, which prohibits, among other things, individuals or entities from knowingly presenting, or causing to be presented, a false or fraudulent claim for payment of government funds or knowingly making, using or causing to be made or used, a false record or statement material to an obligation to pay money to the government or knowingly concealing or knowingly and improperly avoiding, decreasing or concealing an obligation to pay money to the federal government. Actions under the False Claims Act may be brought by the United States Attorney General or as a qui tam action by a private individual (a whistleblower) in the name of the government and the individual, and the whistleblower may share in any monetary recovery. Many pharmaceutical and other healthcare companies have been investigated and have reached substantial financial settlements with the federal government under the civil False Claims Act for a variety of alleged improper marketing activities, including: providing free product to customers with the expectation that the customers would bill federal programs for the product; providing sham consulting fees, grants, free travel and other benefits to physicians to induce them to prescribe the company's products; and inflating prices reported to private price publication services, which are used to set drug payment rates under government healthcare programs. In addition, the government has pursued civil False Claims Act cases against a number of pharmaceutical companies for causing false claims to be submitted as a result of the marketing of their products for unapproved, and thus non-reimbursable, uses. Because of the threat of treble damages and mandatory penalties per false or fraudulent claim or statement, healthcare and pharmaceutical companies often resolve allegations for significant and material amounts. Pharmaceutical and other healthcare companies also are subject to other federal false claim laws, including, among others, federal criminal healthcare fraud and false statement statutes that extend to non-government health benefit programs.

- The fraud provisions of the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations (collectively, HIPAA), which impose criminal liability for knowingly and willfully executing a scheme to defraud any healthcare benefit program, including private third-party payors, and prohibit knowingly and willfully falsifying, concealing or covering up a material fact or making any materially false, fictitious or fraudulent statement or representation, or making or using any false writing or document knowing the same to contain any materially false fictitious or fraudulent statement or entry, in connection with the delivery of or payment for healthcare benefits, items or services.

- Analogous state and local laws and regulations, such as state anti-kickback and false claims laws, which may apply to sales or marketing arrangements and claims involving healthcare items or services reimbursed by non-governmental third-party payors, including private insurers; state and foreign laws that require pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government or otherwise restrict payments that may be made to healthcare providers; state laws that restrict the ability of manufacturers to offer co-pay support to patients for certain prescription drugs; and state and foreign laws that require drug manufacturers to report information related to clinical trials, or information related to payments and other transfers of value to physicians and other healthcare providers or marketing expenditures; state laws and local ordinances that require identification or licensing of sales representatives.

- The United States federal Physician Payment Sunshine Act, being implemented as the Open Payments Program, which requires manufacturers of drugs, devices, biologics, and medical supplies for which payment is available under Medicare, Medicaid or the Children's Health Insurance Program (with certain exceptions) to report annually to the Centers for Medicare and Medicaid Services (CMS) information related to direct or indirect payments and other transfers of value to physicians, physician assistants, nurse practitioners, clinical nurse specialists, certified nurse anesthetists, certified nurse-midwives, and teaching hospitals, as well as ownership and investment interests held in the company by physicians and their immediate family members.

- The federal Foreign Corrupt Practices Act of 1997 and other similar anti-bribery laws in other jurisdictions generally prohibit companies and their intermediaries from providing money or anything of value to officials of foreign governments, foreign political parties or international organizations with the intent to obtain or retain business or seek a business advantage. Recently, there has been a substantial increase in anti-bribery law enforcement activity by United States regulators, with more frequent and aggressive investigations and enforcement proceedings by both the Department of Justice and the United States Securities and Exchange Commission (the SEC). Violations of United States or foreign laws or regulations could result in the imposition of substantial fines, interruptions of business, loss of supplier, vendor or other third-party relationships, termination of necessary licenses and permits and other legal or equitable sanctions. Other internal or government investigations or legal or regulatory proceedings, including lawsuits brought by private litigants, may also follow as a consequence.

Violations of any of the laws described above or any other governmental regulations are punishable by significant civil, criminal and administrative penalties, damages, imprisonment, fines and exclusion from government-funded healthcare programs, such as Medicare and Medicaid. Although compliance programs can mitigate the risk of investigation and prosecution for violations of these laws, the risks cannot be entirely eliminated. Moreover, achieving and sustaining compliance with applicable federal and state privacy, security and fraud laws may prove costly.

Privacy Laws. We are also subject to federal, state and foreign laws and regulations governing data privacy, the security of personal information, including health information, and the collection, use and disclosure, and protection of health-related and other personal information. The legislative and regulatory landscape for privacy and data protection continues to evolve, and there has been an increasing focus on privacy and data protection issues that may affect our business, including recently enacted laws in all jurisdictions where we operate. Numerous federal and state laws, including state security breach notification laws, state health information privacy laws, state genetic privacy laws, and federal and state consumer protection and privacy laws, (including, for example, Section 5 of the Federal Trade Commission Act (FTC Act) and the Health Breach Notification Rule, and the California Consumer Privacy Act (CCPA)) govern the collection, use and disclosure of personal information. These laws may differ from each other in significant ways, thus complicating compliance efforts. Federal regulators, state attorneys general, and plaintiffs' attorneys have been and will likely continue to be active in this space. Activities outside of the United States implicate local and national data protection standards, impose additional compliance requirements and generate

additional risks of enforcement for non-compliance. The European Union's General Data Protection Regulation (EU GDPR), the United Kingdom's General Data Protection Regulation (UK GDPR and together with EU GDPR, GDPR) and other data protection, privacy and similar national, state/provincial and local laws may restrict the access, use, storage, disclosure and other processing activities concerning patient health information abroad. Compliance efforts will likely be an increasing and substantial cost in the future.

Failure to comply with such laws and regulations could result in government enforcement actions and create liability for us (including the imposition of significant penalties), private litigation and/or adverse publicity that could negatively affect our business. In addition, if we successfully commercialize our product candidates, we may obtain patient health information from healthcare providers that prescribe our products and research institutions we collaborate with, and they are subject to privacy and security requirements under HIPAA. Although we are not directly subject to HIPAA other than potentially with respect to providing certain employee benefits, we could potentially be subject to criminal penalties if we, or our affiliates or our agents knowingly receive individually identifiable health information maintained by a HIPAA-covered entity in a manner that is not authorized or permitted by HIPAA, and we could potentially be subject to other civil and/or criminal penalties if we obtain, use, or disclose information in a manner not permitted by other privacy and data security and consumer protection laws.

The Federal Trade Commission (FTC) also sets expectations for failing to take appropriate steps to keep consumers' personal information secure, or failing to provide a level of security commensurate to promises made to individual about the security of their personal information (such as in a privacy notice), which may constitute unfair or deceptive acts or practices in violation of Section 5(a) of the FTC Act. The FTC expects a company's data security measures to be reasonable and appropriate in light of the sensitivity and volume of consumer information it holds, the size and complexity of its business, and the cost of available tools to improve security and reduce vulnerabilities. Individually identifiable health information is considered sensitive data that merits stronger safeguards. With respect to privacy, the FTC also sets expectations for failing to honor the privacy promises made to individuals about how the company handles consumers' personal information; such failure may also constitute unfair or deceptive acts or practices in violation of the FTC Act. Enforcement by the FTC under the FTC Act can result in civil penalties or enforcement actions. The FTC also has the power to enforce the Health Breach Notification Rule, which imposes notification obligations on companies for breaches of certain health information contained in personal health records. The FTC has brought enforcement actions under both Section 5 of the FTC Act and the Health Breach Notification Rule.

In California, the CCPA establishes certain requirements for processing personal data, including obligations related to transparency and the collection, use, retention, and disclosure of personal data, and provides California residents certain rights concerning the use, correction, disclosure, and retention of their personal information. The CCPA and its implementing regulations have already been amended multiple times since their enactment. In November 2020, California voters approved the California Privacy Rights Act (CPRA) ballot initiative which introduced significant amendments to the CCPA and established and funded a dedicated California privacy regulator, the California Privacy Protection Agency (CPPA). The amendments introduced by the CPRA went into effect on January 1, 2023, and implementing regulations regulating automatic decision-making technologies, cyber audits, and risk assessments went into effect on January 1, 2026. Failure to comply with the CCPA may result in, among other things, significant civil penalties and injunctive relief, or statutory or actual damages. In addition, California residents have the right to bring a private right of action in connection with certain types of incidents. These claims may result in significant liability and damages. Nearly two dozen other states have enacted privacy laws similar to the CCPA that impose obligations or limitations in areas affecting our business and we continue to assess the impact of such state legislation on our business as additional information and guidance becomes available. Similarly, there are a number of legislative proposals in the United States, at both the federal and state level, that could impose new obligations or limitations in areas affecting our business. These laws and regulations are evolving and subject to interpretation, and may impose limitations on our activities or otherwise adversely affect our business. Health-specific consumer privacy laws were also passed in multiple states, including Washington and Nevada. These laws and regulations are constantly evolving and may impose limitations on our business activities.

Activities outside of the United States implicate local and national data protection standards, impose additional compliance requirements and generate additional risks of enforcement for non-compliance. The GDPR and other data protection, privacy and similar national, state/provincial and local laws may also restrict the access, use, storage, disclosure and other processing activities concerning patient health information abroad. We may be required to expend significant capital and other resources to ensure ongoing compliance with applicable privacy, data protection and cybersecurity laws, to protect against cybersecurity incidents, to notify competent authorities and impacted individuals in the event of a cybersecurity incident, and to alleviate

problems caused by such cybersecurity incidents. Compliance with these laws is difficult, constantly evolving, time consuming, and requires a flexible privacy framework and substantial resources. Compliance efforts will likely be an increasing and substantial cost in the future. There are also a number of legislative proposals in the European Union, the United States, at both the federal and state level, and other jurisdictions that could impose new obligations or limitations in areas affecting our business. In addition, some countries are considering or have passed legislation implementing data protection requirements such as local storage and processing of data or similar requirements that could increase the cost and complexity of delivering our services and research activities. These laws and regulations, as well as any associated claims, inquiries, or investigations or any other government actions may lead to unfavorable outcomes including increased compliance costs, delays or impediments in the development of new products, negative publicity, increased operating costs, diversion of management time and attention, and remedies that harm our business, including fines or demands or orders that we modify or cease existing business practices. The GDPR imposes significant fines and other administrative penalties to which we could be subject in the event of any non-compliance, including fines of up to EUR 10,000,000 or up to 2% of our total worldwide annual turnover for certain comparatively minor offenses, or up to EUR 20,000,000 or up to 4% of our total worldwide annual turnover for more serious offenses. The GDPR also confers a private right of action on data subjects and consumer associations to lodge complaints with data protection authorities, seek judicial remedies, and obtain compensation for damages resulting from violations of the GDPR.

With regard to the transfer of personal data, the EU GDPR generally restricts the ability of companies to transfer personal data from the European Economic Area to the United States and other countries without a valid transfer mechanism, which may adversely affect our ability to transfer personal data or otherwise may cause us to incur significant costs for implementing lawful transfer mechanisms, conducting data transfer impact assessments, and implementing additional measures where necessary to ensure that personal data transferred are adequately protected in a manner essentially equivalent to the EU. The EU GDPR provides different transfer mechanisms we can use to lawfully transfer personal data from the EU to countries outside the EU. An example is relying on adequacy decisions of the European Commission, such as the EU-U.S. Data Privacy Framework which was adopted by the European Commission in July 2023. The adequacy decision concludes that the United States ensures an adequate level of protection (compared to that of the EU) for personal data transferred from the EU to United States companies participating in the EU-U.S. Data Privacy Framework. The adequacy decisions of the European Commission are subject to periodic reviews and may be amended or withdrawn. Another example of a lawful transfer mechanism is using the EU Standard Contractual Clauses as approved by the European Commission in June 2021, which are the most common used transfer mechanism used to transfer personal data out of the EU. In order to use the EU Standard Contractual Clauses mechanism, the data exporter and the data importer must ensure that the data importer guarantees a level of personal data protection in the importing country that is essentially equivalent to that of the European Economic Area. Compliance with EU data transfer obligations involves conducting transfer impact assessments, which includes documenting detailed analyses of data access and protection laws in the countries in which data importers are located, which can be costly and time-consuming. Data importers must also expend resources in analyzing their ability to comply with transfer obligations, including implementing new safeguards and controls to further protect personal data.

Artificial intelligence. As a result of the broad-scale release and availability of Artificial Intelligence (AI) technologies, such as generative AI, there is a global trend towards more regulation (e.g., the EU AI Act and AI laws passed in U.S. states) to ensure the ethical and lawful use of AI, and the privacy and security of such AI and the data that it processes. Compliance with such laws will likely be an increasing and substantial cost in the future.

Coverage and Reimbursement

Significant uncertainty exists as to the coverage and reimbursement status of any product candidates for which we may obtain regulatory approval and commercialize. The regulations that govern marketing approvals, pricing and reimbursement for new drug products vary widely from country to country. Current and future legislation may significantly change the approval requirements in ways that could involve additional costs and cause delays in obtaining approvals. Some foreign countries require approval of the sale price of a drug before it can be marketed. In many countries, the pricing review period begins after marketing or product licensing approval is granted. In some foreign markets, prescription pharmaceutical pricing remains subject to continuing governmental control even after initial approval is granted. As a result, we might obtain marketing approval for a product in a particular country, but then be subject to price regulations that delay our commercial launch of the product, possibly for lengthy time periods, which could negatively impact the revenues we are able to generate from the sale of

the product in that particular country. Adverse pricing limitations may hinder our ability to recoup our investment in one or more product candidates even if our product candidates obtain marketing approval.

Our ability to commercialize any products successfully also will depend in part on the extent to which coverage and adequate reimbursement for these products and related treatments will be available in a timely manner from third-party payors, which, in the United States, include government healthcare programs such as Medicare and Medicaid, commercial health insurers and managed care organizations. Government authorities and other third-party payors, such as private health insurers and health maintenance organizations, determine which medications they will cover and establish reimbursement levels. Third-party payors may limit coverage to specific products on an approved list, or formulary, which may not include all of the FDA-approved products for a particular indication. The process for determining whether a payor will provide coverage for a product may be separate from the process for setting the price or reimbursement rate that the payor will pay for the product once coverage is approved.

A primary trend in the United States healthcare industry and elsewhere is cost containment. Government healthcare programs and other third-party payors are increasingly challenging the prices charged for medical products and services and examining the medical necessity and cost-effectiveness of medical products and services, in addition to their safety and efficacy, and have attempted to control costs by limiting coverage and the amount of reimbursement for particular medications. Increasingly, third-party payors are requiring that drug companies provide them with predetermined discounts from list prices and are challenging the prices charged for medical products. We cannot be sure that coverage and reimbursement will be available promptly or at all for any product that we commercialize and, if reimbursement is available, what the level of reimbursement will be. Moreover, eligibility for coverage and reimbursement does not imply that any drug will be paid for in all cases. Limited coverage may impact the demand for, or the price of, any product candidate for which we obtain marketing approval. If coverage and reimbursement are not available or reimbursement is available only to limited levels, we may not successfully commercialize any product candidate for which we obtain marketing approval.

Obtaining coverage and adequate reimbursement is a time-consuming and costly process. There may be significant delays in obtaining coverage and reimbursement for newly approved drugs, and coverage may be more limited than the purposes for which the drug is approved by the FDA or comparable foreign regulatory authorities. Moreover, eligibility for coverage and reimbursement does not imply that a drug will be paid for in all cases or at a rate that covers our costs, including research, development, manufacture, sale and distribution. Interim reimbursement levels for new drugs, if applicable, may also not be sufficient to cover our costs and may only be temporary. Reimbursement rates may vary according to the use of the drug and the clinical setting in which it is used, may be based on reimbursement levels already set for lower cost drugs and may be incorporated into existing payments for other services. Net prices for drugs may be reduced by mandatory discounts or rebates required by government healthcare programs or private payors and by any future relaxation of laws that presently restrict imports of drugs from countries where they may be sold at lower prices than in the United States. Limited coverage may impact the demand for, or the price of, any product candidate for which we obtain marketing approval. Third-party payors also may seek additional clinical evidence, including expensive pharmacoeconomic studies, beyond the data required to obtain marketing approval, demonstrating clinical benefits and value in specific patient populations, before covering our products for those patients. If reimbursement is available only for limited indications, we may not be able to successfully commercialize any product candidate for which we obtain marketing approval. Our inability to promptly obtain coverage and profitable reimbursement rates from both government-funded and private payors for any approved products that we develop could have a material adverse effect on our operating results, our ability to raise capital needed to commercialize products and our overall financial condition.

Government Price Reporting

If we successfully commercialize any of our products, we may participate in the Medicaid Drug Rebate Program. Participation is required for federal funds to be available for our products under Medicaid and Medicare Part B. Under the Medicaid Drug Rebate Program, we would be required to pay a rebate to each state Medicaid program for our covered outpatient drugs that are dispensed to Medicaid beneficiaries and paid for by a state Medicaid program as a condition of having federal funds being made available to the states for our drugs under Medicaid and under Part B of the Medicare program.

Federal law requires that any company that participates in the Medicaid Drug Rebate Program also participate in the Public Health Service’s 340B drug pricing program in order for federal funds to be available for the manufacturer’s drugs under

Medicaid and Medicare Part B. The 340B program requires participating manufacturers to agree to charge statutorily-defined covered entities no more than the 340B "ceiling price" for the manufacturer's covered outpatient drugs. These 340B covered entities include a variety of community health clinics and other entities that receive health services grants from the Public Health Service, as well as hospitals that serve a disproportionate share of low-income patients.

Medicare is a federal program that is administered by the federal government that covers individuals age 65 and over or that are disabled as well as those with certain health conditions. Medicare Part B generally covers drugs that must be administered by physicians or other health care practitioners; among others. Medicare Part B generally pays for such drugs under a payment methodology based on the average sales price of the drugs. Manufacturers are required to report average sales price information to CMS on a quarterly basis. The manufacturer-submitted information may be used by CMS to calculate Medicare payment rates. Manufacturers are obligated to pay refunds to Medicare for single source drugs or biologicals, or biosimilar biological products, reimbursed under Medicare Part B and packaged in single-dose containers or single-use packages, for units of discarded drug reimbursed by Medicare Part B in excess of 10 percent of total allowed charges under Medicare Part B for that drug. Manufacturers that fail to pay refunds could be subject to civil monetary penalties of 125 percent of the refund amount. Further, the Inflation Reduction Act of 2022 (IRA) established a Medicare Part B inflation rebate scheme, under which, generally speaking, manufacturers owe rebates if the average sales price of a Part B drug increases faster than the pace of inflation. Failure to timely pay a Part B inflation rebate is subject to a civil monetary penalty.

Medicare Part D generally provides coverage to enrolled Medicare patients for self-administered drugs (*i.e.*, drugs that are not administered by a physician). Medicare Part D is administered by private prescription drug plans approved by the United States government and, subject to detailed program rules and government oversight, each drug plan establishes its own Medicare Part D formulary for prescription drug coverage and pricing, which the drug plan may modify from time to time. The prescription drug plans negotiate pricing with manufacturers and pharmacies, and may condition formulary placement on the availability of manufacturer discounts. In addition, under the new manufacturer discount program established by the IRA and effective in 2025, manufacturers are, in general, required to provide a 10% discount on a covered Part D drug where a beneficiary is in the initial phase of Part D coverage and a 20% discount where a beneficiary is in the catastrophic phase of Part D coverage. Failure to pay a discount under this new program is subject to a civil monetary penalty. In addition, the IRA established a Medicare Part D inflation rebate scheme, under which, generally speaking, manufacturers owe additional rebates if the average manufacturer price of a Part D drug increases faster than the pace of inflation. Failure to timely pay a Part D inflation rebate is subject to a civil monetary penalty.

The IRA also created a drug price negotiation program under which the prices for certain Medicare units of certain high Medicare spend drugs and biologicals without generic or biosimilar competition are capped by reference to, among other things, a specified non-federal average manufacturer price starting in 2026. Failure to comply with requirements under the drug price negotiation program is subject to an excise tax and/or a civil monetary penalty. This or any other legislative change could impact the market conditions for our product candidates.

In addition, in order to be eligible to have its products paid for with federal funds under the Medicaid and Medicare Part B programs and purchased by the Department of Veterans Affairs (the VA), Department of Defense (DoD), Public Health Service, and Coast Guard (the Big Four Agencies) and certain federal grantees, a manufacturer also must participate in the VA Federal Supply Schedule (FSS) pricing program, established by Section 603 of the Veterans Health Care Act of 1992 (the VHCA). Under this program, the manufacturer is obligated to make its covered drugs (innovator multiple source drugs, single source drugs, and biologics) available for procurement on an FSS contract and charge a price to the Big Four Agencies that is no higher than the Federal Ceiling Price (FCP), which is a price calculated pursuant to a statutory formula. The FCP is derived from a calculated price point called the "non-federal average manufacturer price" (Non-FAMP), which we will be required to calculate and report to the VA on a quarterly and annual basis. Moreover, pursuant to Defense Health Agency (DHA) regulations, manufacturers must provide rebates on utilization of their innovator and single source products that are dispensed to TRICARE beneficiaries by TRICARE network retail pharmacies. The formula for determining the rebate is established in the regulations and is based on the difference between the annual non-federal average manufacturer price and the Federal Ceiling Price, each required to be calculated by us under the VHCA. The requirements under the Medicaid Drug Rebate Program, 340B program, FSS, and TRICARE programs could reduce the revenue we may generate from any products that are commercialized in the future and could adversely affect our business and operating results.

United States Healthcare Reform

The United States federal and state governments have enacted or proposed legislative and regulatory changes affecting the healthcare system that could prevent or delay marketing approval of our product candidates, restrict or regulate post-approval activities and affect our ability to profitably sell any product candidate for which we obtain marketing approval. The United States government, state legislatures and foreign governments also have shown significant interest in implementing cost-containment programs to limit the growth of government-paid healthcare costs, including price controls, restrictions on reimbursement and requirements for substitution of generic products for branded prescription drugs. For example, at the federal level, the government has shown substantial interest in taking a variety of measures aimed at lowering United States prescription drug prices to align with the lowest prices available for the same drugs in comparable developed nations (so called "most favored nation" pricing). At the state level, some legislatures have passed laws that regulate how manufacturers make the 340B Drug Pricing Program ceiling price available on the market. Additionally, some states have established Prescription Drug Affordability Boards (or similar entities) to review high-cost drugs and, in some cases, set upper payment limits.

In recent years, Congress has considered reductions in Medicare reimbursement levels for drugs administered by physicians. The Centers for Medicare & Medicaid Services (CMS), the agency that administers the Medicare and Medicaid programs, has authority to revise reimbursement rates and to implement coverage restrictions. Cost reduction initiatives and changes in coverage implemented through legislation or regulation could decrease utilization of and reimbursement for any approved products, which in turn would affect the price we can receive for those products. Any reduction in reimbursement from Medicare and other government programs may result in a similar reduction in payment from commercial payers. The implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenue, attain operating profitability, or commercialize our products.

The Affordable Care Act, as amended (the ACA), has substantially changed the way healthcare is financed by both governmental and private insurers, and has significantly impacted the pharmaceutical industry. The ACA was intended to broaden access to health insurance, reduce or constrain the growth of healthcare spending, enhance remedies against healthcare fraud and abuse, add new transparency requirements for healthcare and health insurance industries, impose new taxes and fees on pharmaceutical manufacturers, and impose additional health policy reforms.

Certain provisions of the ACA have been subject to judicial challenges as well as efforts to modify them or to alter their interpretation and implementation. For example, the Tax Cuts and Jobs Act eliminated the tax-based shared responsibility payment for individuals who fail to maintain minimum essential coverage under section 5000A of the Internal Revenue Code of 1986, commonly referred to as the individual mandate. Additional legislative changes, regulatory changes, and judicial challenges related to the ACA remain possible. It is unclear how efforts to modify or invalidate the ACA or its implementing regulations, or portions thereof, will affect our business. Any such changes could decrease the number of individuals with health coverage. It is possible that the ACA, as currently enacted or as it may be amended in the future, and other healthcare reform measures, including those that may be adopted in the future, could have a material adverse effect on our industry generally and on our ability to successfully commercialize our product candidates, if approved.

In addition, other legislative changes have been proposed since the ACA was enacted. For example, the Budget Control Act of 2011, among other things, created the Joint Select Committee on Deficit Reduction to recommend to Congress proposals for spending reductions. The Joint Select Committee did not achieve a targeted deficit reduction, which triggered the legislation's automatic reductions. In concert with subsequent legislation, this has resulted in aggregate reductions to Medicare payments to providers of, on average, 2% per fiscal year through 2032. Sequestration is currently set at 2%. As long as these cuts remain in effect, they could adversely impact payment for any of our products that are reimbursed under Medicare, once commercialized.

Further, the IRA, among other things, established a Medicare Part B and Part D inflation rebate scheme, under which, generally, manufacturers owe rebates if the average sales price of certain Part B drugs or annual average manufacturer price of certain covered Part D drugs increases faster than the pace of inflation. The IRA further makes several changes to the Medicare Part D benefit, including a limit on annual out-of-pocket costs, and replacement of the coverage gap discount program with a new manufacturer discount program beginning in 2025.

Additionally, on July 4, 2025, the "One Big Beautiful Bill Act" (the OBBBA) was signed into law. The OBBBA is projected to decrease federal health care spending by approximately $1 trillion by reducing Medicaid spending and enrollment and making

changes to federal Medicare spending. The law also made changes to ACA marketplace enrollment that are projected to decrease the number of individuals with marketplace coverage.

We expect that the ACA, IRA, OBBBA, as well as other healthcare reform measures that have been adopted and may be adopted in the future, may result in more rigorous coverage criteria and new payment methodologies, and in additional downward pressure on coverage and payment and the price that we receive for any approved product, and could seriously harm our future revenues. Any reduction in reimbursement from Medicare, Medicaid or other government programs may result in a similar reduction in payments from private payors. The implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenue, attain operating profitability or commercialize our products.

Foreign Regulation

In addition to regulations in the United States, we will be subject to a number of significant regulations in other jurisdictions regarding research, clinical trials, approval, manufacturing, distribution, marketing and promotion, safety reporting, privacy and pricing and reimbursement. These requirements and restrictions vary from country to country, but in many instances are similar to the United States requirements, and failure to comply with them could have similar negative effects as noncompliance in the United States.

Corporate Information

We, under the name Tekmira Pharmaceuticals Corporation (Tekmira), were incorporated pursuant to the British Columbia Business Corporations Act (BCBCA), on October 6, 2005, and commenced active business on April 30, 2007, when Tekmira and its parent company, Inex Pharmaceuticals Corporation (Inex), were reorganized under a statutory plan of arrangement (the Plan of Arrangement), completed under the provisions of the BCBCA. The Plan of Arrangement saw Inex's entire business transferred to and continued by Tekmira.

On March 4, 2015, we completed a business combination pursuant to which OnCore Biopharma, Inc. became our wholly-owned subsidiary. Effective July 31, 2015, our corporate name changed from Tekmira Pharmaceuticals Corporation to Arbutus Biopharma Corporation. Also effective July 31, 2015, the corporate name of our wholly owned subsidiary, OnCore Biopharma, Inc. changed to Arbutus Biopharma, Inc. (Arbutus Inc.). We had two wholly owned subsidiaries: Arbutus Inc. and Protiva Biotherapeutics Inc. (Protiva). Effective January 1, 2018, Protiva was amalgamated with Arbutus Inc. and we had one wholly-owned subsidiary as of December 31, 2025: Arbutus Inc.

Our current mailing address is 701 Veterans Circle, Warminster, Pennsylvania 18974, and our telephone number is (267) 469-0914. We maintain a website at www.arbutusbio.com.

Unless stated otherwise or the context otherwise requires, references herein to "Arbutus", "we", "us" and "our" refer to Arbutus Biopharma Corporation, and, unless the context requires otherwise, the subsidiaries through which we conduct business.

Investor Information

We are a reporting issuer in Canada under the securities laws of each of the Provinces of Canada. Our common shares trade on the Nasdaq Global Select Market under the symbol "ABUS". We maintain a website at http://www.arbutusbio.com. The information on our website is not incorporated by reference into this Annual Report on Form 10-K and should not be considered to be a part of this Annual Report on Form 10-K. Our website address is included in this Annual Report on Form 10-K as an inactive technical reference only. Copies of this Annual Report on Form 10-K, and our other annual reports on Form 10-K, proxy statements, quarterly reports on Form 10-Q, current reports on Form 8-K and, if applicable, amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, are available free of charge through our website under "Investors – Financial Information – SEC Filings" as soon as reasonably practicable after we electronically file these materials with, or otherwise furnish them to, the SEC. The SEC maintains an Internet site that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC at www.sec.gov.

Item 1A. Risk Factors

Our business is subject to substantial risks and uncertainties. The occurrence of any of the following risks and uncertainties, either alone or taken together, could materially and adversely affect our business, financial condition, results of operations or prospects. In these circumstances, the market price of our common shares could decline and you may lose all or part of your investment. The risks and uncertainties described below are not the only ones we face. Risks and uncertainties of general applicability and additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially and adversely affect our business, financial condition, results of operations or prospects.

Risks Related to Our Business, Our Financial Results and Need for Additional Capital

We are involved in patent infringement lawsuits to protect and assert our intellectual property rights against large, well-capitalized companies and the United States, which requires that we continue to expend substantial resources, and we may not be successful in these proceedings.

We are currently involved in a patent infringement lawsuit in the United States against Pfizer/BioNTech and, if filed by Moderna, the Moderna §1498 Appeal, which are actions against large, well-capitalized companies. We are also involved in a lawsuit against the United States in the United States Court of Federal Claims, seeking to recover compensation for Moderna's infringement for vaccine doses that were sold to the United States Government under a particular contract and were deemed by the District Court to be doses that were provided directly to United States Government employees. Some of these lawsuits have been ongoing for years and have required substantial investments of resources. We anticipate that these proceedings will continue to require similar investments over an extended period of time. Each of the proceedings is subject to substantial uncertainty regarding their outcomes, which is highly dependent upon specific factual matters and legal interpretations. We believe that it is critical to our future success to continue to pursue these actions, and we intend to do so. Each action will result in court rulings and decisions about significant issues, such as claim construction, patent validity, infringement, the affirmative defense under §1498, jurisdiction and other matters, almost all of which are subject to appeal processes that are typically lengthy and unpredictable in terms of outcome. Moreover, the ruling or decision in one proceeding is not necessarily indicative of rulings or decisions that may be issued in another proceeding, even if the factual and legal matters are similar. We expect that various courts will issue significant rulings within the next year, and the disclosure of those rulings may cause substantial volatility in our share price and could impact our business, financial condition and results of operations.

We face risks associated with the Contingent Settlement Payment under the Moderna Settlement Agreement.

In addition to the aggregate $950.0 million Noncontingent Settlement Payment due to us and Genevant, the Moderna Settlement Agreement provides for a Contingent Settlement Payment of up to an aggregate $1.3 billion to us and Genevant, which is payable in full only upon the occurrence of an Arbutus/Genevant §1498 Victory (as defined above). If the appellate court determines that §1498 bars all or some of our and Genevant's claims, we may receive no payment at all or only a prorated portion of the $1.3 billion Contingent Settlement Payment. While Moderna is subject to financial covenants under the Moderna Settlement Agreement to protect the payment of the Contingent Settlement Payment, there can be no assurance that we and Genevant will receive this payment in a timely manner, or at all, due to factors beyond our control, including, among others, the satisfaction of contractual conditions, administrative or procedural delays, or disputes regarding the interpretation or enforcement of the Moderna Settlement Agreement. Moreover, under certain circumstances specified in the Moderna Settlement Agreement, if an Arbutus/Genevant §1498 Victory is subsequently overturned in Moderna's favor in a final, non-appealable decision, we and Genevant would be required to return any Contingent Settlement Payment previously received, together with interest. Any obligation to repay such amounts could require us to use a significant portion of our available cash. Additionally, any Contingent Settlement Payment we do receive may be subject to financial covenants on us to protect the potential repayment of the Contingent Settlement Payment, which would restrict our ability to freely use those proceeds during that period. The Moderna §1498 Appeal and any subsequent related appeals are subject to substantial uncertainty regarding their outcomes, including the timing thereof, and there can be no assurance that an Arbutus/Genevant §1498 Victory will be achieved. For more information, see "Item 1 – Business – Other Collaborations, Royalty Entitlements and Intellectual Property Litigation" and "Item 3 – Legal Proceedings."

Our expectation of receiving proceeds from the Moderna Settlement Agreement, including through the Genevant License and our equity ownership interest in Genevant, may not be realized. Any delay in receiving such payments, failure to receive some or all of the proceeds under the Moderna Settlement Agreement, or an obligation to return any Contingent Settlement Payments

previously received could materially adversely affect our liquidity, financial condition, results of operations, and ability to execute our business strategy.

We are in the early stages of our development, and there is a limited amount of information about us upon which you can evaluate our product candidates.

We have not begun to market or generate revenues from the commercialization of any of our product candidates. We have only a limited history upon which you can evaluate our business and prospects as our product candidates are still in the clinical trial stage of development and thus we have limited experience and have not yet demonstrated an ability to successfully overcome many of the risks and uncertainties frequently encountered by companies in new and rapidly evolving fields, particularly in the biopharmaceutical area. For example, to continue the development of our cHBV programs, we would need to successfully:

- execute development activities using technologies involved in the development of our product candidates;
- build, maintain and protect a strong intellectual property portfolio;
- gain regulatory approval and market acceptance for the commercialization of any product candidates we develop;
- conduct sales and marketing activities if any of our product candidates are approved;
- develop and maintain successful strategic relationships; and
- manage our spending and cash requirements to support our clinical trials, regulatory approvals, commercialization and the maintaining of our intellectual property portfolio.

If we are unsuccessful in accomplishing these objectives, we may not be able to develop our product candidates, raise capital, expand our business or continue our operations.

We are concentrating and intend to continue to concentrate our internal development efforts primarily on the development of product candidates targeting cHBV infection. Our future success depends in part on the successful development of these product candidates. Our approach to the treatment of HBV is unproven, and we do not know whether we will be able to develop any products of commercial value.

There is no known functional cure for HBV. Any compounds that we develop may not effectively address HBV persistence. Even if we are able to develop compounds that address one or more of the key factors in the HBV life cycle (e.g., HBV replication, HBsAg expression and immune reactivation), targeting these key factors has not been proven to functionally cure HBV.

We may require substantial additional capital to fund our operations. Additional funds may be dilutive to shareholders or impose operational restrictions. Further, if additional capital is not available, we may need to delay, limit or eliminate our development and commercialization programs and modify our business strategy.

Our principal sources of liquidity are cash, cash equivalents and investments in marketable securities, which were $91.5 million as of December 31, 2025. While we do expect payments pursuant to the Moderna Settlement Agreement, we may be restricted from freely using the Contingent Settlement Payment while subject to repayment, and we are evaluating a return of capital to shareholders and may not retain all or part of the Noncontingent Settlement Payment. Within the next several years, substantial additional funds would be required to continue with the active development of our pipeline product candidates and technologies. In particular, our funding needs may vary depending on a number of factors including:

- costs associated with prosecuting and enforcing our patent claims and other intellectual property rights, including our ongoing patent infringement matter against Pfizer/BioNTech, the Moderna §1498 Appeal (if filed by Moderna), and our lawsuit against the United States;
- a potential return of capital to our shareholders in connection with proceeds from the Moderna Settlement Agreement;
- revenues earned from our licensing partners, including Alnylam and Acuitas;
- the extent to which we continue the development of our product candidates or form licensing arrangements to advance our product candidates;
- our decisions to in-license or acquire additional products, additional product candidates or technology for development;
- our ability to attract and retain development or commercialization partners, and their effectiveness in carrying out the development and ultimate commercialization of one or more of our product candidates;

- whether batches of product candidates that we manufacture fail to meet specifications resulting in clinical trial delays and investigational and remanufacturing costs;
- the decisions, and the timing of decisions, made by health regulatory agencies regarding our technology and product candidates; and
- competing products, product candidates and technological and market developments.

We may seek to obtain funding to maintain and advance our business from a variety of sources including equity financings, debt financings, licensing agreements, partnerships, government grants and contracts and other strategic transactions and funding opportunities. There can be no assurance that we will be able to complete any such transaction on acceptable terms or otherwise.

If we raise additional capital through the issuance of equity securities, the percentage ownership of our current shareholders will be reduced. In addition, we may issue equity as part of the consideration to our licensors, to compensate consultants or to settle outstanding payables, all of which could cause our shareholders to experience additional dilution in net book value per share. Any such additional equity securities may have rights, preferences and privileges senior to those of the holders of our common shares.

Debt financing, if available, will result in increased fixed payment obligations and may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. Any debt financing or additional equity that we raise may contain terms, such as liquidation and other preferences, which are not favorable to us or our existing shareholders. If we raise additional funds through corporate collaborations, partnerships or other strategic transactions, it may be necessary to relinquish valuable rights to our product candidates, our technologies or future revenue streams or to grant licenses or sell assets on terms that may not be favorable to us.

If we are unable to raise additional capital in sufficient amounts or on terms acceptable to us, we will need to curtail and reduce our operations and costs, and modify our business strategy which may require us to, among other things:

- significantly delay, scale back or discontinue the development or commercialization of one or more of our product candidates;
- seek collaborators for one or more of our product candidates at an earlier stage than otherwise would be desirable or on terms that are less favorable than might otherwise be available;
- sell or license on unfavorable terms our rights to one or more of our technologies or product candidates that we otherwise would seek to develop or commercialize ourselves; or
- seek a sale of the Company or cease operations.

We have incurred operating losses in nearly every year since our inception and we anticipate that we will not achieve operating profits for the foreseeable future. To date, we have had no product revenues.

With the exception of the years ended December 31, 2006 and December 31, 2012, we have incurred losses each fiscal year since inception through the year ended December 31, 2025 and have not received any revenues other than from research and development collaborations, royalties, license fees and milestone payments. From inception to December 31, 2025, we have an accumulated net deficit of approximately $1.4 billion. Investment in drug development is highly speculative because it entails substantial upfront capital expenditures and significant risk that a product candidate will fail to gain regulatory approval or become commercially viable. We continue to incur significant expenses related to our ongoing operations, including development of our product candidates. We do not expect to achieve operating profits until such time as product sales, milestone payments and royalty payments, if any, generate sufficient revenues to fund our continuing operations. We cannot predict if we will ever achieve operating profitability and, if we do, we may not be able to remain consistently profitable from operations or increase our operating profitability.

We expect to continue to incur significant expenses and operating losses for the foreseeable future. We anticipate that our expenses will continue to be significant if and as we:

- continue the clinical development of our products candidates;
- initiate additional clinical trials or other studies or trials for our product candidates;

- continue or expand our licensing arrangements with our licensing partners;
- change or add additional manufacturers or suppliers;
- seek regulatory approvals for our product candidates that successfully complete clinical trials;
- establish a sales, marketing and distribution infrastructure to commercialize any product candidates for which we may obtain regulatory approval;
- acquire or in-license other product candidates and technologies;
- maintain, protect and expand our intellectual property portfolio;
- attract and retain skilled personnel;
- create additional infrastructure to support our product development and planned future commercialization efforts; and
- experience any delays or encounter issues with any of the above.

The operating losses we incur may fluctuate significantly from quarter to quarter and year to year, such that a period-to-period comparison of our results of operations may not be a good indication of our future performance.

We do not generate revenues from product sales and may never be profitable from operations.

Our ability to generate product revenue and achieve operating profitability depends on our ability, alone or with strategic partners, to successfully complete the development of, and obtain the regulatory approvals necessary for, the manufacture and commercialization of our product candidates. We do not anticipate generating significant revenues from product sales for the foreseeable future, if ever. Our ability to generate future revenues from product sales depends heavily on our success in:

- completing clinical development of our product candidates;
- seeking and obtaining regulatory approvals for product candidates for which we complete clinical trials;
- developing a sustainable, scalable, reproducible, and transferable manufacturing process for our product candidates;
- establishing and maintaining supply and manufacturing relationships with third parties that can provide adequate (in amount and quality) products and services to support clinical development and the market demand for our product candidates for which we obtain regulatory approval;
- launching and commercializing product candidates for which we obtain regulatory approval, either by collaborating with partners or, if launched independently, by establishing a sales force, marketing, sales operations and distribution infrastructure;
- obtaining market acceptance of our product candidates for which we obtain regulatory approval as viable treatment options;
- addressing any competing technological and market developments;
- implementing additional internal systems and infrastructure, as needed;
- identifying and validating new product candidates;
- negotiating favorable terms in any collaboration, licensing or other arrangements into which we may enter;
- maintaining, protecting and expanding our portfolio of intellectual property rights, including patents, trade secrets and know-how; and
- attracting, hiring and retaining qualified personnel.

Even if one or more of the product candidates that we develop is approved for commercial sale, we anticipate incurring significant costs associated with commercializing any approved product candidate. Our expenses could increase beyond expectations if we are required by the FDA or other regulatory authorities outside the United States to perform clinical trials or other studies in addition to those that we currently anticipate. Even if we are able to generate revenues from the sale of any approved product candidates, we may not become profitable from operations and may need to obtain additional funding to continue operations.

Risks Related to Development, Clinical Testing, Regulatory Approval, Marketing, and Coverage and Reimbursement of our Product Candidates

Our product candidates are in early stages of development and must go through clinical trials, which are very expensive, time-consuming and difficult to design and implement. The outcomes of clinical trials are uncertain, and delays in the completion of or the termination of any clinical trial of our product candidates could harm our business, financial condition and prospects.

Our development programs are at an early stage of development. We must demonstrate our product candidates' safety and efficacy in humans through extensive clinical testing, which is expensive and time-consuming and requires specialized knowledge and expertise.

Clinical trials are also expensive and difficult to design and implement, in part because they are subject to rigorous regulatory requirements. The clinical trial process is also time-consuming, and the outcome is not certain. We estimate that clinical trials of our product candidates will take multiple years to complete. Failure can occur at any stage of a clinical trial, and we could encounter problems that cause us to abandon or repeat clinical trials. The commencement and completion of clinical trials may be delayed or precluded by a number of factors, including:

- the results of the review of our pipeline and development plans for our hepatitis B programs;
- delay or failure in reaching agreement with the FDA or other regulatory authorities outside the United States on the design of a given trial, or in obtaining authorization to commence a trial;
- delay or failure in reaching agreement on acceptable terms with prospective CROs and clinical trial sites;
- delay or failure in obtaining approval of an IRB or ethics committees before a clinical trial can be initiated at a given site;
- withdrawal of clinical trial sites from our clinical trials, including as a result of changing standards of care or the ineligibility of a site to participate;
- delay or failure in recruiting and enrolling subjects in our clinical trials;
- delay or failure in having subjects complete a clinical trial or return for post-treatment follow up;
- clinical sites or investigators deviating from trial protocol, failing to conduct the trial in accordance with applicable regulatory requirements, or dropping out of a trial;
- inability to identify and maintain a sufficient number of trial sites;
- failure of CROs to meet their contractual obligations or deadlines;
- the need to modify a trial protocol;
- unforeseen safety issues;
- emergence of dosing issues;
- lack of effectiveness data during clinical trials;
- changes in the standard of care of the indication being studied;
- reliance on third-party suppliers for the clinical trial supply of product candidates and failure by our third-party suppliers to comply with regulatory requirements or meet their contractual obligations to us in a timely manner, or at all;
- inability to monitor subjects adequately during or after treatment;
- limitations on our or our CROs' ability to access and verify clinical trial data captured at clinical trial sites through monitoring and source document verification;
- lack of sufficient funding to finance the clinical trials; and
- changes in governmental regulations or administrative action.

We, the FDA, other regulatory authorities outside the United States, or an IRB may suspend a clinical trial at any time for various reasons, including if it appears that the clinical trial is exposing participants to unacceptable health risks or if the FDA or one or more other regulatory authorities outside the United States find deficiencies in our IND or similar application outside the United States or the conduct of the trial. If we experience delays in the completion of, or the termination of, any clinical trial of any of our product candidates, the commercial prospects of such product candidate will be harmed, and our ability to generate product revenues from such product candidate will be delayed or rendered impossible. In addition, any delays in completing our clinical trials will increase our costs, slow down our product candidate development and approval process, and jeopardize our ability to commence product sales and generate revenues.

Even if our clinical trials are successfully completed as planned, the results may not support approval of our product candidates under the laws and regulations of the FDA or other regulatory authorities outside the United States. The clinical trial process may fail to demonstrate that our product candidates are both safe and effective for their intended uses. Preclinical and clinical data and analyses are often able to be interpreted in different ways. Even if we view our results favorably, if a regulatory authority has a different view, we may still fail to obtain regulatory approval of our product candidates.

Any of these occurrences may harm our business, financial condition, results of operations, cash flows and prospects significantly.

Preclinical studies and preliminary and interim data from clinical trials of our product candidates are not necessarily predictive of the results or success of ongoing or later clinical trials of our product candidates. If we cannot replicate the results from our preclinical studies and initial clinical trials of our product candidates in later clinical trials, we may be unable to successfully develop, obtain regulatory approval for and commercialize our product candidates.

Preclinical studies and any positive preliminary and interim data from our clinical trials of our product candidates may not necessarily be predictive of the results of ongoing or later clinical trials. A number of companies in the pharmaceutical and biotechnology industries, including us and many other companies with greater resources and experience than we, have suffered significant setbacks in clinical trials, even after seeing promising results in prior preclinical studies and clinical trials. Even if we are able to complete our planned clinical trials of our product candidates according to our current development timeline, initial positive results from preclinical studies and clinical trials of our product candidates may not be replicated in subsequent clinical trials. The design of our later stage clinical trials could differ in significant ways (e.g., inclusion and exclusion criteria, endpoints, statistical analysis plan) from our earlier stage clinical trials, which could cause the outcomes of the later stage trials to differ from those of our earlier stage clinical trials. If we fail to produce positive results in our planned clinical trials of any of our product candidates, the development timeline and regulatory approval and commercialization prospects for our product candidates, and, correspondingly, our business and financial prospects, would be materially adversely affected.

Because we have limited operational resources, we may decide to pursue a particular product candidate and fail to advance product candidates that later demonstrate a greater chance of clinical and commercial success.

We are a development stage company with limited operational resources and revenues. The product candidates we currently have under development will require significant clinical testing and investment of significant funds before their commercialization. Because of this, we must make strategic decisions regarding resource allocations and which product candidates to pursue. There can be no assurance that we will be able to develop all potentially promising product candidates that we may identify. Based on preliminary results, we may choose to advance a particular product candidate that later fails to be successful, and simultaneously forgo or defer further investment in other product candidates that later are discovered to demonstrate greater promise in terms of clinical and commercial success. If we make resource allocation decisions that later are shown to be inaccurate, our business and prospects could be harmed.

Several of our clinical trials are currently or were conducted outside the United States, and the FDA may not accept data from trials conducted in locations outside the United States.

We are currently conducting a clinical trial at least partially outside the United States and we may conduct further clinical trials outside the United States in the future. We are currently conducting our clinical trial in the United States, Moldova, Taiwan, South Korea, and Hong Kong. To the extent we do not conduct our clinical trials under an IND, the FDA may not accept data from such trials. Although the FDA may accept data from clinical trials conducted outside the United States that are not conducted under an IND, the FDA's acceptance of these data is subject to certain conditions. For example, the clinical trial must be well designed and conducted and performed by qualified investigators in accordance with ethical principles. The data must be applicable to the United States population and United States medical practice in ways that the FDA deems clinically meaningful. The FDA also must have the ability to validate the foreign data through an on-site inspection or other appropriate means in the event the FDA considers such on-site inspection to be necessary. In addition, while these clinical trials are subject to the applicable local laws, FDA acceptance of the data will be dependent upon its ability to verify the data and its determination that the trials complied with all applicable United States laws and regulations. We cannot assure you that the FDA will accept data from trials conducted outside of the United States that are not conducted under an IND. If the FDA does not accept the data from such clinical trials, we likely would need to conduct additional trials, which would be costly and time-consuming and could delay or permanently halt our development of our product candidates.

We cannot guarantee how long it will take regulatory agencies to review our applications for product candidates, and we may fail to obtain the necessary regulatory approvals to market our product candidates.

Before we can commercialize our product candidates in the United States, we must obtain approval from the FDA. We must similarly obtain approvals from comparable regulatory authorities to commercialize our product candidates in jurisdictions outside the United States.

To obtain marketing approval, United States laws require:

- controlled research and human clinical testing that comply with GLP and GCP, as applicable;
- establishment of the safety and efficacy of the product for each use sought;
- government review and approval of a submission containing, among other things, manufacturing, preclinical and clinical data; and
- compliance with GMP regulations.

The process of reviewing and approving a drug is time-consuming, unpredictable, and dependent on a variety of factors outside of our control. The FDA and corresponding regulatory authorities in jurisdictions outside the United States have a significant amount of discretion in deciding whether or not to approve a marketing application. Our product candidates could fail to receive regulatory approval from the FDA or comparable regulatory authorities outside the United States for several reasons, including:

- disagreement with the design or implementation of our clinical trials;
- failure to demonstrate that our product candidates are safe and effective for the proposed indication;
- failure of clinical trial results to meet the level of statistical significance required for approval;
- failure to demonstrate that the product candidates' benefits outweigh its' risks;
- disagreement with our interpretation of preclinical or clinical data; and
- inadequacies in the manufacturing facilities or processes of third-party manufacturers.

The FDA or comparable regulatory authorities outside the United States may require us to conduct additional preclinical and clinical testing, which may delay or prevent approval of a product candidate and our commercialization plans, or cause us to abandon the development program. Further, any approval we receive may be for fewer or more limited indications than we request, may not include labeling claims necessary for successful commercialization of the product candidate, or may be contingent upon our conducting costly post-marketing studies. Any of these scenarios could materially harm the commercial prospects of a product candidate, and our operations will be adversely effected.

Disruptions at the FDA, including due to a reduction in the FDA's workforce and/or inadequate funding for the FDA, could prevent the FDA from performing normal functions on which our business relies, which could negatively impact our business.

The ability of the FDA to review and approve new products or review other regulatory submissions can be affected by a variety of factors, including statutory, regulatory and policy changes, inadequate government budget and funding levels, a reduction in the FDA's workforce and its ability to hire and retain key personnel. Disruptions at the FDA and other agencies may also increase the time to meet with and receive agency feedback, review and/or approve our submissions, conduct inspections, issue regulatory guidance, or take other actions that facilitate the development, approval and marketing of regulated products, which would adversely affect our business. In addition, government proposals to reduce or eliminate budgetary deficits may include reduced allocations to the FDA and other related government agencies. It is not entirely clear how actions by the presidential administration or other parts of the federal government have already impacted and will continue to impact the FDA or other regulatory authorities that oversee the product development portion of our business. These budgetary pressures may reduce the FDA's ability to perform its responsibilities. If a significant reduction in the FDA's workforce continues, the FDA's budget is significantly reduced or another prolonged government shutdown occurs, it could significantly impact the ability of the FDA to timely review and process our regulatory submissions or take other actions critical to the development or marketing of our products, if approved, which could have a material adverse effect on our business.

If a particular product candidate causes undesirable side effects, then we may be unable to receive regulatory approval of or commercialize such product candidate.

We may experience numerous unforeseen events during, or as a result of, the testing process that could delay or prevent commercialization of any of our product candidates, including the occurrence of undesirable side effects. Such side effects could lead to clinical trial challenges, such as difficulties in subject recruitment, retention, and adherence, potential product

liability claims, and possible termination by health authorities. These types of clinical trial challenges could in turn, delay or prevent regulatory approval of our product candidate. Side effects may also lead regulatory authorities to require stronger product warnings on the product label, costly post-marketing studies, and/or a Risk Evaluation and Mitigation Strategy (REMS), among other possible requirements. If the product candidate has already been approved, such approval may be withdrawn. Any delay in, denial, or withdrawal of marketing approval for one of our product candidates will adversely affect our business, including our results of operations and financial position. Even if one or more of our product candidates receives marketing approval, undesirable side effects may limit such product's commercial viability. Patients may not wish to use our product, physicians may not prescribe our product, and our reputation may suffer. Any of these events may significantly harm our business and financial prospects.

We may find it difficult to enroll patients in our clinical trials, which could delay or prevent clinical trials of our product candidates.

Identifying and qualifying patients to participate in clinical trials of our product candidates is critical to our success. The timing of our clinical trials depends in part on the speed at which we can recruit patients to participate in testing our product candidates.

We may not be able to identify, recruit and enroll a sufficient number of patients, or those with required or desired characteristics to achieve diversity in a clinical trial, or complete our clinical trials in a timely manner. Subject enrollment is affected by a variety of factors including, among others:

- severity of the disease under investigation;
- design of the trial protocol;
- prevalence of the disease/size of the patient population;
- eligibility criteria for the clinical trial in question;
- perceived risks and benefits of the product candidate under study;
- willingness or availability of patients to participate in the clinical trials;
- proximity and availability of clinical trial sites for prospective patients;
- ability to recruit clinical trial investigators with the appropriate competencies and experience;
- availability of competing therapies and clinical trials;
- efforts to facilitate timely enrollment in clinical trials;
- ability to obtain and maintain subject consents;
- patient referral practices of physicians;
- risk that patients enrolled in clinical trials will drop out of the trials before completion; and
- ability to monitor patients adequately during and after treatment.

If patients are unwilling to participate in our clinical trials, the timeline for recruiting patients, conducting clinical trials and obtaining regulatory approval of potential products may be delayed. These delays could result in increased costs, delays in advancing or testing our product candidates or termination of the clinical trials altogether.

It may take considerable time and expense to resolve the clinical hold that has been placed on our IND application of AB-101 by the FDA, and no assurance can be given that the FDA will remove the clinical hold, in which case our business and financial prospects may be adversely affected.

On April 25, 2023, we announced that we were notified via verbal communication from the FDA that our AB-101 IND application had been placed on clinical hold, meaning we must suspend any ongoing clinical investigation in the United States, may not recruit subjects to the clinical trial in the United States, and may not administer AB-101 to any subjects in the United States. For purposes of clarity, the Phase 1 clinical trial in the United States had not been initiated and we had not dosed any patients with AB-101. In May 2023, we received the clinical hold letter from the FDA, which raised questions about certain preclinical data and aspects of the clinical trial design. In July 2023, Medsafe approved our CTA application for a Phase 1 clinical trial in New Zealand for AB-101; however, there are no assurances that FDA will accept the results of such clinical trial and may require us to conduct an additional Phase 1 clinical trial or additional nonclinical studies. If the FDA does not accept the results of our Phase 1 clinical trial in New Zealand for AB-101 or requires us to conduct additional trials or studies, it may take a considerable period of time, the length of which is not certain at this time, and expense for us to fully address the FDA's

concerns. Even if we are able to fully respond to the FDA's current concerns, the FDA may subsequently make additional requests that we would need to fulfill prior to the lifting of the clinical hold. It is possible that we will be unable to fully address the FDA's concerns and, as a result, the clinical hold may never be lifted and we may never be able to initiate our AB-101 clinical program in the United States, which could have a material adverse effect on our business and financial prospects.

Even if our product candidates obtain regulatory approval, they will remain subject to ongoing regulatory requirements and oversight.

Approved drug products are subject to ongoing regulatory requirements and oversight, including requirements related to manufacturing, quality control, further development, labeling, packaging, storage, distribution, safety surveillance, import, export, advertising, promotion, recordkeeping and reporting. In addition, we will be subject to continued compliance with GMP and GCP requirements for any clinical trials that we conduct post-approval. If we or any of the third parties on which we rely fail to meet those applicable requirements, the FDA or comparable regulatory authorities outside the United States could initiate enforcement actions. Potential consequences include the issuance of fines, warning letters, untitled letters or holds on clinical trials, product seizure or detention or refusal to permit the import or export of our products, if approved, permanent injunctions and consent decrees, or the imposition of civil or criminal penalties, any of which could significantly impair our ability to successfully commercialize a given product. If the FDA or a comparable regulatory authority outside the United States becomes aware of new safety information, it can impose additional restrictions on how the product is marketed or may seek to withdraw marketing approval altogether.

Further, the United States and state governments have shown significant interest in establishing cost containment measures to limit the growth of government-paid health care costs, including price controls, restrictions on reimbursement, and requirements for substitution of generic products for branded prescription drugs. For example, the Patient Protection and the ACA, intended to reduce the cost of health care, and it has substantially changed the way health care is financed by both government and private insurers. The ACA sometimes results in downward pressure on pharmaceutical reimbursement, which could negatively affect market acceptance of, and the price we may charge for, any products we develop that receives regulatory approval. Further legislative changes to and regulatory changes under the ACA remain possible, but the nature and extent of such potential additional changes are uncertain at this time. Further, the IRA, among other things, established Medicare Part B and Part D inflation rebate schemes under which, generally, manufacturers owe rebates if the average sales price of certain Part B drugs, or the average manufacturer price of certain covered Part D drugs, increases faster than the pace of inflation, and a drug price negotiation program under which the prices for certain Medicare units of certain high Medicare spend drugs and biologics without generic or biosimilar competition are capped by reference to, among other things, a specified non-federal average manufacturer price, beginning in 2026. Also, the OBBBA is projected to decrease federal health care spending by approximately $1 trillion by reducing Medicaid spending and enrollment and making changes to federal Medicare spending. We expect that the ACA, its implementation, efforts to modify or invalidate the ACA, or portions thereof, the IRA, the OBBBA, and other healthcare reform measures, including those that may be adopted in the future, could have a material adverse effect on our industry generally and on our ability to successfully commercialize our product candidates, if approved. Additionally, individual states in the United States have passed legislation and implemented regulations designed to control pharmaceutical and biological product pricing, including sometimes regulating how manufacturers make the 340B Drug Pricing Program ceiling price available on the market and establishing Prescription Drug Affordability Boards (or similar entities) to review high-cost drugs and, in some cases, set upper payment limits and implementing marketing cost disclosure and transparency measures.

The marketability of any products for which we receive regulatory approval for commercial sale may suffer if the United States or other government and third-party payors fail to provide adequate coverage and reimbursement. In addition, cost containment measures in the United States has been an area of increasing emphasis, and we expect they will continue to increase the pressure on pharmaceutical pricing. Coverage policies and third-party reimbursement rates may change at any time. Even if favorable coverage and reimbursement status is attained for one or more products for which we receive regulatory approval, less favorable coverage policies and reimbursement rates may be adopted in the future.

We face significant competition from other biotechnology and pharmaceutical companies targeting HBV.

As a significant unmet medical need exists for HBV, there are several large and small pharmaceutical companies focused on delivering therapeutics for treatment of HBV. These companies include, but are not limited to GSK plc, Gilead Sciences, Inc., Assembly Biosciences, Inc., Aligos Therapeutics, Inc., AusperBio Therapeutics, Inc., Brii Biosciences Limited, Mirum Pharmaceuticals, Inc., and Precision Biosciences, Inc. Further, in addition to current investigational therapeutics in development, it is likely that additional drugs will become available in the future for the treatment of HBV.

Many of our existing or potential competitors have substantially greater financial, technical and human resources than we do and significantly greater experience in the discovery and development of product candidates, as well as in obtaining regulatory approvals of those product candidates in the United States and other countries. Many of our current and potential future competitors also have significantly more experience commercializing drugs that have been approved for marketing.

We anticipate significant competition in the HBV market, with several early and late phase product candidates announced. Competition may increase further as a result of advances in the commercial applicability of technologies and greater availability of capital for investment in these industries. Our competitors may succeed in developing, acquiring or licensing, on an exclusive basis, product candidates that are more effective or less costly than any product candidate that we may develop.

If we successfully develop product candidates, and obtain approval for them, we will face competition based on many different factors, including the following:

- safety and effectiveness of our products;
- ease with which our products can be administered and the extent to which patients and physicians accept new routes of administration;
- timing and scope of regulatory approvals for these products;
- availability and cost of manufacturing, marketing and sales capabilities;
- price;
- reimbursement coverage; and
- patent position and regulatory exclusivities.

Our competitors may develop or commercialize products with significant advantages over any products we develop based on any of the factors listed above, or on other factors. Our competitors may therefore be more successful in commercializing their products than we are, which could adversely affect our competitive position and business. Competitive products may make any products we develop and commercialize obsolete or uncompetitive before we can recover the expenses of developing and commercializing such products. Such competitors could also recruit our employees, which could negatively impact our level of expertise and the ability to execute on our business plan.

Our ability to generate product revenues and become profitable from operations is largely dependent on the future commercial success of our HBV product candidates.

Our ability to generate product revenues and become profitable from operations will depend in large part on the future commercial success of our HBV product candidates, if approved. If any product that we commercialize in the future does not gain an adequate level of acceptance among physicians, patients and third parties, or our estimates of the number of people who have cHBV infection are lower than expected, we may not generate significant product revenues or become profitable from operations. Market acceptance by physicians, patients and third-party payors of the products we may commercialize will depend on a number of factors, some of which are beyond our control, including:

- their efficacy, safety and other potential advantages in relation to alternative treatments;
- their relative convenience and ease of administration in relation to alternative treatments;
- the availability of adequate coverage or reimbursement by third parties, such as insurance companies and other healthcare payors, and by government healthcare programs, including Medicare and Medicaid;
- the prevalence and severity of adverse events;
- their cost of treatment in relation to alternative treatments, including generic products;
- the extent and strength of our third-party manufacturer and supplier support;

- the extent and strength of marketing and distribution support;
- the limitations or warnings contained in a product's approved labeling; and
- distribution and use restrictions imposed by the FDA or other regulatory authorities outside the United States or that are part of a REMS or voluntary risk management plan.

For example, even if our products have been approved by the FDA or comparable foreign regulatory authorities, physicians and patients may not immediately be receptive to them and may be slow to adopt them. If our products do not achieve an adequate level of acceptance among physicians, patients and third-party payors, we may not generate meaningful revenues and we may not become profitable from operations.

We may incur substantial liabilities and may be required to limit commercialization of our products in response to product liability lawsuits.

The testing and marketing of medical products entail an inherent risk of product liability. Product liability claims may be brought against us by patients, healthcare providers or others using, administering or selling our products. Large judgments have been awarded in class action lawsuits based on drugs that had unanticipated side effects, which is an example of just one possible product liability claim that may be brought against us. If we cannot successfully defend ourselves against product liability claims, we may incur substantial liabilities or be required to limit commercialization of our products. Our inability to obtain sufficient product liability insurance at an acceptable cost to protect against potential product liability claims could prevent or inhibit the commercialization of products we develop, alone or with partners. Although we currently have product liability insurance coverage for our clinical trials for expenses or losses, our insurance coverage is limited to $10 million per occurrence, and $10 million in the aggregate, and may not reimburse us or may not be sufficient to reimburse us for any or all expenses or losses we may suffer. Moreover, insurance coverage is becoming increasingly expensive and, in the future, we may not be able to maintain insurance coverage at a reasonable cost or in sufficient amounts to protect us against losses due to liability. We intend to expand our insurance coverage to include the sale of commercial products if we obtain marketing approval for our product candidates in development, but we may be unable to obtain commercially reasonable product liability insurance for any products approved for marketing. Further, even if our agreements with any current or future partners entitle us to indemnification against losses, such indemnification may not be available or adequate should any claims arise. A successful product liability claim or series of claims brought against us could cause our share price to fall and, if judgments exceed our insurance coverage, could decrease our cash and adversely affect our business.

Coverage and adequate reimbursement may not be available for our product candidates, which could make it difficult for us to sell our products profitably.

Market acceptance and sales of any products that we develop and receive approval for will depend in part on the extent to which reimbursement for these products and related treatments will be available from third-party payors, including government health administration authorities and private health insurers. Third-party payors decide which drugs they will pay for and establish reimbursement levels. Third-party payors often rely upon Medicare coverage policy and payment limitations in setting their own reimbursement policies. However, decisions regarding the extent of coverage and amount of reimbursement to be provided for each of our products will be made on a plan by plan basis. One payor's determination to provide coverage for a product does not assure that other payors will also provide coverage, and adequate reimbursement, for the product. Additionally, a third-party payor's decision to provide coverage for a drug does not imply that an adequate reimbursement rate will be approved. Each plan determines whether or not it will provide coverage for a drug, what amount it will pay the manufacturer for the drug, and on what tier of its formulary the drug will be placed. The position of a drug on a formulary generally determines the copayment that a patient will need to make to obtain the drug and can strongly influence the adoption of a drug by patients and physicians. Patients who are prescribed treatments for their conditions and providers performing the prescribed services generally rely on third-party payors to reimburse all or part of the associated healthcare costs. Patients are unlikely to use our products unless coverage is provided and reimbursement is adequate to cover a significant portion of the cost of our products.

A primary trend in the United States healthcare industry and elsewhere is cost containment. Third-party payors have attempted to control costs by limiting coverage and the amount of reimbursement for particular medications. We cannot be sure that coverage and reimbursement will be available for any product that we commercialize and, if reimbursement is available, what the level of reimbursement will be. Inadequate coverage and reimbursement may impact the demand for, or the price of, any

product for which we obtain marketing approval. If coverage and adequate reimbursement is not available, or is available only to limited levels, we may not be able to successfully commercialize any product candidates that we develop.

Additionally, there have been a number of legislative and regulatory proposals to change the healthcare system in the United States and in some jurisdictions outside the United States that could affect our ability to sell any future products profitably. These legislative and regulatory changes may negatively impact the reimbursement for any future products, following approval.

We are subject to United States and Canadian healthcare laws and regulations, which could expose us to criminal sanctions, civil penalties, contractual damages and reputational harm, fines, disgorgement, exclusion from participation in United States federal healthcare programs, curtailment or restricting of our operations and diminished profits from operations and future earnings.

Healthcare providers, physicians and others will play a primary role in the recommendation and prescription of any products for which we obtain marketing approval. Our future arrangements with healthcare providers, patients and third-party payors will expose us to broadly applicable United States and Canadian fraud and abuse and other healthcare laws and regulations that may constrain the business or financial arrangements and collaborative partners through which we market, sell and distribute any products for which we obtain marketing approval. Restrictions under applicable United States federal and state healthcare laws and regulations are described in further detail in the section entitled *Government Regulation – Post-Approval Regulation* and include the following:

- the United States federal Anti-Kickback Law prohibits persons from, among other things, knowingly and willfully soliciting, offering, receiving or providing remuneration, directly or indirectly, in cash or in kind, to induce or reward, or in return for, the referral of an individual for the furnishing or arranging for the furnishing, or the purchase, lease or order, or arranging for or recommending purchase, lease or order, any good or service for which payment may be made under a federal healthcare program such as Medicare and Medicaid;

- the United States federal civil False Claims Act imposes civil penalties, sometimes pursued through whistleblower or qui tam actions, against individuals or entities for, among other things, knowingly presenting, or causing to be presented claims for payment of government funds that are false or fraudulent or making a false statement material to an obligation to pay money to the government, or knowingly concealing or knowingly and improperly avoiding, decreasing, or concealing an obligation to pay money to the federal government;

- HIPAA imposes criminal liability for knowingly and willfully executing a scheme to defraud any healthcare benefit program, knowingly and willfully falsifying, concealing or covering up a material fact or making any materially false, fictitious or fraudulent statement or representation, or making or using any false writing or document knowing the same to contain any materially false fictitious or fraudulent statement or entry, in connection with the delivery of or payment for healthcare benefits, items or services;

- HIPAA and its implementing regulations also impose obligations on certain covered entity health care providers, health plans and health care clearinghouses as well as their business associates (e.g., persons or entities that create, receive, maintain, or transmit protected health information in connection with providing a specified service or performing a function on behalf of a covered entity). We may obtain health information from third parties (including research institutions from which we obtain clinical trial data) that are subject to privacy and security requirements under HIPAA. Although we are not directly subject to HIPAA, other than with respect to providing certain employee benefits, we could potentially be subject to criminal penalties if we, our affiliates, or our agents knowingly receive individually identifiable health information maintained by a HIPAA-covered entity in a manner that is not authorized or permitted by HIPAA, and could potentially be subject to other civil and/or criminal penalties if we obtain, use, or disclose information in a manner not permitted by other privacy and data security and consumer protection laws;

- numerous federal and state laws and regulations that address privacy and data security, including state data breach notifications laws, state health information and/or genetic privacy laws, artificial intelligence laws passed in the United States, and federal and state consumer protection laws (e.g., Section 5 of the FTC Act, and the Health Breach Notification Rule, and the CCPA), govern the collection, use, disclosure and protection of health-related and other personal information, many of which differ from each other in significant ways, thus complicating the compliance

efforts. Compliance with these laws is difficult, constantly evolving, and time-consuming, and companies that do not comply with these laws may face government enforcement actions, civil and/or criminal penalties, or private action, as well as adverse publicity that could negatively affect our operating results and business;

- activities outside of the United States implicate local and national data protection standards, impose additional compliance requirements and generate additional risks of enforcement for non-compliance. The GDPR and other data protection, privacy and similar national, state/provincial and local laws, including the EU AI Act, may restrict the access, use, storage, disclosure or other processing activities concerning patient health information abroad. Compliance efforts will likely be an increasing and substantial cost in the future. Compliance efforts will likely be an increasing and substantial cost in the future;

- the United States federal Physician Payment Sunshine Act, being implemented as the Open Payments Program, requires manufacturers of drugs, devices, biologics, and medical supplies for which payment is available under Medicare, Medicaid or the Children's Health Insurance Program (with certain exceptions) to report annually to CMS information related to direct or indirect payments and other transfers of value to physicians, certain other practitioners, and teaching hospitals, as well as ownership and investment interests held in the company by physicians and their immediate family members;

- price reporting requirements under the Medicaid Drug Rebate Program and the 340B Program and with respect to average sales price reporting under the Medicare Part B program, and rebate or discount liability under the Medicaid Drug Rebate Program, the 340B Program, and Medicare Part D, with respect to which we could be subject to civil monetary penalties for a failure to comply with our reporting or rebate or discount obligations, or termination from the Medicaid Drug Rebate Program or 340B program, which, in turn, could jeopardize the availability of federal funds for our products under Medicaid and Medicare Part B;

- the IRA, which, among other things, requires the United States Secretary of Health and Human Services to negotiate, with respect to Medicare units and subject to a specified cap, the price of a set number of certain high Medicare spend drugs and biologicals per year starting in 2026, penalizes manufacturers of certain Medicare Parts B and D drugs for price increases above inflation, and makes several changes to the Medicare Part D benefit, including a limit on annual out-of-pocket costs, and a change in manufacturer liability under the program which could negatively affect our business and financial condition; and

- analogous state laws and laws and regulations outside the United States, such as state anti-kickback and false claims laws, which may apply to sales or marketing arrangements and claims involving healthcare items or services reimbursed by non-governmental third-party payors, including private insurers; state laws and laws outside the United States that require pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government or otherwise restrict payments that may be made to certain healthcare providers; state laws and laws outside the United States that require drug manufacturers to report information related to clinical trials, or information related to payments and other transfers of value to physicians and other healthcare providers or marketing expenditures; state laws that restrict the ability of manufacturers to offer co-pay support to patients for certain prescription drugs; and state laws and local ordinances that require identification or licensing of sales representatives.

Efforts to ensure that our collaborations with third parties, and our business generally, will comply with applicable United States and Canadian healthcare laws and regulations will involve substantial costs. It is possible that governmental authorities will conclude that our business practices may not comply with current or future statutes, regulations or case law involving applicable fraud and abuse or other healthcare laws and regulations. If our operations are found to be in violation of any of these laws or any other governmental laws and regulations that may apply to us, we may be subject to significant civil, criminal and administrative penalties, damages, fines, imprisonment, exclusion of products from United States federal healthcare programs, contractual damages, reputational harm, disgorgement, curtailment or restricting of our operations, any of which could substantially disrupt our operations and diminish our profits from operations and future earnings. If any of the physicians or other providers or entities with whom we expect to do business is found not to be in compliance with applicable laws, they may be subject to criminal, civil or administrative sanctions, including exclusions from government funded healthcare

programs. The risk of our being found in violation of these laws is increased by the fact that many of them are subject to evolving interpretation and application by courts and enforcement and regulatory authorities.

If we participate in the Medicaid Drug Rebate Program and other governmental pricing programs, failure to comply with obligations under these programs could result in additional reimbursement requirements, penalties, sanctions and fines, which could have a material adverse effect on our business, financial condition, results of operations and growth prospects.

Under the Medicaid Drug Rebate program, a participating manufacturer is required to pay a rebate to each state Medicaid program for its covered outpatient drugs that are dispensed to Medicaid beneficiaries and paid for by the state Medicaid program as a condition of having federal funds being made available for drugs under Medicaid and Medicare Part B. Those rebates are based on pricing data reported by the manufacturer on a monthly and quarterly basis to CMS. These data include the average manufacturer price and, in the case of innovator products, the best price for each drug, which, in general, represents the lowest price available from the manufacturer to any wholesaler, retailer, provider, health maintenance organization, nonprofit entity, or governmental entity in the United States in any pricing structure, calculated to include all sales and associated rebates, discounts, and other price concessions. If we fail to pay the required rebate amount or report pricing data on a timely basis, we may be subject to civil monetary penalties and/or termination from the Medicaid Drug Rebate program. Additionally, civil monetary penalties can be applied if we are found to have knowingly submitted any false price or product information to the government, if we fail to submit the required price data on a timely basis, or if we misclassify or misreport product information. CMS could also decide to terminate any Medicaid drug rebate agreement, in which case federal payments may not be available under Medicaid or Medicare Part B for our covered outpatient drugs, if commercialized.

The ACA made significant changes to the Medicaid Drug Rebate Program, and CMS issued a final regulation to implement the changes to the Medicaid Drug Rebate Program under the ACA. CMS also issued a final regulation that modified prior Medicaid Drug Rebate Program regulations to permit reporting multiple best price figures with regard to value-based purchasing arrangements; and provide definitions for “line extension,” “new formulation,” and related terms, with the practical effect of expanding the scope of drugs considered to be line extensions that are subject to an alternative rebate formula. While the regulatory provisions that purported to affect the applicability of the best price and average manufacturer price exclusions of manufacturer-sponsored patient benefit programs, in the context of pharmacy benefit manager (PBM) “accumulator” programs were invalidated by a court, such programs (including copayment “maximizer” programs) may continue to negatively affect us in other ways. Our failure to comply with these price reporting and rebate payment obligations could negatively impact our financial results.

Federal law requires that a manufacturer also participate in the 340B Drug Pricing program in order for federal funds to be available for the manufacturer’s drugs under Medicaid and Medicare Part B. The 340B program requires participating manufacturers to agree to charge no more than the 340B “ceiling price” for the manufacturer’s covered outpatient drugs to specified “covered entities,” including community health centers and other entities that receive certain federal grants, as well as hospitals that serve a disproportionate share of low-income patients. The 340B ceiling price is calculated using a statutory formula, which is based on the average manufacturer price and rebate amount for the covered outpatient drug as calculated under the Medicaid Drug Rebate Program. If we are found to have knowingly and intentionally charged 340B covered entities more than the statutorily mandated ceiling price for any of our commercialized products, we could be subject to significant civil monetary penalties and/or such failure also could be grounds for the Health Resources and Services Administration (HRSA) to terminate our agreement to participate in the 340B program, in which case our covered outpatient drugs, once commercialized, would no longer be eligible for federal payment under the Medicaid or Medicare Part B program.

Further, the IRA established a Medicare Part B and Part D inflation rebate scheme and a drug price negotiation program, with the first negotiated prices taking effect in 2026. It also made several changes to the Medicare Part D benefit, including the creation of a new manufacturer discount program in place of the current coverage gap discount program (beginning in 2025). Manufacturers may be subject to civil monetary penalties for certain violations of the negotiation and inflation rebate provisions and an excise tax during a noncompliance period under the negotiation program. Drug manufacturers may also be subject to civil monetary penalties with respect to their compliance with the new Part D manufacturer drug discount program.

Pricing and rebate calculations are complex, vary across products and programs, and are often subject to interpretation by the manufacturer, governmental agencies, and courts. A manufacturer that becomes aware that its Medicaid reporting for a prior quarter was incorrect, or has changed as a result of recalculation of the pricing data, is obligated to resubmit corrected data up to

three years after those data originally were due. Restatements and recalculations increase the costs for complying with the laws and policies governing the Medicaid Drug Rebate program and could result in an overage or underage in our rebate liability for past quarters. They also may affect the 340B ceiling price and therefore liability under the 340B program.

Finally, in order to be eligible to have its products paid for with federal funds under the Medicaid and Medicare Part B programs and purchased by the Big Four Agencies and certain federal grantees, a manufacturer is required to participate in the FSS pricing program, established under Section 603 of the Veterans Health Care Act of 1992. Under this program, the manufacturer is obligated to make its covered drugs available for procurement on an FSS contract and charge a price to the Big Four Agencies that is no higher than the FCP, which is a price calculated pursuant to a statutory formula. The FCP is derived from a calculated price point called the Non-FAMP, which the manufacturer calculates and reports to the VA on a quarterly and annual basis. Pursuant to applicable law, knowing provision of false information in connection with a Non-FAMP filing can subject a manufacturer to significant penalties for each item of false information. The FSS contract also contains extensive disclosure and certification requirements. If we overcharge the government in connection with the FSS contract or Tricare Retail Pharmacy Rebate Program, whether due to a misstated FCP or otherwise, we will be required to refund the difference to the government. Failure to make necessary disclosures and/or to identify contract overcharges can result in allegations against us under the False Claims Act and other laws and regulations. Unexpected refunds to the government, and any response to government investigation or enforcement action, would be expensive and time-consuming, and could have a material adverse effect on our business, financial condition, results of operations and growth prospects.

Under Section 703 of the National Defense Authorization Act for FY 2008, the manufacturer is required to pay quarterly rebates to DoD on utilization of its innovator products that are dispensed through DoD's Tricare network pharmacies to Tricare beneficiaries. The rebates are calculated as the difference between the annual Non-FAMP and FCP for the calendar year that the product was dispensed. A manufacturer that overcharges the government in connection with the FSS contract or Tricare Retail Pharmacy Rebate Program, whether due to a misstated FCP or otherwise, is required to refund the difference to the government. Failure to make necessary disclosures and/or to identify contract overcharges can result in allegations against us under the False Claims Act and other laws and regulations.

Failure to comply with the United States Foreign Corrupt Practices Act (FCPA), and potentially other global anti-corruption and anti-bribery laws such as the Canadian Corruption of Foreign Public Officials Act, could subject us to penalties and other adverse consequences.

We are subject to the FCPA, and potentially other applicable domestic or foreign anti-corruption or anti-bribery laws, which generally prohibit companies from engaging in bribery or other prohibited payments to foreign officials for the purpose of obtaining or retaining business and requires companies to maintain accurate books and records and internal controls, including at foreign-controlled subsidiaries.

Compliance with these anti-corruption laws and anti-bribery laws may be expensive and difficult, particularly in countries in which corruption is a recognized problem. In addition, these laws present particular challenges in the pharmaceutical industry, because, in many countries, hospitals are operated by the government, and physicians and other hospital employees are considered to be foreign officials. Certain payments to hospitals in connection with clinical trials and other work have been deemed to be improper payments to governmental officials and have led to FCPA enforcement actions.

We can make no assurance that our employees or other agents will not engage in prohibited conduct under our policies and procedures and anti-corruption laws and anti-bribery laws such as FCPA for which we might be held responsible. If our employees or other agents are found to have engaged in such practices, we could suffer severe penalties and other consequences that may have a material adverse effect on our business, financial condition and results of operations.

Risks Related to Our Dependence on Third Parties

We depend on our license agreement with Alnylam for the commercialization of ONPATTRO (Patisiran).

In 2012, we entered into a license agreement with Alnylam that entitles Alnylam to develop and commercialize products with our LNP technology. Alnylam received FDA approval in August 2018 and launched ONPATTRO immediately upon approval. We are entitled to low to mid-single-digit royalty payments escalating based on sales performance and received our first royalty

payment in the fourth quarter of 2018. In July 2019, we sold this royalty entitlement to OMERS, the defined benefit pension plan for municipal employees based in the Province of Ontario, Canada, effective as of January 1, 2019, for $20 million in gross proceeds before advisory fees. OMERS will retain this royalty entitlement until it has received $30 million in royalties, at which point 100% of this royalty entitlement on future global net sales of ONPATTRO will revert to us. From the inception of the royalty sale through December 31, 2025, an aggregate of $26.5 million of royalties have been earned by OMERS. The possibility and timing of any possible reversion of the royalty entitlement is affected by many factors including:

- Alnylam's and its distributors' and sublicensees' ability and actions to effectively market and sell ONPATTRO in each country where sold;
- the manner of sale, whether directly by Alnylam or by sublicensees or distributors, and the terms of sublicensing and distribution agreements;
- the amount and timing of sales of Alnylam in each country;
- regulatory approvals, appropriate labeling, and desirable pricing, insurance coverage and reimbursement;
- competition, including from Alnylam's next generation RNAi product AMVUTTRA® (vutrisiran); and
- commencement of marketing in additional countries.

ONPATTRO sales have declined each of the last three years due primarily to sales from Alnylam's next generation RNAi product AMVUTTRA cannibalizing sales of ONPATTRO. If Alnylam's sales of ONPATTRO continue to decline, the royalty entitlement may never revert back to us.

We expect to depend in part on our licensing agreements for a significant portion of our revenues for the foreseeable future and to develop, conduct clinical trials with, obtain regulatory approvals for, and manufacture, market and sell some of our product candidates. If these licensing agreements are unsuccessful, or anticipated milestone or royalty payments are not received, our business could be materially adversely affected.

We expect that we will depend in part on our licensing agreements with (or involving) Alnylam to provide revenue to partially fund our operations, especially in the near term. Furthermore, our strategy is to enter into various additional arrangements with corporate and academic collaborators, licensors, licensees and others for the development, clinical testing, manufacturing, marketing and commercialization of our product candidates or other products based upon our technology. We may be unable to continue to establish such licensing agreements, and any licensing agreements we do establish may be unsuccessful, or we may not receive milestone payments or royalties as anticipated.

Should any licensing partner fail to develop or ultimately successfully commercialize any of the product candidates or technology to which it has obtained rights, our business may be adversely affected. In addition, once initiated, there can be no assurance that any of these licensing agreements will be continued or result in successfully commercialized products. Failure of a licensing partner to continue funding any particular program could delay or halt the development or commercialization of any products arising out of such program. In addition, there can be no assurance that the licensing partners will not pursue alternative technologies or develop alternative products either on their own or in collaboration with others, including our competitors.

If conflicts arise between our licensing partners and us, our licensing partners may act in their best interest and not in our best interest, which could adversely affect our business.

Conflicts may arise with our licensing partners, including Alnylam, if they pursue alternative therapies for the diseases that we have targeted or develop or prioritize alternative products either on their own or in collaboration with others. Competing products, either developed by our present licensing partners or any future partners or to which our present partners or any future partners have rights, may result in development delays or the withdrawal of their support for one or more of our product candidates.

Additionally, conflicts may arise if there is a dispute about the progress of, or other activities related to, the clinical development of a product candidate, the achievement and payment of a milestone amount, the payment of royalties or the ownership of intellectual property that is developed during the course of a licensing agreement. If an agreement is terminated as a result of a dispute and before we have realized the benefits of the licensing arrangement, our reputation could be harmed, and we might not obtain revenues that we anticipated receiving.

We rely on third parties to conduct our clinical trials, and if they fail to fulfill their obligations, perform services in a satisfactory manner, and/or comply with applicable legal or regulatory requirements, our development plans may be adversely affected.

We rely on independent clinical investigators, CROs and other third-party service providers to assist us in managing, monitoring and otherwise carrying out our clinical trials. We have contracted with, and we plan to continue to contract with, certain third parties to provide certain services, including site selection, enrollment, monitoring and data management. Although we depend heavily on these parties and have contractual agreements governing their activities, we do not control them and therefore, we cannot be assured that these third parties will adequately perform all of their contractual obligations to us. If our third-party service providers cannot adequately fulfill their obligations to us on a timely and satisfactory basis or if the quality or accuracy of our clinical trial data is compromised due to failure to adhere to our protocols or regulatory requirements or otherwise, or if such third parties otherwise fail to meet deadlines or follow legal or regulatory requirements, our development plans may be delayed or terminated.

If any of our relationships with these third parties terminate, we may not be able to enter into arrangements with alternative third parties on commercially reasonable terms or at all. Switching or adding additional third-party service providers involves additional cost and requires management time and focus. In addition, there is a natural transition period when a new third-party service provider begins work. As a result, delays may occur, which can materially impact our ability to meet our desired development timelines.

We rely exclusively on third parties to formulate and manufacture our product candidates, which exposes us to a number of risks that may delay development, regulatory approval and commercialization of our products or result in higher product costs.

We have limited experience in drug formulation or manufacturing, and we lack the resources and expertise to formulate or manufacture our own product candidates internally. Therefore, we rely on, and expect to continue to rely on, third-party expertise to support us in this area. We have entered into contracts with third-party manufacturers to manufacture, supply, store and distribute supplies of our product candidates for our clinical trials. If any of our product candidates receive approval, we expect to rely on third-party contractors to manufacture our products. We have no current plans to build internal manufacturing capacity for any product candidate, and we have no long-term supply arrangements.

Our reliance on third-party manufacturers exposes us to potential risks, such as the following:

- we may be unable to contract with third-party manufacturers on acceptable terms, or at all, because the number of potential manufacturers is limited. Potential manufacturers of any product candidate that is approved will be subject to regulatory compliance inspections and any new manufacturer would have to be qualified to produce our products;
- our third-party manufacturers might be unable to formulate and manufacture our product candidates and products in the volume and of the quality required to meet our clinical and commercial needs, if any;
- our third-party manufacturers may not perform as agreed or may not remain in the contract manufacturing business for the time required to supply our clinical trials through completion or to successfully produce, store and distribute our commercial products, if approved;
- drug manufacturers are subject to ongoing periodic unannounced inspection by the FDA and other government agencies to ensure compliance with cGMP and other government regulations and corresponding foreign standards. We do not have control over third-party manufacturers' compliance with these regulations and standards, but we may ultimately be responsible for any of their failures;
- if any third-party manufacturer makes improvements in the manufacturing process for our product candidates, we may not own, or may have to share, the intellectual property rights to such improvements; and
- a third-party manufacturer may gain knowledge from working with us that could be used to supply one of our competitors with a product that competes with ours.

Each of these risks could delay or have other adverse impacts on our clinical trials and the approval and commercialization of our product candidates, potentially resulting in higher costs, reduced revenues or both.

Risks Related to Our Intellectual Property

Other companies or organizations may assert patent rights that prevent us from developing or commercializing our products.

RNAi and PD-L1 inhibitors have generated many different patent applications from organizations and individuals seeking to obtain patents in the field. These applications claim many different methods, compositions and processes relating to the discovery, development and commercialization of these therapeutic products. It is likely that there could be litigation and other proceedings, such as inter partes review and opposition proceedings in various patent offices, relating to patent rights in RNAi and PD-L1 inhibitors targeted at HBV. We are aware of patents and patent applications owned by third parties that may in the future be alleged by such third parties to cover the use of one or more of our products. We may need to acquire or obtain a license from such third parties to any such issued patents to market or sell any such products, which may not be available on commercially acceptable terms or at all. If such third parties obtain valid and enforceable patents and successfully prove infringement of an approved product of ours, and we are not able to acquire such issued patents or negotiate a license on acceptable terms, and if such approved product is determined to infringe any such issued patents, then we may be forced to pay royalties, damages and costs, or we may be prevented from commercializing such approved product altogether, which could have a material adverse impact on our business.

Certain of our patents and patent applications have been challenged and found to be invalid, and additional challenges may occur in the future, which could adversely affect our business.

Certain United States, Canadian and international patents and patent applications we own involve complex legal and factual questions for which important legal principles are largely unresolved. For example, no consistent policy has emerged for the breadth of biotechnology patent claims that are granted by the USPTO or enforced by the United States federal courts. In addition, the coverage claimed in a patent application can be significantly reduced before a patent is issued. Also, we face at least the following intellectual property risks:

- some or all patent applications may not result in the issuance of a patent;
- patents issued to us may not provide us with any competitive advantages;
- patents could be challenged by third parties;
- competitors may find ways to design around our patents; and
- competitors could independently develop products which duplicate our products.

A number of industry competitors and institutions have developed technologies, filed patent applications or received patents on various technologies that may be related to or affect our business. Some of these technologies, applications or patents may conflict with our technologies or patent applications. Such conflict could limit the scope of the patents, if any, that we may be able to obtain or result in the denial of our patent applications. In addition, we could incur substantial costs in filing suits against others to have such patents declared invalid. As publication of discoveries in the scientific or patent literature often lags behind actual discoveries, we cannot be certain we were or any licensor was the first creator of inventions covered by pending patent applications or that we were or such licensor was the first to file patent applications for such inventions. Any future proceedings could result in substantial costs, even if the eventual outcomes are favorable. There can be no assurance that our patents, if issued, will be held valid or enforceable by a court or that a competitor's technology or product would be found to infringe such patents.

For example, in April 2023, following the institution of inter partes review of a patent in our LNP patent portfolio, such patent was found to be invalid, and in January 2026, the EPO revoked our '254 Patent. For more information on past and ongoing intellectual property challenges and litigation, see "Item 3—Legal Proceedings."

We have incurred, and may in the future continue to incur, substantial costs as a result of litigation or other proceedings relating to patent and other intellectual property rights, and we may not be successful in one or more of these lawsuits or

proceedings, any of which could have a material adverse effect on our business, financial condition and results of operations and could cause the market value of our common shares to decline.

There has been significant litigation in the biotechnology industry over contractual obligations, patents and other proprietary rights, and we may become involved in various types of litigation that arise from time to time. Involvement in litigation could consume a substantial portion of our resources, regardless of the outcome of the litigation. Counterparties in litigation may be better able to sustain the costs of litigation because they have substantially greater resources. If claims against us are successful, in addition to any potential liability for damages, we could be required to obtain a license, grant cross-licenses, and pay substantial milestones or royalties in order to continue to develop, manufacture or market the affected products. Involvement and continuation of involvement in litigation may result in significant and unsustainable expense, and divert management's attention from ongoing business concerns and interfere with our normal operations. Litigation is also inherently uncertain with respect to the time and expenses associated therewith, and involves risks and uncertainties in the litigation process itself, such as discovery of new evidence or acceptance of unanticipated or novel legal theories, changes in interpretation of the law due to decisions in other cases, the inherent difficulty in predicting the decisions of judges and juries and the possibility of appeals. Ultimately, we could be prevented from commercializing a product or be forced to cease some aspect of our business operations as a result of claims of patent infringement or violation of other intellectual property rights and the costs associated with litigation, which could have a material adverse effect on our business, financial condition, and operating results and could cause the market value of our common shares to decline.

Additionally, we continue to protect and defend our intellectual property rights, certain of which are the subject of an ongoing lawsuit against Pfizer/BioNTech, and if filed by Moderna, the Moderna §1498 Appeal, for their use of our patented LNP technology in their COVID-19 mRNA-LNP vaccines. We are also involved in a lawsuit against the United States in the United States Court of Federal Claims, seeking to recover compensation for Moderna's infringement for vaccine doses that were sold to the United States Government under a particular contract and were deemed by the District Court to be doses that were provided directly to United States Government employees. These lawsuits consume significant resources. Should we not be successful in one or more of these lawsuits, it could have a material adverse effect on our business, financial condition, and operating results and could cause the market value of our common shares to decline. For more information on past and ongoing intellectual property challenges and litigation, see "Item 3—Legal Proceedings."

Confidentiality agreements with employees and others, including collaborators, may not adequately prevent disclosure of trade secrets and other proprietary information.

Much of our know-how and technology may constitute trade secrets. There can be no assurance, however, that we will be able to meaningfully protect our trade secrets. In order to protect our proprietary technology and processes, we rely in part on confidentiality agreements with our collaborators, employees, vendors, consultants, outside scientific collaborators and sponsored researchers, and other advisors. These agreements offer only limited protection, and as such may not effectively prevent disclosure of confidential information and also may not provide an adequate remedy in the event of unauthorized disclosure of confidential information. In addition, others may independently discover trade secrets and proprietary information, and in such cases, we could not assert any trade secret rights against such party. Costly and time consuming litigation could continue to be necessary to enforce and determine the scope of our proprietary rights, and failure to obtain or maintain trade secret protection could adversely affect our competitive business position.

Risks Related to the Ownership of our Common Shares

The concentration of common share ownership will likely limit the ability of the other shareholders to influence corporate matters.

As of March 18, 2026, executive officers, directors, five percent or greater shareholders, and their respective affiliated entities beneficially owned, in the aggregate, approximately 38% of our outstanding common shares.

Entities associated with Roivant Sciences Ltd. (Roivant) collectively held as a group approximately 20% of our outstanding common shares as of March 18, 2026.

As a result, Roivant can significantly influence the outcome of matters requiring shareholder approval, including the election of directors, amendments of our organizational documents, or approval of any merger, sale of assets or other major corporate transaction. This may prevent or discourage unsolicited acquisition proposals or offers for our common shares that you may feel are in your best interest. The interests of Roivant may not always coincide with your interests or the interests of other shareholders and they may act in a manner that advances their best interests and not necessarily those of other shareholders, including seeking a premium value for their common shares. These actions might affect the prevailing market price for our common shares. In addition, Roivant and certain of our other principal shareholders that have held their shares for several years may be more interested in selling our company to an acquirer than other investors, or they may want us to pursue strategies that deviate from the interests of other shareholders. Such concentration of ownership control may also:

- delay, defer or prevent a change in control;
- entrench our management and/or our Board; or
- impede a merger, consolidation, takeover or other business combination involving us that other shareholders may desire.

We are incorporated in Canada, with our assets located both in Canada and the United States, with the result that it may be difficult for investors to enforce judgments obtained against us or some of our officers.

We are incorporated under the laws of the Province of British Columbia and some of our assets are located outside the United States. While we have appointed National Registered Agents, Inc. as our agent for service of process to effect service of process within the United States upon us, it may not be possible for you to enforce against us or our insiders in the United States, judgments obtained in United States courts based upon the civil liability provisions of the United States federal securities laws or other laws of the United States. In addition, there is doubt as to whether original action could be brought in Canada against us or our directors or officers based solely upon United States federal or state securities laws and as to the enforceability in Canadian courts of judgments of United States courts obtained in actions based upon the civil liability provisions of United States federal or state securities laws.

Conversely, all of our directors and officers reside outside Canada, and the majority of our physical assets are also located outside Canada. While we have appointed Farris LLP as our agent for service of process in Canada, it may not be possible for you to enforce in Canada against our assets or those directors and officers residing outside Canada, judgments obtained in Canadian courts based upon the civil liability provisions of the Canadian securities laws or other laws of Canada.

If we are deemed to be a "passive foreign investment company" for the current or any future taxable year, investors who are subject to United States federal taxation would likely suffer materially adverse United States federal income tax consequences.

We generally will be a "passive foreign investment company" under the meaning of Section 1297 of the Code (a PFIC) if (a) 75% or more of our gross income is "passive income" (generally, dividends, interest, rents, royalties, and gains from the disposition of assets producing passive income) in any taxable year, or (b) if at least 50% or more of the quarterly average value of our assets produce, or are held for the production of, passive income in any taxable year. We have determined that we have not been a PFIC for the three taxable years ended December 31, 2025, however recent changes to Treasury regulations under the Code have made this determination more challenging for us, and we cannot provide any assurances that we will not become a PFIC in the future. If we are a PFIC for any taxable year during which a United States person holds our common shares, it would likely result in materially adverse United States federal income tax consequences for such United States person, including, but not limited to, any gain from the sale of our common shares would be taxed as ordinary income, as opposed to capital gain, and such gain and certain distributions on our common shares would be subject to an interest charge, except in certain circumstances. It may be possible for United States persons to fully or partially mitigate such tax consequences by making a "qualifying electing fund election," as defined in the Code (a QEF Election), but although we have provided this information in the past, there is no requirement that we do so.

Our articles and certain Canadian laws could delay or deter a change of control.

Our preferred shares are available for issuance from time to time at the discretion of our Board, without shareholder approval. Our articles allow our Board, without shareholder approval, to determine the special rights to be attached to our preferred shares, and such rights may be superior to those of our common shares.

In addition, limitations on the ability to acquire and hold our common shares may be imposed by the Competition Act in Canada. This legislation permits the Commissioner of Competition of Canada to review any acquisition of a significant interest in us. This legislation grants the Commissioner jurisdiction to challenge such an acquisition before the Canadian Competition Tribunal if the Commissioner believes that it would, or would be likely to, result in a substantial lessening or prevention of competition in any market in Canada. The Investment Canada Act subjects an acquisition of control of a Canadian-company by a non-Canadian to government review if the value of our assets, as calculated pursuant to the legislation, exceeds a threshold amount. A reviewable acquisition may not proceed unless the relevant minister is satisfied that the investment is likely to result in a net benefit to Canada. Any of the foregoing could prevent or delay a change of control and may deprive or limit strategic opportunities for our shareholders to sell their shares.

General Risk Factors

We could face liability from our controlled use of hazardous and radioactive materials in our development processes.

We use certain radioactive materials, biological materials and chemicals, including organic solvents, acids and gases stored under pressure, in our development activities. Our use of biological materials and chemicals, including the use, manufacture, storage, handling and disposal of such materials and certain waste products is regulated by a number of federal, state and local laws and regulations. Although we believe that our safety procedures for handling such materials comply with the standards prescribed by such laws and regulations, the risk of accidental contamination or injury from these materials cannot be completely eliminated. In the event of such an accident, we could be held liable for any damages that result or penalized with fines, and any such liability could exceed our resources. We are not specifically insured with respect to this liability.

Our business, reputation, and operations could suffer in the event of information technology system failures, such as a cybersecurity incident.

We are increasingly dependent on sophisticated software applications and computing infrastructure to conduct critical operations. We depend on both our own systems, networks, and technology as well as the systems, networks and technology of our contractors, consultants, vendors and other business partners. Disruption, degradation, or manipulation of systems, networks or technology through intentional or accidental means could materially adversely impact key business processes. Despite the implementation of security measures, our systems, networks and technology and those of our contractors and consultants are vulnerable to damage or interruption from events including computer viruses, cyberattacks (including ransomware, malware attacks, unauthorized access attempts, and denial of service and other unintentional intrusions or malicious cyberattacks), social engineering (including phishing) or other fraudulent schemes, and other cybersecurity incidents, as well as natural disasters, terrorism, war, telecommunication and electrical failures. These threats may arise from persons inside our organization, authorized persons with access to systems inside our organization or those with whom we do business, or unauthorized individuals. The risk of cyberattacks or other cybersecurity incidents has generally increased as the number, intensity and sophistication of attempted attacks and intrusions from around the world have increased. Although to date the cybersecurity incidents we have experienced have not resulted in a material impact on us, such events impacting either our own systems, networks and technology, or those of our contractors, consultants, vendors, or other business partners could threaten the confidentiality, integrity and availability of our data or data upon which we rely, including regulated personal information, trade secrets, confidential information or intellectual property. This could result in unauthorized access to, loss of, or modification of critical data, the loss of Company funds and/or the failure or interruption of critical operations. For example, the loss of preclinical trial data or data from completed or ongoing clinical trials for our product candidates could result in delays in our regulatory filings and development efforts and significantly increase our costs. There can be no assurance that our efforts to protect data and systems will prevent service interruption or the loss of critical or sensitive information from our or third-party providers' systems, networks and technologies. The cost and operational consequences of responding to cybersecurity incidents, including disruption, degradation, or manipulation of systems, networks or technology, or implementing remediation measures could be significant. Threat actors may use AI tools to automate and enhance cybersecurity attacks against us. We use software and platforms designed to detect such cybersecurity threats, including AI-based tools, but these threats could become more sophisticated and harder to detect and counteract, which may pose significant risks to our data security and systems. Moreover, local data protection laws may require us to notify such cybersecurity incidents with competent regulators and impacted individuals, resulting in an increase of costs and resources, and potential enforcement and civil claims. Additionally, while we have implemented security measures that we believe are appropriate and continue to enhance cybersecurity protections, a regulator could deem our security measures not to be appropriate given the lack of prescriptive measures in certain data protection laws. Increased regulation of data collection, use and retention practices, including self-regulation and industry standards, changes in existing laws and regulations, enactment of new laws and regulations, increased enforcement activity, and changes in interpretation of laws, could increase our cost of compliance and operation, limit our ability to grow our business or otherwise harm our business. We rely on third party vendors and service providers to support various aspects of our business process. However, these third parties may pose risks related to data security, compliance, and contractual obligations. A breach or failure by a third party to adequately protect our data could have adverse consequences for our business and reputation.

To the extent that any disruption or cybersecurity incident results or appears to result in such interruption or loss, we could incur material financial, legal, business or reputational harm, including regulatory fines, penalties, scrutiny, or intervention, or

claims by third parties, including that we have breached privacy- or confidentiality-related obligations. A significant cybersecurity incident may also deter new clinical trial participants from participating in our trials. Furthermore, if our systems, networks, and technology, or those of third parties on which we rely, suffer severe damage, disruption or shutdown and our business continuity plans do not effectively resolve the issues in a timely manner, we could experience delays in reporting our financial results and the development of our product candidates could be delayed. Moreover, our insurance may not provide any or adequate coverage of any such losses. And, as cyberattacks increase in frequency and magnitude, we may be unable to obtain insurance in amounts and on terms we view as adequate for our operations.

We may form strategic alliances or collaborations that could harm our financial condition, results of operations or cash flows, dilute our shareholders' ownership, incur debt or cause us to incur significant expense.

As part of our business strategy, we may pursue strategic alliances or collaborations. We may not identify or complete these transactions in a timely manner, on a cost-effective basis, or at all, and we may not realize the anticipated benefits of any such transaction, any of which could have a detrimental effect on our financial condition, results of operations or cash flows. We may not be able to find suitable collaboration partners.

To finance collaborations, we may choose to issue debt or equity securities as consideration. Any such issuance of shares would dilute the ownership of our shareholders. Alternatively, it may be necessary for us to raise additional capital through public or private financings. Additional capital may not be available on terms that are favorable to us, or at all.

Item 1B. Unresolved Staff Comments

There are currently no unresolved staff comments.

Item 1C. Cybersecurity

We are increasingly dependent on sophisticated software applications and computing infrastructure to conduct key operations. We depend on both our own systems, networks, and technology as well as the systems, networks and technology of our contractors, consultants, vendors and other business partners.

Cybersecurity Program

Given the importance of cybersecurity to our business, we maintain a robust and comprehensive cybersecurity program to support both the effectiveness of our systems and our preparedness for information security risks. This program includes a number of administrative, physical and technical safeguards, with regular evaluations of our cybersecurity posture, including internal and external audits, as well as annual penetration tests. We also require cybersecurity training when onboarding new employees and contractors and on an annual basis thereafter. Our cybersecurity program leverages industry frameworks, including the National Institute of Standards and Technology (NIST) Cybersecurity Framework to strengthen our program effectiveness and reduce cybersecurity risks.

We use a risk-based approach with respect to our oversight of third-party service providers. As part of our process for onboarding new vendors, we assess new third-party service providers for technical capabilities, reputation, financial stability, pricing, and other criteria and such third-party service providers are reviewed and approved by our Finance and Legal departments. We have implemented processes to confirm that agreements with third-parties contain data security and privacy terms as appropriate. For certain key third-party service providers, we obtain a SOC type 2 audit report from the vendor's audit firm which provides detailed information and assurance about a service organization's security, availability, processing integrity, confidentiality and privacy controls.

Process for Assessing, Identifying and Managing Material Risks from Cybersecurity Threats

In the event of a cybersecurity incident, we maintain a regularly tested Incident Management and Response program as well as business continuity and disaster recovery plans. Pursuant to the program and its escalation protocols, designated personnel are responsible for assessing the severity of an incident and associated threat and handling it in accordance with that severity level.

We have relationships with a number of third-party service providers to assist with cybersecurity evaluation, containment and remediation efforts.

Governance

Management Oversight

The controls and processes employed to assess, identify and manage material risks from cybersecurity threats are implemented and overseen by our Executive Director of IT and Information Security (ED, IT & IS), who reports to our Chief Financial Officer. Our ED, IT & IS has over 30 years of IT experience and an Advanced Graduate Certification in Cybersecurity. He is responsible for the day-to-day management of the cybersecurity program, including the prevention, detection, investigation, response to, and recovery from cybersecurity threats and incidents, and is regularly engaged to help ensure the cybersecurity program functions effectively in the face of evolving cybersecurity threats. He provides regular briefings (quarterly at a minimum) to our Computer Security Incident Response Team consisting of the Chief Financial Officer and General Counsel/Chief Compliance Officer on cybersecurity matters, including threats, events, and program enhancements.

Board Oversight

While our Board of Directors has overall responsibility for risk oversight, our Audit Committee oversees cybersecurity risk matters. The Audit Committee is responsible for reviewing, discussing with management, and overseeing our data privacy, information technology and security and cybersecurity risk exposures. On at least an annual basis, the ED, IT & IS reports to the Audit Committee on information security and cybersecurity matters, including significant information technology risks, significant threats (and the potential impact of those exposures on our business, financial results, operations and reputation) and the steps implemented by management to monitor and mitigate exposures. He also apprises the Audit Committee promptly of high priority cybersecurity incidents, consistent with our Incident Management and Response Policy, and provides updates to the full Board as needed.

Cybersecurity Risks

Management assesses the top organizational risks for the Company on an annual basis. Our cybersecurity risk is a component of our overall organizational risk assessment. Management also performs a specific cybersecurity risk assessment based on the NIST cybersecurity risk framework. As part of our cybersecurity risk assessment, department leaders identify, assess and evaluate risks impacting our operations across the Company, including those risks related to cybersecurity. Department leaders are asked to consider the severity and likelihood of certain risk factors, drawing upon their company knowledge and past business experience. Our cybersecurity risk assessment helps to inform our risk mitigation strategies. While we maintain a robust cybersecurity program, the techniques used to infiltrate information technology systems continue to evolve. Accordingly, we may not be able to timely detect threats or anticipate and implement adequate security measures. For additional information, see "Item 1A—Risk Factors."

We also maintain cybersecurity insurance providing coverage for certain costs related to cybersecurity-related incidents that impact our own systems, networks, and technology or the systems, networks and technology of our contractors, consultants, vendors and other business partners.

As of December 31, 2025, we have not experienced any material risks from cybersecurity threats, including as a result of any previous cybersecurity incidents or threats, that have materially affected our business strategy, results of operations or financial condition or are reasonably likely to have such a material effect.

Item 2. Properties

In the first quarter of 2025, our Board decided to exit our corporate headquarters at 701 Veterans Circle, Warminster, Pennsylvania. We have had a lease agreement for this headquarters since November 1, 2016, and the lease expires on April 30, 2027. The building has approximately 35,000 square feet of laboratory facilities and office space. Currently, all employees work remotely and are not using our headquarters.

Item 3. Legal Proceedings

Patent Infringement Litigation vs. Pfizer and BioNTech

On April 4, 2023, we and Genevant filed a lawsuit in the United States District Court for the District of New Jersey against Pfizer/BioNTech seeking damages for infringement of United States Patent Nos. 9,504,651; 8,492,359; 11,141,378; 11,298,320; and 11,318,098 in the manufacture and sale of any COVID-19 mRNA-LNP vaccines. The patents relate to nucleic acid-lipid particles and their composition, manufacture, delivery and methods of use. In the lawsuit, we seek fair compensation for Pfizer's and BioNTech's use of our patented technology that was developed with great effort and at great expense, without which their COVID-19 mRNA-LNP vaccines would not have been successful. The claim construction hearing occurred in December 2024, and in September 2025, the court issued a claim construction ruling, which construed the disputed claim terms in a manner we generally consider to be favorable. The parties are awaiting further scheduling in the litigation.

Patent Infringement Litigation vs. Moderna

On February 28, 2022, we and Genevant filed a lawsuit in the United States District Court for the District of Delaware against Moderna seeking damages for infringement of United States Patent Nos. 8,058,069, 8,492,359, 8,822,668, 9,364,435, 9,504,651, and 11,141,378 in the manufacture and sale of MRNA-1273, Moderna's vaccine for COVID-19. On March 3, 2025, we and Genevant filed five international lawsuits against Moderna seeking to enforce patents protecting our patented LNP technology. Together, these lawsuits comprise the Moderna LNP Litigation.

On March 3, 2026, we, Genevant, and, solely for specified purposes, Genevant Sciences Ltd., and Moderna entered into the Moderna Settlement Agreement to resolve the Moderna LNP Litigation. Pursuant to the Moderna Settlement Agreement, all parties filed stipulated judgments and stipulations of dismissal for the respective courts or tribunals to enter judgment, dismiss with prejudice or withdraw (as the case may be) all claims in the Moderna LNP Litigation, except that Moderna may file the Moderna §1498 Appeal. The Moderna §1498 Appeal is an appeal of the consent judgment entered in the District Court solely with respect to whether §1498 bars our and Genevant's claims for direct infringement and indirect infringement against Moderna for vaccine doses that were sold to the United States Government under a particular contract and characterized by the District Court as "vaccines that did not go directly to United States Government employees."

Under the terms of the Moderna Settlement Agreement, Moderna will make an aggregate $950.0 million Noncontingent Settlement Payment to us and Genevant on or before July 8, 2026.

In addition, as described in more detail in, and subject to the terms of, the Moderna Settlement Agreement, Moderna will make an additional Contingent Settlement Payment of an aggregate $1.3 billion to us and Genevant (i) if the Court of Appeals for the Federal Circuit (whether by the initial panel, upon panel rehearing or *en banc*) affirms, or if there is a final non-appealable judgment that affirms, the rejection of Moderna's affirmative defense pursuant to §1498 by the District Court in its entirety or otherwise holds that §1498 does not bar our and Genevant's claim against Moderna as to either or both of direct infringement and indirect infringement with respect to all of the doses subject to the Moderna §1498 Appeal, or (ii) upon a failure to timely file, or voluntary dismissal of, the Moderna §1498 Appeal (any of the foregoing (clause (i) or (ii) above), an Arbutus/Genevant §1498 Victory). If an appellate ruling were to hold that §1498 bars our and Genevant's infringement claims as to some, but not all, of the doses subject to the Moderna §1498 Appeal, the Moderna Settlement Agreement provides that Moderna will pay us and Genevant a prorated amount of the Contingent Settlement Payment, calculated based on the number of doses for which §1498 bars our and Genevant's infringement claims as clearly articulated by the Federal Circuit or, if not clearly articulated by the Federal Circuit, as mutually agreed by the parties or determined in an accelerated binding arbitration process.

Under certain circumstances, as described in more detail in, and subject to the terms of, the Moderna Settlement Agreement, if the Arbutus/Genevant §1498 Victory is subsequently overturned in Moderna's favor in a final nonappealable decision, we and Genevant are required to return any Contingent Settlement Payment to Moderna, plus interest. If, following an Arbutus/Genevant §1498 Victory, either (i) Moderna does not timely appeal such Arbutus/Genevant §1498 Victory or (ii) such Arbutus/Genevant §1498 Victory is subsequently affirmed in a final nonappealable decision, Moderna will have no further right to a potential repayment of the Contingent Settlement Payment.

The Moderna Settlement Agreement includes mutual financial covenants to protect the payment or repayment of the Contingent Settlement Payment, as described above.

The Moderna Settlement Agreement also contains customary mutual releases in favor of each of us/Genevant and Moderna in respect of the Moderna LNP Litigation. In addition, the Moderna Settlement Agreement includes a fully paid-up, royalty free, irrevocable, non-exclusive, worldwide license and covenant not to sue granted to Moderna under any patents and patent applications owned or licensable by us or Genevant or our respective direct and indirect wholly owned subsidiaries that exist, or that claim priority to patents or patent applications that exist, as of the effective date of the Moderna Settlement Agreement, to make, sell and generally otherwise exploit Moderna's SPIKEVAX™, mNEXSPIKE™ and mRESVIA™ vaccines and any other mRNA vaccines that include a lipid SM-102-based LNP formulation against an infectious disease and meet certain conditions, as well as a covenant not to sue with respect to certain other of our and Genevant's patents and Moderna products.

On March 19, 2026, we and Genevant filed a complaint against the United States in the United States Court of Federal Claims, seeking to recover compensation for Moderna's infringement for vaccine doses that were sold to the United States Government under a particular contract and were deemed by the District Court to be doses that were provided directly to United States Government employees. The complaint also includes a protective request to recover compensation from the United States for any other vaccine doses where, as a result of the Moderna §1498 Appeal, §1498 is deemed to bar our and Genevant's claims for direct infringement and indirect infringement against Moderna.

Moderna and Merck European Oppositions

On April 5, 2018, Moderna and Merck filed Notices of Opposition to the ’254 Patent with the EPO, requesting that the ’254 Patent be revoked in its entirety for all contracting states. From 2018 until 2024, various hearings were held by different divisions of the EPO regarding requests submitted by all parties. Oral proceedings were held in June 2024, and the Opposition Division of the EPO upheld the ’254 Patent but declined our and Genevant’s request to broaden certain claims in the ’254 Patent. Both parties appealed the Opposition Division’s decision, and on January 15, 2026, in a verbal decision, the Board of Appeal of the EPO revoked the ’254 Patent. A written decision is expected in the next few months. We disagree with the outcome, and upon receipt of the written decision, we plan to file a petition for review by the Enlarged Board of Appeal of the EPO. The revocation was based on an EPO standard of “added matter” that does not apply in the United States. In March 2026, pursuant to the Moderna Settlement Agreement, Moderna withdrew from this revocation proceeding. We do not expect the EPO revocation decision to have an impact on the potential outcome, or timing, of our patent infringement litigation pending against Pfizer/BioNTech in the United States.

On April 29, 2025, Moderna filed a revocation action on the ’767 patent with the EPO, requesting that the patent be revoked in its entirety for all contracting states. In July 2025, Merck, Arrowhouse GmbH and Keltie LLP filed three additional revocation actions against the ’767 patent. Initial briefing has been completed and we are currently awaiting an initial hearing date. In March 2026, pursuant to the Moderna Settlement Agreement, Moderna withdrew from this revocation proceeding.

While we are the patent owner, the ’254 Patent, the ’767 Patent, and the other patents in our LNP portfolio have been licensed to Genevant under the Genevant License.

Other Matters

We are also involved with various legal matters arising in the ordinary course of business. We make provisions for liabilities when it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated. Such provisions are reviewed at least quarterly and adjusted to reflect the impact of any settlement negotiations, judicial and administrative rulings, advice of legal counsel, and other information and events pertaining to a particular case. Litigation is inherently unpredictable. Although the ultimate resolution of these various matters cannot be determined at this time, we do not believe that such matters, individually or in the aggregate, will have a material adverse effect on our consolidated results of operations, cash flows, or financial condition.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Our common shares trade on the Nasdaq Global Select Market under the symbol "ABUS". As of March 18, 2026, there were 101 registered holders of common shares and 195,478,068 common shares issued and outstanding.

Securities Authorized for Issuance under Equity Compensation Plans

Information regarding securities authorized for issuance under equity compensation plans is incorporated by reference into the information in Part III, Item 12 of this Form 10-K.

Recent Sales of Unregistered Securities

Other than as previously disclosed on our Current Reports on Form 8-K or Quarterly Reports on Form 10-Q, we did not issue any unregistered equity securities during the twelve months ended December 31, 2025.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

We did not repurchase any of our equity securities during the year ended December 31, 2025.

Item 6. Reserved

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Overview

Arbutus Biopharma Corporation ("Arbutus", the "Company", "we", "us", and "our") is a clinical-stage biopharmaceutical company focused on infectious disease. We are currently developing imdusiran (AB-729), our proprietary, GalNAc-conjugated, subcutaneously-delivered ribonucleic acid interference (RNAi) therapeutic, and AB-101, our proprietary oral PD-L1 inhibitor, for the treatment of chronic hepatitis B (cHBV).

We continue to protect and defend our intellectual property, which is the subject of our ongoing lawsuit against Pfizer Inc. and BioNTech SE (collectively, Pfizer/BioNTech) for their use of our patented lipid nanoparticle (LNP) technology in their COVID-19 messenger ribonucleic acid interference (mRNA)-LNP vaccines. The court issued a claim construction ruling in September 2025, which construed the disputed claim terms in a manner we generally consider to be favorable. The parties are awaiting further scheduling in the litigation.

On March 3, 2026, we, along with Genevant Sciences GmbH and its parent (collectively, Genevant), entered into a settlement agreement (the Moderna Settlement Agreement) to resolve all patent infringement litigation and patent revocation proceedings involving Moderna, Inc. and its affiliates (collectively, Moderna) pending in the United States and internationally (the Moderna LNP Litigation). Under the terms of the Moderna Settlement Agreement, Moderna will make an aggregate $950.0 million noncontingent lump sum payment (the Noncontingent Settlement Payment) to us and Genevant on or before July 8, 2026. In addition, Moderna is obligated to pay us and Genevant an additional aggregate contingent lump sum payment of $1.3 billion (the Contingent Settlement Payment) upon a ruling that is favorable to us and Genevant in a limited appeal related to 28 U.S.C. §1498 (§1498) that Moderna is allowed to file pursuant to the Moderna Settlement Agreement (the Moderna §1498 Appeal). Under our license with Genevant, we are entitled to receive, after deduction of litigation costs, 20% of the Noncontingent Settlement Payment. In addition, as of the date of this annual report, we own approximately 16% of the outstanding common equity of Genevant. We are currently evaluating a return of capital to our shareholders in the third quarter of calendar year 2026, following the receipt of our portion of the Noncontingent Settlement Payment. For more information, see "Item 1 – Business – Other Collaborations, Royalty Entitlements and Intellectual Property Litigation" and "Item 3 – Legal Proceedings."

During 2024, we streamlined the organization to focus our efforts on advancing the clinical development of imdusiran and AB-101, and therefore ceased all discovery efforts, halted preparations for a potential IM-PROVE III clinical trial and reduced our workforce by 40%. In the first quarter of 2025, we announced the appointment of five new members of our Board of Directors (our Board) to replace all of the former directors, as well as the appointment of a new President, Chief Executive Officer and Chairperson of our Board and a new Chief Financial Officer. Additionally, our Board took action to reduce our workforce by an additional 57%. Our Board also decided to exit our corporate headquarters in Warminster, Pennsylvania and to discontinue in-house scientific research. In connection with these actions, we incurred one-time restructuring charges during 2025 of $12.9 million. With these organizational changes and our ongoing cost management efforts, we significantly reduced our net cash burn in 2025 when compared to 2024.

In June 2025, we launched a new Scientific Advisory Board (SAB) consisting of globally-recognized leaders in the treatment of cHBV with extensive experience in late-stage clinical trials. SAB members are advising us on the strategic evaluation of our cHBV pipeline.

In August 2025, we announced changes to our Board. Effective August 4, 2025, Anuj Hasija resigned from our Board due to his transition to a full-time executive role at another company that precludes his participation on our Board and other boards of directors. Dr. Roger Sawhney was appointed to the vacant seat on our Board, effective August 4, 2025. Dr. Sawhney was also appointed as a member of our Board's Audit Committee and Corporate Governance and Nominating Committee.

Our strategy is focused on maximizing opportunities for our cHBV development programs and, through our exclusive license with Genevant, our in-house developed LNP delivery technology.

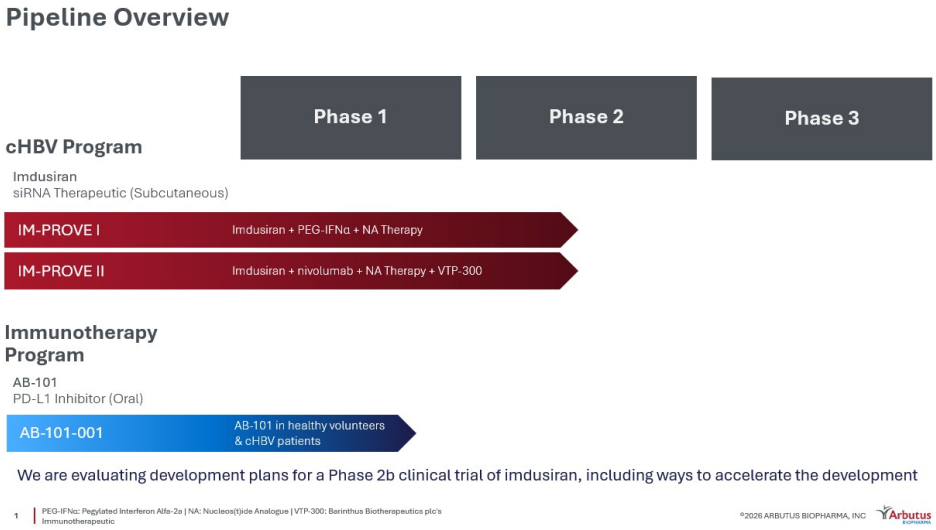
LNP technology

In February 2022 and April 2023, we filed patent infringement lawsuits in the United States against Moderna and Pfizer/BioNTech, respectively, seeking compensation for their unlicensed use of our patented technologies in their COVID-19 mRNA-LNP vaccines. It is well established in the scientific literature that the most significant technological hurdle to developing and deploying medicines using mRNA is engineering a safe and effective way to deliver the mRNA to human cells. Scientists at Arbutus and Genevant have spent years developing and refining LNP technology, which has been licensed for various applications to many different third parties. Our and Genevant's LNP technology relies on microscopic particles built from four carefully selected types of fat-like molecules to shelter and protect nucleic acid molecules, including ribonucleic acid (RNA) molecules like the messenger RNA (mRNA) utilized in COVID-19 mRNA-LNP vaccines. This technology enables the mRNA to travel through the human body to a target cell and through the target cell's membrane, where it releases the mRNA. Without this crucial technology, the mRNA would quickly degrade in the body and be ineffective. We continue to protect and defend our intellectual property, which is the subject of our ongoing lawsuit against Pfizer/BioNTech for their use of our patented LNP technology in their COVID-19 mRNA-LNP vaccines.

cHBV programs

Our hepatitis B (HBV) strategy has been to develop a functional cure for patients with cHBV infection with imdusiran as a potential cornerstone in a combination therapy. Development to date has emphasized a combination of compounds that can suppress hepatitis B virus deoxyribonucleic acid (HBV DNA) replication, hepatitis B virus RNA (HBV RNA) transcription, and hepatitis B surface antigen (HBsAg) and other viral protein expression, as well as boost patients' HBV-specific immune response, which together could address the most important elements to achieving a functional cure. Functional cure is defined as sustained HBsAg seroclearance and HBV DNA less than the lower limit of quantification (<LLOQ) after 24 weeks off treatment, with or without anti-hepatitis B surface antibodies (anti-HBs). A functional cure for patients with cHBV could prevent complications of HBV disease progression, decrease HBV burden by minimizing patient stigma and address the need for finite and more efficacious HBV treatments that further improve long-term outcomes and reduce associated healthcare costs. Our current ongoing evaluation of our HBV strategy also includes analysis of imdusiran's potential to suppress HBV DNA replication and HBV RNA and HBsAg expression, without any immunotherapeutics. We are also continuing to evaluate and refine potential Phase 2b clinical trial designs for imdusiran.

Our product pipeline consists of the following programs:



Over 200 patients with cHBV infection have been dosed with imdusiran in Phase 1 and Phase 2a clinical trials. Clinical data generated thus far has shown imdusiran provides meaningful reductions in HBsAg and other viral proteins, HBV DNA and HBV RNA, and leads to functional cure in some patients, while being generally safe and well-tolerated. Benefits were observed in patients across all evaluated HBV genotypes (A to E). In the Phase 1 and Phase 2a clinical trials, eight patients achieved functional cure, off all treatment, in combination therapy that includes imdusiran, including two patients who did not receive any pegylated interferon alfa-2a (IFN) as part of the combination therapy. An additional 41 patients across our Phase 2a clinical trials were able to remain off nucleos(t)ide analogue (NA) therapy for at least 48 weeks after discontinuing NA therapy during their Phase 2a clinical trials. A total of 47% (49/105) of all Phase 2a patients achieved functional cure or remained off NA therapy after discontinuing NA therapy during their Phase 2a clinical trials. Of the 18 patients who are currently being followed long-term (which includes the eight functionally cured patients described above and 10 patients who discontinued and remained off NA therapy), one patient who discontinued NA therapy achieved functional cure during the long-term follow-up period, and 89% of the 18 patients continue to remain off NA therapy for between 82 and 134 weeks. Two of the original eight functionally cured patients seroreverted during long-term follow-up, but remain virally suppressed and off NA therapy. Furthermore, among an additional 11 patients with available data who discontinued NA therapy during their Phase 2a clinical trials, but were subsequently discontinued early from long-term follow-up, one patient achieved functional cure and two restarted NA therapy. To date, a total of 10 patients have achieved functional cure during our Phase 2a clinical trials and long-term follow-up.

AB-101 is our proprietary oral PD-L1 inhibitor that has the potential to activate patients' HBV-specific immune response by inhibiting PD-L1. AB-101 is currently in a Phase 1a/1b clinical trial (AB-101-001) evaluating the safety, tolerability, pharmacokinetics (PK), and pharmacodynamics (PD) of single- and multiple-ascending oral doses in healthy subjects and patients with cHBV infection. The data from healthy subjects in Parts 1 and 2 and cHBV patients in Part 3 of this clinical trial have shown that AB-101 was generally well-tolerated with evidence of high receptor occupancy.

Collaborations and Royalty Entitlements

Collaboration with Qilu Pharmaceutical Co., Ltd. (Qilu)

In December 2021, we entered into a technology transfer and license agreement (the Qilu License Agreement) with Qilu, pursuant to which we granted Qilu a sublicensable, royalty-bearing license, under certain intellectual property owned by us, which was non-exclusive as to development and manufacturing and exclusive with respect to commercialization of imdusiran, including pharmaceutical products that include imdusiran, for the treatment or prevention of hepatitis B in China, Hong Kong, Macau and Taiwan (Greater China and Taiwan).

In partial consideration for the rights granted by us, Qilu paid us a one-time upfront cash payment of $40 million on January 5, 2022 and agreed to pay us up to $245 million, net of withholding taxes, upon the achievement of certain technology transfer, development, regulatory and commercialization milestones. Qilu also agreed to pay us double-digit royalties into the low twenties percent based upon annual net sales of imdusiran in Greater China and Taiwan. The royalties were to be payable on a product-by-product and region-by-region basis, subject to certain limitations.

Qilu was responsible for all costs related to developing, obtaining regulatory approval for, and commercializing imdusiran for the treatment or prevention of hepatitis B in Greater China and Taiwan. Qilu was required to use commercially reasonable efforts to develop, seek regulatory approval for, and commercialize at least one imdusiran product candidate in Greater China and Taiwan. A joint development committee was established between us and Qilu to coordinate and review the development, manufacturing and commercialization plans. Both parties also entered into a supply agreement and related quality agreement pursuant to which we would manufacture and supply Qilu with all quantities of imdusiran necessary for Qilu to develop and commercialize in Greater China and Taiwan until we had completed manufacturing technology transfer to Qilu and Qilu had received all approvals required for it or its designated contract manufacturing organization to manufacture imdusiran in Greater China and Taiwan.

Concurrent with the execution of the Qilu License Agreement, we entered into a Share Purchase Agreement (the Share Purchase Agreement) with Anchor Life Limited, a company established pursuant to the applicable laws and regulations of Hong Kong and an affiliate of Qilu (the Investor), pursuant to which the Investor purchased 3,579,952 of our common shares at a purchase price of USD $4.19 per share, which was a 15% premium on the thirty-day average closing price of our common shares as of the close of trading on December 10, 2021 (the Share Transaction). We received $15.0 million of gross proceeds from the Share Transaction on January 6, 2022. The common shares sold to the Investor in the Share Transaction represented approximately 2.5% of our common shares outstanding immediately prior to the execution of the Share Purchase Agreement.

In June 2025, we and Qilu mutually agreed to conclude our strategic partnership and terminate the Qilu License Agreement and related agreements, and we now once again hold global rights for imdusiran. As no obligations remain under the Qilu License Agreement, we recognized all previously deferred revenue in the second quarter of 2025.

Alnylam Pharmaceuticals, Inc. (Alnylam) and Acuitas Therapeutics, Inc (Acuitas)

In 2012, we entered into a license agreement with Alnylam that entitles Alnylam to develop and commercialize products with our LNP technology in exchange for milestone and royalty payments. We have a royalty entitlement on ONPATTRO (Patisiran) (ONPATTRO), a drug developed by Alnylam Pharmaceuticals, Inc. under a license agreement with us that incorporates our lipid nanoparticle delivery (LNP) technology. In July 2019, we received $20 million in gross proceeds before advisory fees from the sale of this royalty interest to Ontario Municipal Employees Retirement System (OMERS), effective as of January 1, 2019. The royalty interest will revert back to us after OMERS receives $30 million in royalty payments from Alnylam. We also are receiving a second, lower royalty interest on global net sales of ONPATTRO originating from a settlement agreement and subsequent license agreement with Acuitas Therapeutics, Inc. The royalty entitlement from Acuitas has been retained by us and was not part of the royalty entitlement sale to OMERS. In addition to the two royalty entitlements, we are entitled to receive payments upon the achievement of contractual milestones related to Alnylam's use of our proprietary LNP technology for other products.

Genevant Sciences, Ltd.

In April 2018, we entered into an agreement with Roivant, our largest shareholder, to launch Genevant Sciences Ltd., a company focused on nucleic acid- and gene editing-based therapeutics enabled by our LNP and ligand conjugate delivery technologies. In connection with the launch of Genevant, we entered into the Genevant License where we licensed rights to our LNP and ligand conjugate delivery platforms to Genevant outside of HBV, except to the extent certain rights had already been licensed to other third parties. We retained all rights to our LNP and conjugate delivery platforms for HBV.

Under the Genevant License, as amended, if a third-party sublicensee of intellectual property licensed by Genevant from us commercializes a sublicensed product, we become entitled to receive a specified percentage of certain revenue that may be received by Genevant for such sublicense, including royalties, commercial milestones and other sales-related revenue, or, if less, tiered low single-digit royalties on net sales of the sublicensed product. The specified percentage is 20% in the case of a mere sublicense (i.e., naked sublicense) by Genevant without additional contribution and 14% in the case of a bona fide collaboration with Genevant.

Additionally, if Genevant receives proceeds from an action for infringement by any third parties of our intellectual property licensed to Genevant, we would be entitled to receive, after deduction of litigation costs, 20% of the proceeds received by Genevant or, if less, tiered low single-digit royalties on net sales of the infringing product (inclusive of the proceeds from litigation or settlement, which would be treated as net sales).

In July 2020, Roivant recapitalized Genevant through an equity investment and conversion of previously issued convertible debt securities held by Roivant. We participated in the recapitalization of Genevant with an equity investment of $2.5 million. In connection with the recapitalization, the three parties entered into an Amended and Restated Shareholders Agreement that provides Roivant with substantial control of Genevant. We have the right to have a non-voting observer attend meetings of Genevant's Board of Directors.

As of December 31, 2025, we owned approximately 16% of the outstanding common equity of Genevant and the carrying value of our investment in Genevant was zero. Our entitlement to receive future royalties or sublicensing revenue from Genevant was not impacted by the recapitalization.

Under the terms of the Moderna Settlement Agreement, Moderna will make an aggregate $950.0 million Noncontingent Settlement Payment to us and Genevant on or before July 8, 2026. In addition, Moderna is obligated to make an additional Contingent Settlement Payment of up to an aggregate $1.3 billion to us and Genevant upon the occurrence of certain events related to the Moderna §1498 Appeal, but which may be subject to repayment. Under the Genevant License, we are entitled to receive, after deduction of litigation costs, 20% of the Noncontingent Settlement Payment, exclusive of our ownership of approximately 16% of the outstanding common equity of Genevant.

Refer to "Item 1. Business." and Note 11 of the Consolidated Financial Statements for a discussion of our clinical collaborations and other royalty entitlements.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The accounting for our contingent consideration is a significant accounting policy that we believe is critical in fully understanding and evaluating our financial results. This accounting policy requires us to make certain estimates and assumptions. We believe that the estimates and assumptions upon which we rely are reasonable, based upon information available to us at the time that these estimates and assumptions are made. Actual results may differ from our estimates. Our critical accounting estimates affect the calculation of our net income or loss.

Contingent Consideration

In connection with the acquisition of Enantigen Therapeutics, Inc. (Enantigen) in October 2014, we have obligations to make potential future payments of up to $102.5 million upon the achievement of certain commercial milestones. The sales milestones are tied to the first commercial sales by us of a product indicated for the treatment of cHBV infection. These potential contingent payments are recorded as a liability and remeasured to fair value as of each reporting date. In assessing the fair value of the liability, significant judgments are required to be made by management to estimate the probability of program success, the timing and extent of future product sales, appropriate discount rates, and other estimates and assumptions that could materially affect the determination of fair value.

In order to estimate the probability of program success, we evaluate the status and progress of our clinical trials with our lead product candidate, imdusiran, in comparison to actual historical success rates for other clinical trials. We update our assumptions related to probability of success as imdusiran advances through clinical trials. For the timing and extent of future product sales, we also consider the status and progress of imdusiran, future revenue forecasts and other macroeconomic indicators that forecast market conditions. The discount rate at which we calculate the present value of our potential future liability is based on consideration of market-comparative data, market-based discount rates, and company-specific risk premiums.

As assumptions related to the probability of program success and timing and amount of potential future product sales are highly uncertain due to the unpredictable nature of product development, we assessed the sensitivity of the fair value measurement to changes in assumptions, and determined that changes within a reasonable range would not result in a materially different assessment of fair value.

Revenue from collaborations and licenses

We generate revenue primarily through collaboration agreements and license agreements. Such agreements may require us to deliver various rights and/or services, including intellectual property rights or licenses and development and manufacturing services. Under such agreements, we are generally eligible to receive non-refundable upfront payments, funding for development and manufacturing services, milestone payments, and royalties.

Our collaboration agreements fall under the scope of ASC Topic 808, *Collaborative Arrangements*, (ASC 808) when both parties are active participants in the arrangement and are exposed to significant risks and rewards. For certain arrangements under the scope of ASC 808, we analogize to ASC 606 for some aspects, including for the delivery of a good or service (i.e., a unit of account).

ASC 606, *Revenue From Contracts with Customers* (ASC 606) requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers under a five-step model: (i) identify contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when or as a performance obligation is satisfied.

In contracts where we have more than one performance obligation to provide our customer with goods or services, each performance obligation is evaluated to determine whether it is distinct based on whether (i) the customer can benefit from the good or service either on its own or together with other resources that are readily available and (ii) the good or service is separately identifiable from other promises in the contract. The consideration under the contract is then allocated between the distinct performance obligations based on their respective relative stand-alone selling prices. The estimated stand-alone selling

price of each deliverable reflects our best estimate of what the selling price would be if the deliverable was regularly sold on a stand-alone basis and is determined by reference to market rates for the good or service when sold to others or by using an adjusted market assessment approach if the selling price on a stand-alone basis is not available.

The consideration allocated to each distinct performance obligation is recognized as revenue when control is transferred to the customer for the related goods or services. Consideration associated with at-risk substantive performance milestones, including sales-based milestones, is recognized as revenue when it is probable that a significant reversal of the cumulative revenue recognized will not occur. Sales-based royalties received in connection with licenses of intellectual property are subject to a specific exception in the revenue standards, whereby the consideration is not included in the transaction price and recognized in revenue until the customer's subsequent sales or usages occur.

Prior to recognizing revenue, we make estimates of the transaction price, including variable consideration that is subject to a constraint. Amounts of variable consideration are included in the transaction price to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur and when the uncertainty associated with the variable consideration is subsequently resolved. These estimates are re-assessed each reporting period as required.

For performance obligations satisfied over time, we estimate the efforts needed to complete the performance obligation and recognize revenue by measuring the progress towards complete satisfaction of the performance obligation using an input measure.

Management may be required to exercise considerable judgment in estimating revenue to be recognized. Judgment is required in identifying performance obligations, estimating the transaction price, estimating the stand-alone selling price of identified performance obligations, and estimating the progress towards satisfaction of performance obligations.

RESULTS OF OPERATIONS

The following summarizes our results of operations for the year ended December 31, 2025 compared to the year ended December 31, 2024:

	Year Ended December 31,	
	2025	2024
	(in thousands)	
Revenue	$ 14,083	$ 6,171
Operating expenses	52,243	82,490
Loss from operations	(38,160)	(76,319)
Other income	4,659	6,399
Net loss	$ (33,501)	$ (69,920)

For the fiscal year ended December 31, 2025, our net loss attributable to common shares was $33.5 million, or a loss of $0.17 per basic and diluted common share, as compared to a net loss of $69.9 million, or a loss of $0.38 per basic and diluted common share, for the year ended December 31, 2024.

Revenue

Revenue for the years ended December 31, 2025 and 2024 is summarized in the following table:

	Year ended December 31,			
	2025		2024	
	(in thousands, except percentages)			
Revenue from collaborations and licenses				
Royalties from sales of ONPATTRO	$ 1,667	12 %	$ 2,562	42 %
Qilu Pharmaceutical Co., Ltd.	10,434	73 %	1,357	22 %
Other milestone and royalty payments	500	4 %	—	— %
Non-cash royalty revenue				
Royalties from sales of ONPATTRO	1,482	11 %	2,252	36 %
Total revenue	$ 14,083	100 %	$ 6,171	100 %

Revenue consists mainly of license revenue and royalties received from other companies for sales of products that utilize our licensed technologies.

Total revenue increased $7.9 million for the year ended December 31, 2025 compared to 2024, due primarily to an increase of $9.1 million in revenue recognized related to the upfront license fee we received from Qilu in 2022 as we recognized all previously deferred revenue upon the conclusion of the strategic partnership in June 2025, as well as $0.5 million of revenue recognized in 2025 upon the achievement of a contractual milestone related to Alnylam's use of our proprietary LNP technology for an additional product. This increase was partially offset by a $1.7 million decrease in license royalty revenue from Alnylam and Acuitas related to lower sales of Alnylam's ONPATTRO in 2025 compared to 2024 primarily due to Alnylam's next generation RNAi product AMVUTTRA (vutrisiran) cannibalizing sales of ONPATTRO. We anticipate that the license royalty revenue from Alnylam and Acuitas will continue to decrease due to such cannibalization of sales of ONPATTRO.

The royalty interest for ONPATTRO from Alnylam was sold to OMERS, effective as of January 1, 2019, for $20 million in gross proceeds before advisory fees. OMERS will retain this entitlement until it has received $30 million in royalties, at which point 100% of such royalty interest on future global net sales of ONPATTRO will revert back to us. OMERS has assumed the risk of collecting up to $30 million of future royalty payments from Alnylam and we are not obligated to reimburse OMERS if

they fail to collect any such future royalties. During the term of this agreement, we recognize non-cash royalty revenue related to the sales of ONPATTRO. From the inception of the royalty sale through December 31, 2025, we have recorded an aggregate of $26.5 million of non-cash royalty revenue for royalties earned by OMERS. The royalty interest for ONPATTRO from Acuitas was not part of the royalty sale to OMERS and we have retained the rights to receive those royalties. Revenue contracts are described in more detail in "Item 1. Business."

Operating expenses

Operating expenses for the years ended December 31, 2025 and 2024 are summarized in the following table:

	Year ended December 31,			
	2025		2024	
	(in thousands, except percentages)			
Research and development	$ 25,241	49 %	$ 54,037	65 %
General and administrative	15,893	30 %	22,108	27 %
Change in fair value of contingent consideration	(1,830)	(4)%	2,625	3 %
Restructuring costs	12,939	25 %	3,720	5 %
Total operating expenses	$ 52,243	100 %	$ 82,490	100 %

Research and development

Research and development expenses consist primarily of personnel expenses, fees paid to clinical research organizations and contract manufacturers, consumables and materials, consulting, and other third-party expenses to support our clinical development activities, as well as a portion of stock-based compensation and general overhead costs.

Research and development expenses decreased $28.8 million in 2025 compared to 2024 due primarily to our decision to cease all discovery efforts, halt preparations for a potential IM-PROVE III clinical trial, implement reductions in our workforce to streamline the organization, and to focus our efforts on advancing the clinical development of imdusiran and AB-101.

A significant portion of our research and development expenses are not tracked by project, as they benefit multiple projects or our overall technology platform.

General and administrative

General and administrative expenses decreased $6.2 million in 2025 compared to 2024, due primarily to a decrease in employee compensation-related expenses and a decrease in litigation-related legal fees.

Change in fair value of contingent consideration

In October 2014, Arbutus Inc., our wholly-owned subsidiary, acquired all of the outstanding shares of Enantigen pursuant to a stock purchase agreement. The amount paid to Enantigen's selling shareholders could be up to an additional $102.5 million in sales performance milestones in connection with the sale of the first commercialized product by us for the treatment of HBV, regardless of whether such product is based upon assets acquired under this agreement, and a low single-digit royalty on net sales of such first commercialized HBV product, up to a maximum royalty payment of $1.0 million.

In general, increases in the fair value of the contingent consideration are related to the progress of our programs as they get closer to triggering these contingent payments. The change in the fair value of our contingent consideration is driven by fair value adjustments for the passage of time, the discount rate, the progression of our programs through clinical trials and our assessment of the probability, timing and extent of future product sales, resulting in a decrease of $1.8 million and an increase of $2.6 million in 2025 and 2024, respectively. The decrease in the fair value of the contingent consideration in 2025 was due primarily to an increase in our assessment of the time until future product sales. The increase in the fair value of the contingent consideration in 2024 was due primarily to an increase in our assessment of the probability of success of future product sales

based on the positive clinical data we reported in November 2024 from our IM-PROVE I clinical trial with imdusiran, IFN and NA therapy. Refer to Note 10 to our consolidated financial statements for a discussion of the assumptions related to this contingency.

Restructuring

In both 2024 and 2025, we implemented changes to focus our efforts on advancing the clinical development of imdusiran and AB-101 by ceasing all discovery efforts, implementing workforce reductions, and halting preparations for a potential IM-PROVE III clinical trial. In 2025, the decision was made to exit our corporate headquarters in Warminster, Pennsylvania and to discontinue all in-house scientific research. In connection with these actions, during the years ended December 31, 2025 and 2024, we recognized the following:

	Year ended December 31,	
	2025	2024
	(in thousands)	
Severance and continuing benefits	$ 6,331	$ 2,857
Non-cash stock compensation modification expense	2,483	—
Non-cash impairment of leasehold improvements and laboratory equipment	2,811	167
Non-cash impairment of lease right-of-use asset	948	—
Accrual of lease-related operating expenses	364	—
Contract close-out costs	—	696
Total restructuring charges	$ 12,939	$ 3,720

Other income (losses)

Other income (losses) for the years ended December 31, 2025 and 2024 are summarized in the following table:

	Year ended December 31,			
	2025		2024	
	(in thousands, except percentages)			
Interest income	$ 4,068	88 %	$ 6,585	103 %
Gain on sale of property and equipment	674	14 %	—	— %
Interest expense	(97)	(2)%	(137)	(2)%
Foreign exchange gain / (loss)	14	— %	(49)	(1)%
Total other income	$ 4,659	100 %	$ 6,399	100 %

Interest income

Interest income decreased $2.5 million in 2025 compared to 2024 due primarily to lower balances in our cash and investments in marketable securities.

Gain on sale of property and equipment

In 2025, the gain on sale of property and equipment related to the sale of laboratory equipment associated with the exit of our corporate headquarters and discontinuance of in-house scientific research. There was no gain on sale of property and equipment in 2024.

Interest expense

Interest expense decreased less than $0.1 million in 2025 compared to 2024 due primarily to a decrease in the non-cash amortization of the discount and issuance costs related to the sale of a portion of our ONPATTRO royalty interest to OMERS in July 2019.

LIQUIDITY AND CAPITAL RESOURCES

Since our incorporation, we have financed our operations through sales of equity, debt, revenues from development collaborations and licenses with corporate partners, a royalty monetization, interest income on funds available for investment, and government contracts, grants and tax credits.

As of December 31, 2025, we had total cash, cash equivalents and investments in marketable securities of $91.5 million, of which $18.0 million was cash and cash equivalents and $73.5 million was investments in marketable securities. We had no outstanding debt as of December 31, 2025.

Sources of Liquidity

Open Market Sale Agreement

Effective March 26, 2025, we terminated our Open Market Sale Agreement[SM] with Jefferies dated December 20, 2018, as amended by Amendment No. 1, dated December 20, 2019, Amendment No. 2, dated August 7, 2020 and Amendment No. 3, dated March 4, 2021 (as amended, the Sale Agreement), under which we could offer and sell common shares, from time to time.

Previously, on November 6, 2024, we had filed: i) a shelf registration statement on Form S-3 with the SEC (File No. 333-283038) with an accompanying base prospectus, declared effective by the SEC on December 5, 2024 (the December 2024 Registration Statement), for the offer and sale of up to $300.0 million of our securities; and ii) a prospectus supplement with the SEC in connection with the offering of up to $100.0 million of our common shares pursuant to the Sale Agreement under the December 2024 Registration Statement (the December 2024 Prospectus Supplement). We did not utilize any of the December 2024 Prospectus Supplement pursuant to the Sale Agreement prior to the termination of the Sale Agreement.

During the year ended December 31, 2024, we issued 16,499,999 common shares under the Sale Agreement resulting in net proceeds of approximately $44.1 million. We issued no common shares under the Sale Agreement during the year ended December 31, 2025.

Royalty Entitlements

We have a royalty entitlement on ONPATTRO, a drug developed by Alnylam that incorporates our LNP technology and was approved by the United States Food and Drug Administration and the European Medicines Agency during the third quarter of 2018 and was launched by Alnylam immediately upon approval in the United States. In July 2019, we sold a portion of this royalty interest to OMERS, effective as of January 1, 2019, for $20 million in gross proceeds before advisory fees. OMERS will retain this entitlement until it has received $30 million in royalties, at which point 100% of such royalty interest on future global net sales of ONPATTRO will revert to us. OMERS has assumed the risk of collecting up to $30 million of future royalty payments from Alnylam and we are not obligated to reimburse OMERS if it fails to collect any such future royalties. From the inception of the royalty sale through December 31, 2025, we have recorded an aggregate of $26.5 million of non-cash royalty revenue for royalties earned by OMERS. If this royalty entitlement reverts to us, it has the potential to provide an active royalty stream or to be otherwise monetized again in full or in part. In addition to the royalty from the Alnylam LNP license agreement, we are also receiving a second, lower royalty interest on global net sales of ONPATTRO originating from a settlement agreement and subsequent license agreement with Acuitas. The royalty from Acuitas has been retained by us and was not part of the royalty sale to OMERS. In addition to the two royalty entitlements, we are entitled to receive payments upon the achievement of contractual milestones related to Alnylam's use of our proprietary LNP technology for other products.

In December 2021, we entered into a technology transfer and exclusive license agreement with Qilu pursuant to which we granted Qilu an exclusive (with certain exceptions), sublicensable, royalty-bearing license, under certain intellectual property owned by us, to develop, manufacture and commercialize imdusiran for the treatment or prevention of cHBV infection in Greater China and Taiwan. In partial consideration for the rights granted by us, Qilu paid us a one-time upfront cash payment of

$40 million and made an equity investment of $15.0 million, both received in January 2022, and agreed to pay us up to $245 million, net of withholding taxes, upon the achievement of certain technology transfer, development, regulatory and commercialization milestones. Qilu also agreed to pay us double digit royalties into the low twenties percent based upon annual net sales of imdusiran in Greater China and Taiwan. In June 2025, we and Qilu mutually agreed to conclude our strategic partnership, and we now once again hold global rights for imdusiran.

Litigation Proceeds

Under the terms of the Moderna Settlement Agreement, Moderna will make an aggregate $950.0 million Noncontingent Settlement Payment to us and Genevant on or before July 8, 2026. In addition, Moderna is obligated to make an additional Contingent Settlement Payment of up to an aggregate $1.3 billion to us and Genevant upon the occurrence of certain events related to the Moderna §1498 Appeal, but which may be subject to repayment. Under the Genevant License, we are entitled to receive, after deduction of litigation costs, 20% of the Noncontingent Settlement Payment, exclusive of our ownership of approximately 16% of the outstanding common equity of Genevant. We are currently evaluating a return of capital to our shareholders in the third quarter of calendar year 2026, following receipt of our portion of the Noncontingent Settlement Payment.

Cash requirements

With the organizational changes announced during 2025 and 2024, and our ongoing cost management efforts, we expect to maintain our reduced net cash burn in 2026. In the future, substantial additional funds would be required to continue with the active development of our pipeline products and technologies. In particular, our funding needs may vary depending on a number of factors including:

- costs associated with prosecuting and enforcing our patent claims and other intellectual property rights, including our ongoing patent infringement matter against Pfizer/BioNTech, the Moderna §1498 Appeal (if filed by Moderna), and our lawsuit against the United States;
- a potential return of capital to our shareholders in connection with proceeds from the Moderna Settlement Agreement;
- revenue earned from our legacy collaborative partnerships and licensing agreements, including potential royalty payments from Alnylam's ONPATTRO;
- revenue earned from ongoing collaborative partnerships, including milestone and royalty payments;
- the potential requirement to make milestone payments related to our legacy agreements;
- the extent to which we continue the development of our product candidates, add new product candidates to our pipeline, or form collaborative relationships or licensing arrangements to advance our product candidates;
- delays in the development of our product candidates due to preclinical and clinical findings;
- our decisions to in-license or acquire additional products, product candidates or technology for development;
- our ability to attract and retain development or commercialization partners, and their effectiveness in carrying out the development and ultimate commercialization of one or more of our product candidates;
- whether batches of product candidates that we manufacture fail to meet specifications resulting in clinical trial delays and investigational and remanufacturing costs;
- the decisions, and the timing of decisions, made by health regulatory agencies regarding our technology and product candidates; and
- competing products, product candidates and technological and market developments.

We may seek funding to maintain and advance our business from a variety of sources including public or private equity or debt financing, potential monetization transactions, collaborative or licensing arrangements with pharmaceutical companies and government grants and contracts. If we seek additional funding, there can be no assurance that funding will be available at all or on acceptable terms to maintain and advance our business.

If we decide to seek funding and such adequate funding is not available, we may be required to delay, reduce or eliminate one or more of our development programs or reduce expenses associated with our non-core activities. We may need to obtain funds

through arrangements with collaborators or others that may require us to relinquish most or all of our rights to product candidates at an earlier stage of development or on less favorable terms than we would otherwise seek if we were better funded. Insufficient financing may also mean failing to prosecute our patents or relinquishing rights to some of our technologies that we would otherwise develop or commercialize.

Cash Flows

The following table summarizes our cash flow activities for the periods indicated:

	Year ended December 31,	
	2025	2024
	(in thousands)	
Net loss	$ (33,501)	$ (69,920)
Non-cash items	3,887	7,899
Change in deferred license revenue	(10,434)	(1,357)
Net change in operating items	411	(1,472)
Net cash used in operating activities	$ (39,637)	$ (64,850)
Net cash provided by investing activities	15,580	22,948
Issuance of common shares pursuant to the Open Market Sale Agreement	—	44,123
Other financing activities	5,721	7,873
Net cash provided by financing activities	$ 5,721	$ 51,996
Effect of foreign exchange rate changes on cash and cash equivalents	14	(49)
(Decrease) / increase in cash and cash equivalents	$ (18,322)	$ 10,045
Cash and cash equivalents, beginning of period	36,330	26,285
Cash and cash equivalents, end of period	$ 18,008	$ 36,330

Net cash used in operating activities in 2025 decreased $25.2 million compared to 2024 due primarily to our decisions to cease all discovery efforts, halt preparations for a potential IM-PROVE III clinical trial, and decrease our workforce to further streamline the organization to focus our efforts on advancing the clinical development of imdusiran and AB-101.

Net cash provided by investing activities in 2025 decreased $7.4 million compared to 2024, due primarily to the timing of acquisitions and maturities of investments in marketable securities.

Net cash provided by financing activities in 2025 decreased $46.3 million compared to 2024, due primarily to the $44.1 million in proceeds from sales of common shares pursuant to the Sale Agreement in 2024 that were not recurring in 2025.

RECENT ACCOUNTING PRONOUNCEMENTS

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board or other standard setting bodies that we adopt as of the specified effective date. Please refer to Note 2 to our consolidated financial statements included in Part II, Item 8, “Financial Statements and Supplementary Data,” of this Annual Report on Form 10-K for a description of recent accounting pronouncements applicable to our business.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

Not applicable.

Item 8. Financial Statements and Supplementary Data

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Arbutus Biopharma Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Arbutus Biopharma Corporation (the Company) as of December 31, 2025 and 2024, the related consolidated statements of operations and comprehensive loss, stockholders' equity and cash flows for each of the two years in the period ended December 31, 2025, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

	Valuation of contingent consideration liability
Description of the Matter	As discussed in Note 10 to the consolidated financial statements, the Company's contingent consideration liability, which consists of sales-based milestones and royalties, resulting from the acquisition of Enantigen in 2014, is remeasured to its estimated fair value each reporting period. As of December 31, 2025, the contingent consideration liability was $8.4 million. Auditing the valuation of the contingent consideration liability was complex and highly judgmental due to the higher degree of estimation required in determining the fair value. In particular, the fair value estimate was sensitive to significant assumptions such as the probability of successfully commercializing a treatment for the hepatitis B virus, the timing of future payments, and the discount rate. These assumptions are affected by expectations about future industry, regulatory, market or economic conditions and are forward-looking and inherently uncertain.
How We Addressed the Matter in Our Audit	To test the estimated fair value of the contingent consideration liability, we performed audit procedures that included, among others, assessing the terms of the arrangement, evaluating the methodology used, and testing the significant assumptions discussed above used by the Company in its analysis. We also compared the significant assumptions to current industry, market and economic trends to corroborate the Company's estimates and performed sensitivity analyses of significant assumptions to evaluate the changes in the contingent consideration liability that would result from changes in the significant assumptions. We also involved our valuation specialists to assist us in evaluating the valuation methodology and the discount rate.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2019.

Philadelphia, Pennsylvania

March 23, 2026

ARBUTUS BIOPHARMA CORPORATION

Consolidated Balance Sheets

(Expressed in thousands of US Dollars, except share amounts)

	December 31, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	$ 18,008	$ 36,330
Investments in marketable securities, current	73,463	86,293
Accounts receivable	1,447	2,409
Prepaid expenses and other current assets	1,538	2,284
Total current assets	94,456	127,316
Property and equipment, net of accumulated depreciation and impairment	32	3,309
Right of use asset	—	1,048
Other non-current assets	130	34
Total assets	$ 94,618	$ 131,707
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable and accrued liabilities	$ 5,459	$ 7,564
Deferred license revenue, current	—	7,571
Lease liability, current	547	483
Total current liabilities	6,006	15,618
Liability related to sale of future royalties	3,442	4,829
Deferred license revenue, non-current	—	2,863
Contingent consideration	8,395	10,225
Lease liability, non-current	199	806
Total liabilities	18,042	34,341
Stockholders' equity		
Common shares		
Authorized: Unlimited number without par value		
Issued and outstanding: 192,531,225 and 189,963,492 as of December 31, 2025 and 2024, respectively.	1,421,429	1,410,025
Additional paid-in capital	83,318	82,048
Deficit	(1,380,073)	(1,346,572)
Accumulated other comprehensive loss	(48,098)	(48,135)
Total stockholders' equity	76,576	97,366
Total liabilities and stockholders' equity	$ 94,618	$ 131,707

See accompanying notes to the consolidated financial statements.

ARBUTUS BIOPHARMA CORPORATION

Consolidated Statements of Operations and Comprehensive Loss

(Expressed in thousands of US Dollars, except share and per share amounts)

	Year ended December 31,	
	2025	**2024**
Revenue		
Collaborations and licenses	$ 12,601	$ 3,919
Non-cash royalty revenue	1,482	2,252
Total revenue	14,083	6,171
Operating expenses		
Research and development	25,241	54,037
General and administrative	15,893	22,108
Change in fair value of contingent consideration	(1,830)	2,625
Restructuring costs	12,939	3,720
Total operating expenses	52,243	82,490
Loss from operations	(38,160)	(76,319)
Other income		
Interest income	4,068	6,585
Gain on sale of property and equipment	674	—
Interest expense	(97)	(137)
Foreign exchange gain / (loss)	14	(49)
Total other income	4,659	6,399
Net loss	$ (33,501)	$ (69,920)
Loss per share		
Basic and diluted	$ (0.17)	$ (0.38)
Weighted average number of common shares		
Basic and diluted	191,599,600	185,608,874
Comprehensive loss		
Unrealized gain on available-for-sale securities	$ 37	$ 286
Comprehensive loss	$ (33,464)	$ (69,634)

See accompanying notes to the consolidated financial statements.

ARBUTUS BIOPHARMA CORPORATION

Consolidated Statement of Stockholders' Equity

(Expressed in thousands of US Dollars, except share amounts)

	Common Shares		Additional paid-in capital	Deficit	Accumulated other comprehensive loss	Total stockholders' equity
	Number of shares	Share capital				
Balance at December 31, 2023	169,867,414	$ 1,349,821	$ 81,270	$ (1,276,652)	$ (48,421)	$ 106,018
Stock-based compensation	—	—	8,986	—	—	8,986
Issuance of common shares pursuant to the Open Market Sale Agreement	16,499,999	44,123	—	—	—	44,123
Issuance of common shares pursuant to exercise of ESPP	227,333	536	(140)	—	—	396
Issuance of common shares pursuant to exercise of stock options	2,958,264	14,355	(6,878)	—	—	7,477
Issuance of common shares upon settlement of RSUs	410,482	1,190	(1,190)	—	—	—
Unrealized gain on available-for-sale securities	—	—	—	—	286	286
Net loss	—	—	—	(69,920)	—	(69,920)
Balance at December 31, 2024	189,963,492	$ 1,410,025	$ 82,048	$ (1,346,572)	$ (48,135)	$ 97,366
Stock-based compensation	—	—	6,953	—	—	6,953
Issuance of common shares pursuant to exercise of ESPP	60,493	252	(71)	—	—	181
Issuance of common shares pursuant to exercise of stock options	1,926,656	9,634	(4,094)	—	—	5,540
Issuance of common shares upon settlement of RSUs	580,584	1,518	(1,518)	—	—	—
Unrealized gain on available-for-sale securities	—	—	—	—	37	37
Net loss	—	—	—	(33,501)	—	(33,501)
Balance at December 31, 2025	192,531,225	$ 1,421,429	$ 83,318	$ (1,380,073)	$ (48,098)	$ 76,576

See accompanying notes to the consolidated financial statements.

ARBUTUS BIOPHARMA CORPORATION

Consolidated Statements of Cash Flows

(Expressed in thousands of US Dollars)

	Year ended December 31,	
	2025	**2024**
OPERATING ACTIVITIES		
Net loss	$ (33,501)	$ (69,920)
Non-cash items:		
Depreciation and amortization	363	1,380
Loss on impairment of leasehold improvements and lab equipment	2,811	167
Gain on sale of property and equipment	(674)	—
Stock-based compensation expense	6,953	8,986
Change in fair value of contingent consideration	(1,830)	2,625
Non-cash royalty revenue	(1,482)	(2,251)
Non-cash interest expense	95	127
Net accretion of investments in marketable securities	(2,349)	(3,135)
Net change in operating items:		
Accounts receivable	1,375	(633)
Prepaid expenses and other assets	1,698	2,298
Accounts payable and accrued liabilities	(2,105)	(2,707)
Change in deferred license revenue	(10,434)	(1,357)
Other liabilities	(557)	(430)
Net cash used in operating activities	(39,637)	(64,850)
INVESTING ACTIVITIES		
Purchase of investments in marketable securities	(140,061)	(141,509)
Disposition of investments in marketable securities	155,277	164,639
Proceeds from sale of property and equipment	364	—
Acquisition of property and equipment	—	(182)
Net cash provided by investing activities	15,580	22,948
FINANCING ACTIVITIES		
Issuance of common shares pursuant to the Open Market Sale Agreement	—	44,123
Issuance of common shares pursuant to exercise of stock options	5,540	7,477
Issuance of common shares pursuant to ESPP	181	396
Net cash provided by financing activities	5,721	51,996
Effect of foreign exchange rate changes on cash and cash equivalents	14	(49)
(Decrease) / increase in cash and cash equivalents	$ (18,322)	$ 10,045
Cash and cash equivalents, beginning of period	$ 36,330	$ 26,285
Cash and cash equivalents, end of period	$ 18,008	$ 36,330

See accompanying notes to the consolidated financial statements.

ARBUTUS BIOPHARMA CORPORATION

Notes to Consolidated Financial Statements

(Tabular amounts in thousands of US Dollars, except share and per share amounts)

1. Organization

Description of the Business

Arbutus Biopharma Corporation ("Arbutus" or the "Company") is a clinical-stage biopharmaceutical company focused on infectious disease. The Company is currently developing imdusiran (AB-729), its proprietary, GalNAc-conjugated, subcutaneously-delivered ribonucleic acid interference (RNAi) therapeutic, and AB-101, its proprietary oral PD-L1 inhibitor, for the treatment of chronic hepatitis B (cHBV).

The Company continues to protect and defend its intellectual property, which is the subject of its ongoing lawsuit against Pfizer Inc. and BioNTech SE (collectively, Pfizer/BioNTech) for their use of the Company's patented lipid nanoparticle (LNP) technology in their COVID-19 messenger ribonucleic acid interference (mRNA)-LNP vaccines. The court issued a claim construction ruling in September 2025, which construed the disputed claim terms in a manner the Company generally considers to be favorable. The parties are awaiting further scheduling in the litigation.

On March 3, 2026, the Company, along with Genevant Sciences GmbH and its parent (collectively, Genevant), entered into a settlement agreement (the Moderna Settlement Agreement) to resolve all patent infringement litigation and patent revocation proceedings involving Moderna, Inc. and its affiliates (collectively, Moderna) pending in the United States and internationally (the Moderna LNP Litigation). Under the terms of the Moderna Settlement Agreement, Moderna will make an aggregate $950.0 million noncontingent lump sum payment (the Noncontingent Settlement Payment) to the Company and Genevant on or before July 8, 2026. In addition, Moderna is obligated to pay the Company and Genevant an additional aggregate contingent lump sum payment of $1.3 billion (the Contingent Settlement Payment) upon a ruling that is favorable to the Company and Genevant in a limited appeal related to 28 U.S.C. §1498 (§1498) that Moderna is allowed to file pursuant to the Moderna Settlement Agreement (the Moderna §1498 Appeal). Under the Company's license with Genevant, it is entitled to receive, after deduction of litigation costs, 20% of the Noncontingent Settlement Payment. In addition, as of the date of this annual report, the Company owns approximately 16% of the outstanding common equity of Genevant. The Company is currently evaluating a return of capital to its shareholders in the third quarter of calendar year 2026, following the receipt of its portion of the Noncontingent Settlement Payment.

Liquidity

At December 31, 2025, the Company had an aggregate of $91.5 million in cash, cash equivalents and investments in marketable securities. The Company had no outstanding debt as of December 31, 2025. The Company believes it has sufficient cash resources to fund its operations for at least the next 12 months.

The success of the Company's operations is dependent on obtaining the necessary regulatory approvals to bring one or more of its product candidates to market and achieve profitability from operations. The Company's development activities and the commercialization of its products are dependent on its ability to successfully complete these activities and to obtain adequate financing through a combination of financing activities and operations. It is not possible to predict either the outcome of the Company's existing or future development programs or the Company's ability to continue to fund these programs in the future.

2. Significant accounting policies

Basis of presentation and principles of consolidation

These consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles (GAAP) and include the accounts of Arbutus Biopharma Corporation and its one wholly-owned subsidiary, Arbutus Biopharma, Inc. All intercompany balances and transactions have been eliminated.

Use of estimates

The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions about future events that affect the reported amounts of assets, liabilities, revenue, expenses and contingent liabilities as of the end or during the reporting period. Actual results could significantly differ from those estimates. Significant estimates in the accompanying consolidated financial statements impact contingent consideration.

Cash and cash equivalents

Cash and cash equivalents are all highly liquid instruments with an original maturity of three months or less when purchased. Cash equivalents are recorded at cost plus accrued interest. The carrying value of these cash equivalents approximates their fair value.

Investments in marketable securities

The Company's short-term investments consist of marketable securities that have original maturities exceeding three months and remaining maturities of less than one year. The Company classifies investments with remaining maturities of one year or longer as non-current. These investments are accounted for as available-for-sale securities and are reported at fair value, with unrealized gains and losses reported in other comprehensive loss until their disposition. Realized gains and losses from the sale of marketable securities, if any, are calculated using the specific-identification method, and are recorded as a component of other income or loss. The Company reviews its available-for-sale securities at each period end to determine if they remain available-for-sale based on the Company's current intent and ability to sell the security if it is required to do so. Declines in value judged to be other-than-temporary are included in interest expense in the Company's statements of operations and comprehensive loss. As of December 31, 2025, the recorded value of the Company's investments in marketable securities was deemed to be recoverable in all respects.

All investments are governed by the Company's Investment Policy approved by the Company's Board of Directors (the Board).

Foreign currency translation and functional currency conversion

The Company's functional currency is the United States dollar. Monetary assets and liabilities denominated in foreign currencies are translated into United States dollars using exchange rates in effect at the balance sheet date. Opening balances related to non-monetary assets and liabilities are based on prior period translated amounts, and non-monetary assets and non-monetary liabilities are translated at the approximate exchange rate prevailing at the date of the transaction. Revenue and expense transactions are translated at the approximate exchange rate in effect at the time of the transaction. Foreign exchange gains and losses are included in the statement of operations and comprehensive loss as foreign exchange gains or losses.

Investment in Genevant

Arbutus accounts for its interest in Genevant as equity securities without readily determinable fair values. Accordingly, an estimate of the fair value of the securities is based on the original cost less previously recognized equity method losses, less impairments, plus or minus changes resulting from observable price changes in orderly transactions for identical or similar Genevant securities. As of December 31, 2025, Arbutus owned approximately 16% of the outstanding common equity of Genevant and the carrying value of Arbutus' investment in Genevant was zero.

See Note 5 for more information.

Property and equipment

Property and equipment is recorded at cost less impairment losses and accumulated depreciation. The Company records depreciation using the straight-line method over the estimated useful lives of the capital assets as follows:

	Useful Life (Years)
Laboratory equipment	5
Computer and office equipment	2 to 5
Furniture and fixtures	5

Leasehold improvements are depreciated over their estimated useful lives but in no case longer than the lease term, except where lease renewal is reasonably assured.

Property and equipment is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If such a review should indicate that the carrying amount of long-lived assets is not recoverable, then such assets are written down to their fair values.

Substantially all of the Company's premises, property and equipment are located in the United States.

See Note 7 for more information.

Revenue from collaborations and licenses

The Company generates revenue through certain collaboration agreements and license agreements. Such agreements may require the Company to deliver various rights and/or services, including intellectual property rights or licenses and research and development services. Under such agreements, the Company is generally eligible to receive non-refundable upfront payments, funding for research and development services, milestone payments and royalties.

The Company's collaboration agreements fall under the scope of Accounting Standards Codification (ASC) Topic 808, *Collaborative Arrangements* (ASC 808), when both parties are active participants in the arrangement and are exposed to significant risks and rewards. For certain arrangements under the scope of ASC 808, the Company analogizes to ASC Topic 606, *Revenue from Contracts with Customers* (ASC 606), for some aspects, including for the delivery of a good or service (i.e., a unit of account).

ASC 606 requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers under a five-step model: (i) identify contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when or as a performance obligation is satisfied.

In contracts where the Company has more than one performance obligation to provide its customer with goods or services, each performance obligation is evaluated to determine whether it is distinct based on whether (i) the customer can benefit from the good or service either on its own or together with other resources that are readily available and (ii) the good or service is separately identifiable from other promises in the contract. The consideration under the contract is then allocated between the distinct performance obligations based on their respective relative stand-alone selling prices. The estimated stand-alone selling price of each deliverable reflects the Company's best estimate of what the selling price would be if the deliverable was regularly sold on a stand-alone basis and is determined by reference to market rates for the good or service when sold to others or by using an adjusted market assessment approach if the selling price on a stand-alone basis is not available.

The consideration allocated to each distinct performance obligation is recognized as revenue when control is transferred to the customer for the related goods or services. Consideration associated with at-risk substantive performance milestones, including sales-based milestones, is recognized as revenue when it is probable that a significant reversal of the cumulative revenue recognized will not occur. Sales-based royalties received in connection with licenses of intellectual property are subject to a

specific exception in the revenue standards, whereby the consideration is not included in the transaction price and recognized in revenue until the customer's subsequent sales or usages occur.

Leases

The Company accounts for its lease under ASC 842, *Leases*, which generally requires the recognition of operating and financing lease liabilities with corresponding right-of-use assets on the balance sheet. See Note 6 for more information.

Research and development costs

Research and development costs include compensation and benefits for research and development employees, an allocation of overhead expenses and costs associated with materials and supplies used in clinical trials and research and development, outside contracted services including clinical and preclinical study costs, legal, regulatory compliance and fees paid to consultants or outside parties for research and development activities performed on the Company's behalf. Such costs are charged to expense in the period in which they are incurred.

Research and development costs that are paid in advance of performance or receipt are recorded as prepaid expense and are amortized over the period that the services are performed.

Net loss per share

Net loss per share is calculated based on the weighted average number of common shares outstanding. Diluted net loss per share does not differ from basic net loss per share for the years ended December 31, 2025 and 2024, since the effect of including potential common shares would be anti-dilutive. For the year ended December 31, 2025, potential common shares of 14.0 million pertaining to outstanding stock options and unvested restricted stock units were excluded from the calculation of net loss per share. A total of approximately 16.9 million outstanding stock options and unvested restricted stock units were excluded from the calculation for the year ended December 31, 2024.

See Note 12 and Note 13 for more information about the Company's common shares.

Deferred income taxes

Income taxes are accounted for using the asset and liability method of accounting. Deferred income taxes are recognized for the future income tax consequences attributable to differences between the carrying values of assets and liabilities and their respective income tax bases and for loss carry-forwards. Deferred income tax assets and liabilities are measured using enacted income tax rates expected to apply to taxable income in the periods in which temporary differences are expected to be recovered or settled. The effect on deferred income tax assets and liabilities of a change in tax laws or rates is included in earnings in the period that includes the enactment date. When realization of deferred income tax assets does not meet the more-likely-than-not criterion for recognition, a valuation allowance is provided.

Stock-based compensation

The Company measures and recognizes compensation expense for all share-based compensation arrangements based on estimated fair values. The Company uses the Black-Scholes option valuation model to estimate the fair value of stock options at the date of grant. The Black-Scholes option valuation model requires the input of subjective assumptions to calculate the value of stock options. For those assumptions, the Company uses historical data and other information to estimate the expected price volatility and risk-free interest rate for all awards. The expected life of stock options granted are estimated to be five years for employees and six years for directors and executives, based on the Company's historical experience. Assumptions on the dividend yield are based on the fact that the Company has never paid cash dividends and has no present intention to pay cash dividends. The restricted stock units granted by the Company are measured at the grant-date price of the Company's common shares. Expense is recognized over the vesting period for all awards and commences at the grant date for time-based awards. For awards where vesting may be accelerated if certain performance conditions are achieved, the Company will accelerate recognition of any unrecognized expense if and when it becomes probable that the performance conditions will be satisfied. Forfeitures are recognized as they occur.

For the Company's Employee Stock Purchase Plan, the fair value of the right to acquire stock at a discounted price under the plan is calculated using the Black-Scholes valuation model. Expense is recognized over the period the employee contributes to the plan through payroll deductions.

Comprehensive loss

Comprehensive loss is comprised of net loss and adjustments for the change in unrealized gains and losses on investments in available-for-sale marketable securities. The Company includes comprehensive loss and its components in the consolidated statements of operations and comprehensive loss, net of tax effects if any.

Concentrations of Credit Risk

Financial instruments which potentially subject the Company to credit risk consist primarily of cash, cash equivalents and marketable securities. The Company holds these investments in highly rated financial institutions, and, by policy, limits the amounts of credit exposure to any one financial institution. These amounts at times may exceed federally insured limits. The Company has not experienced any credit losses in such accounts and does not believe it is exposed to any significant credit risk on these funds. The Company has no off-balance sheet concentrations of credit risk, such as foreign currency exchange contracts, option contracts or other hedging arrangements.

Recent accounting pronouncements

In December 2023, the FASB issued ASU No. 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures (ASU 2023-09), which improves income tax disclosures by requiring: (1) consistent categories and greater disaggregation of information in the rate reconciliation, and (2) income taxes paid disaggregated by jurisdiction. It also includes certain other amendments to improve the effectiveness of income tax disclosures. ASU 2023-09 is effective for annual periods beginning after December 15, 2024. Early adoption is permitted. The ASU indicates that all entities will apply the guidance prospectively with an option for retroactive application to each period presented in the financial statements. The Company has implemented ASU 2023-09 for the year ended December 31, 2025 on a prospective basis. See Note 15 for more information.

The Company has reviewed all other recently issued standards and has determined that such standards will not have a material impact on the Company's financial statements or do not otherwise apply to the Company's operations.

3. Fair value measurements

The Company measures certain financial instruments and other items at fair value.

To determine the fair value, the Company uses the fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs market participants would use to value an asset or liability and are developed based on market data obtained from independent sources. Unobservable inputs are inputs based on assumptions about the factors market participants would use to value an asset or liability. The three levels of inputs that may be used to measure fair value are as follows:

- Level 1 inputs are quoted market prices for identical instruments available in active markets. The Company's cash and cash equivalents are measured using Level 1 inputs.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly. If the asset or liability has a contractual term, the input must be observable for substantially the full term. An example includes quoted market prices for similar assets or liabilities in active markets. The Company's investments in marketable securities are measured using Level 2 inputs.

- Level 3 inputs are unobservable inputs for the asset or liability and will reflect management's assumptions about market assumptions that would be used to price the asset or liability. The Company's liability-classified options and contingent consideration are measured using Level 3 inputs.

Assets and liabilities are classified based on the lowest level of input that is significant to the fair value measurements. Changes in the observability of valuation inputs may result in a reclassification of levels for certain securities within the fair value hierarchy.

The carrying values of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities approximate their fair values due to the immediate or short-term maturity of these financial instruments.

To determine the fair value of the contingent consideration related to a stock purchase agreement with Enantigen Therapeutics, Inc.'s (Enantigen) selling shareholders (Note 10), the Company uses a probability weighted assessment that considers the likelihood of successfully commercializing a treatment for cHBV, the timing of future revenues related to commercial sales, and a probability adjusted discount rate that reflects the early stage nature of the development program, time to complete the program development, and overall biotech indices.

The following table presents information about inputs used in measuring the fair value of the contingent consideration:

	As of December 31, 2025	As of December 31, 2024
Timing of milestone payments	2035 - 2038	2032 - 2035
Payment (in $000s)	$102,500	$102,500
Discount rate	10.1 % - 10.4%	9.9 % - 10.5%
Probability of success	25%	25%
Fair value of contingent consideration (in $000s)	$8,395	$10,225

These assumptions used in the discounted cash flow model are level 3 inputs as defined above. The Company assessed the sensitivity of the fair value measurement to changes in these unobservable inputs and determined that changes within a reasonable range would not result in a materially different assessment of fair value.

The following tables present information about the Company's assets and liabilities that are measured at fair value on a recurring basis, and indicates the fair value hierarchy of the valuation techniques used to determine such fair value:

As of December 31, 2025	Level 1	Level 2	Level 3	Total
		(in thousands)		
Assets				
Cash and cash equivalents	$ 18,008	$ —	$ —	$ 18,008
Investments in marketable securities, current	—	73,463	—	73,463
Total	$ 18,008	$ 73,463	$ —	$ 91,471
Liabilities				
Contingent consideration	—	—	8,395	8,395
Total	$ —	$ —	$ 8,395	$ 8,395

As of December 31, 2024	Level 1	Level 2	Level 3	Total
	(in thousands)			
Assets				
Cash and cash equivalents	$ 36,330	$ —	$ —	$ 36,330
Investments in marketable securities, current	—	86,293	—	86,293
Total	$ 36,330	$ 86,293	$ —	$ 122,623
Liabilities				
Contingent consideration	—	—	10,225	10,225
Total	$ —	$ —	$ 10,225	$ 10,225

The following table presents the changes in fair value of the Company's contingent consideration:

	Liability at beginning of the period	Increase in fair value of liability	Liability at end of the period
		(in thousands)	
Year ended December 31, 2025	$ 10,225	$ (1,830)	$ 8,395
Year ended December 31, 2024	$ 7,600	$ 2,625	$ 10,225

4. Investments in marketable securities

Investments in marketable securities and cash equivalents consisted of the following:

As of December 31, 2025	Amortized Cost	Gross Unrealized Gain[1]	Gross Unrealized Loss[1]	Fair Value
	(in thousands)			
Cash equivalents				
Money market funds	$ 10,218	$ —	$ —	$ 10,218
Total	$ 10,218	$ —	$ —	$ 10,218
Investments in marketable short-term securities				
US treasury bills	$ 37,411	$ 41	$ —	$ 37,452
US government bonds	35,965	46	—	36,011
Total	$ 73,376	$ 87	$ —	$ 73,463

[1] Gross unrealized gain (loss) is pre-tax and is reported in accumulated other comprehensive loss.

As of December 31, 2024	Amortized Cost	Gross Unrealized Gain[1]	Gross Unrealized Loss[1]	Fair Value
	(in thousands)			
Cash equivalents				
Money market fund	$ 29,533	$ —	$ —	$ 29,533
Total	$ 29,533	$ —	$ —	$ 29,533
Investments in marketable short-term securities				
US corporate bonds	$ 30,776	$ 27	$ (6)	$ 30,797
US treasury bills	55,467	29		55,496
Total	$ 86,243	$ 56	$ (6)	$ 86,293

[1] Gross unrealized gain (loss) is pre-tax and is reported in accumulated other comprehensive loss.

The contractual maturity of the $73.5 million and $86.3 million of short-term marketable securities held by the Company as of December 31, 2025 and December 31, 2024, respectively, was less than one year. As of December 31, 2025 and December 31, 2024, the Company did not hold any long-term marketable securities.

At December 31, 2025, the Company had no available-for-sale investment debt securities in an unrealized loss position. At December 31, 2024, the Company had 6 available-for-sale investment debt securities in an unrealized loss position without an allowance for credit losses. Unrealized losses on the Company's investments in debt securities have not been recognized into income as the issuers' bonds are of high credit quality and the decline in fair value is largely due to market conditions and/or changes in interest rates. The Company does not intend to sell and it is more likely than not that the Company will not be required to sell the securities prior to the anticipated recovery of their amortized cost basis. The issuers continue to make timely interest payments on the bonds. The fair value is expected to recover as the bonds approach maturity.

Accrued interest receivable on investments in marketable securities was $0.3 million at both December 31, 2025 and 2024 and is included in prepaid expenses and other current assets.

The Company had realized gains on investments of less than $0.1 million for both of the years ended December 31, 2025 and 2024.

5. Investment in Genevant

In April 2018, the Company entered into an agreement with Roivant Sciences Ltd. (Roivant), its largest shareholder, to launch Genevant Sciences Ltd., a company focused on nucleic acid- and gene editing-based therapeutics enabled by the Company's LNP and ligand conjugate delivery technologies. The Company licensed rights to its LNP and ligand conjugate delivery platforms to Genevant outside of hepatitis B (HBV), except to the extent certain rights had already been licensed to other third parties (the Genevant License). The Company retained all rights to its LNP and conjugate delivery platforms for HBV.

Under the Genevant License, as amended, if a third-party sublicensee of intellectual property licensed by Genevant from the Company commercializes a sublicensed product, the Company becomes entitled to receive a specified percentage of certain revenue that may be received by Genevant for such sublicense, including royalties, commercial milestones and other sales-related revenue, or, if less, tiered low single-digit royalties on net sales of the sublicensed product. The specified percentage is 20% in the case of a mere sublicense (i.e., naked sublicense) by Genevant without additional contribution and 14% in the case of a bona fide collaboration with Genevant.

Additionally, if Genevant receives proceeds from an action for infringement by any third parties of the Company's intellectual property licensed to Genevant, the Company would be entitled to receive, after deduction of litigation costs, 20% of the proceeds received by Genevant or, if less, tiered low single-digit royalties on net sales of the infringing product (inclusive of the proceeds from litigation or settlement, which would be treated as net sales).

The Company accounts for its interest in Genevant as equity securities without readily determinable fair values. Accordingly, an estimate of the fair value of the securities is based on the original cost less previously recognized equity method losses, less impairments, plus or minus changes resulting from observable price changes in orderly transactions for identical or a similar Genevant securities. As of December 31, 2025 and 2024, the carrying value of the Company's investment in Genevant was zero and the Company owned approximately 16% of the outstanding common equity of Genevant.

6. Leases

In the first quarter of 2025, the Board decided to exit our corporate headquarters at 701 Veterans Circle, Warminster, Pennsylvania. The lease for this property expires on April 30, 2027 and was the Company's sole operating lease as of December 31, 2025.

The Company accounts for its lease under ASC 842, *Leases*. Leases with an initial term of 12 months or less are not recorded on the balance sheet. The Company determines if an arrangement is a lease at inception. Right-of-use assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. Operating lease right-of-use assets and lease liabilities are recognized based on the present value of lease payments over the lease term. The lease does not provide an implicit rate so in determining the present value of lease payments, the Company utilized its incremental borrowing rate for the lease, which was 9.0%. The Company recognizes lease expense on a straight-line basis over the remaining lease term.
During the years ended December 31, 2025 and 2024, the Company incurred total operating lease expenses of $0.3 million and $0.7 million, respectively, which included lease expenses associated with fixed lease payments of $0.2 million and $0.5 million, respectively, and variable payments associated with common area maintenance and similar expenses of $0.1 million and $0.2 million, respectively.

Weighted average remaining lease term and discount rate were as follows:

	As of December 31, 2025
Weighted-average remaining lease term (years)	1.3
Weighted average discount rate	9.0%

The Company did not include options to extend its lease terms as part of its ROU asset and lease liabilities.

Supplemental cash flow information related to the Company's operating lease was as follows:

	Twelve Months Ended December 31,	
	2025	2024
	(in thousands)	
Cash paid for amounts included in the measurement of lease liabilities	$ 634	$ 616

Future minimum lease payments under the Company's operating lease as of December 31, 2025 were as follows:

	As of December 31, 2025
	(in thousands)
2026	$ 654
2027	133
2028	—
2029	—
2030	—
Thereafter	—
Total lease payments	$ 787
Less: interest	(41)
Present value of lease payments	$ 746

7. Property and equipment

During the year ended December 31, 2025 and related to its 2025 restructuring and planned exit from its corporate headquarters in Warminster, Pennsylvania (Note 16), the Company recorded impairment charges of $1.9 million and $0.9 million for leasehold improvements and laboratory equipment, respectively. In connection with the exit from the building and disposal of equipment, the Company also wrote off the fully-depreciated or fully-impaired balances associated with these assets in 2025.

The Company's property and equipment balances as of the years ended December 31, 2025 and 2024 were as follows:

December 31, 2025	Cost	Accumulated depreciation	Net book value
		(in thousands)	
Lab equipment	$ —	$ —	$ —
Leasehold improvements	—	—	—
Computer hardware and software	245	(213)	32
	$ 245	$ (213)	$ 32

December 31, 2024	Cost	Accumulated depreciation	Net book value
		(in thousands)	
Lab equipment	$ 7,238	$ (6,105)	$ 1,133
Leasehold improvements	8,590	(6,489)	2,101
Computer hardware and software	477	(402)	75
	$ 16,305	$ (12,996)	$ 3,309

Depreciation expense for the years ended December 31, 2025 and 2024 was $0.4 million and $1.4 million, respectively.

8. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities were comprised of the following:

	December 31, 2025	December 31, 2024
	(in thousands)	
Trade accounts payable	$ 1,173	$ 2,316
Payroll accruals	2,159	3,393
Research and development accruals	412	691
Professional fee accruals	1,075	1,164
Restructuring liabilities	640	—
Total	$ 5,459	$ 7,564

In March 2025, the Company implemented changes to focus its efforts on advancing the clinical development of imdusiran and AB-101 by ceasing all discovery efforts, implementing workforce reductions, and halting preparations for a potential IM-PROVE III clinical trial. In addition, in 2025, the decision was made to exit the Company's corporate headquarters in Warminster, Pennsylvania and to discontinue in-house scientific research. The Company recognized $12.9 million of restructuring charges in 2025, of which there was $0.6 million in severance and medical benefit costs and lease expenses accrued as of December 31, 2025.

9. Sale of future royalties

On July 2, 2019, the Company entered into a Purchase and Sale Agreement (the Agreement) with the Ontario Municipal Employees Retirement System (OMERS), pursuant to which the Company sold to OMERS part of its royalty interest on future global net sales of ONPATTRO (Patisiran) (ONPATTRO), an RNA interference therapeutic currently being sold by Alnylam Pharmaceuticals, Inc. (Alnylam).

ONPATTRO utilizes Arbutus's LNP technology, which was licensed to Alnylam pursuant to the Cross-License Agreement, dated November 12, 2012, by and between the Company and Alnylam (the LNP License Agreement). Under the terms of the LNP License Agreement, the Company is entitled to tiered royalty payments on global net sales of ONPATTRO ranging from 1.00% to 2.33% after offsets, with the highest tier applicable to annual net sales above $500 million. This royalty interest was sold to OMERS, effective as of January 1, 2019, for $20 million in gross proceeds before advisory fees. OMERS will retain this entitlement until it has received $30 million in royalties, at which point 100% of such royalty interest on future global net sales of ONPATTRO will revert to the Company. OMERS has assumed the risk of collecting up to $30 million of future royalty payments from Alnylam and Arbutus is not obligated to reimburse OMERS if they fail to collect any such future royalties.

The $30 million in royalties to be paid to OMERS is accounted for as a liability, with the difference between the liability and the gross proceeds received accounted for as a discount. The discount, as well as $1.5 million of transaction costs, will be amortized as interest expense based on the projected balance of the liability as of the beginning of each period. As of December 31, 2025, the Company estimated an effective annual interest rate of approximately 2.1%. Over the course of the Agreement, the actual interest rate will be affected by the amount and timing of royalty revenue recognized and changes in the timing of forecasted royalty revenue. On a quarterly basis, the Company will reassess the expected timing of the royalty revenue, recalculate the amortization and effective interest rate and adjust the accounting prospectively as needed.

The Company recognizes non-cash royalty revenue related to the sales of ONPATTRO during the term of the Agreement. As royalties are remitted to OMERS from Alnylam, the balance of the recognized liability is effectively repaid over the life of the Agreement. From the inception of the royalty sale through December 31, 2025, an aggregate of $26.5 million of royalties have been earned by OMERS. There are a number of factors that could materially affect the amount and timing of royalty payments from Alnylam, none of which are within the Company's control.

During the year ended December 31, 2025, the Company recognized non-cash royalty revenue of $1.5 million and $0.1 million of related non-cash interest expense. During the year ended December 31, 2024, the Company recognized non-cash royalty revenue of $2.3 million and related non-cash interest expense of $0.1 million.

The table below shows the activity related to the net liability for the years ended December 31, 2025 and December 31, 2024:

	Twelve Months Ended December 31,	
	2025	2024
	(in thousands)	
Net liability related to sale of future royalties - beginning balance	$ 4,829	$ 6,953
Non-cash royalty revenue	(1,482)	(2,251)
Non-cash interest expense	95	127
Net liability related to sale of future royalties - ending balance	$ 3,442	$ 4,829

In addition to the royalty from the LNP License Agreement, the Company is also receiving a second royalty interest ranging from 0.75% to 1.125% on global net sales of ONPATTRO, with 0.75% applying to sales greater than $500 million, originating from a settlement agreement and subsequent license agreement with Acuitas Therapeutics, Inc. (Acuitas). The royalty from Acuitas has been retained by the Company and was not part of the royalty sale to OMERS. In addition to the two royalty entitlements, the Company is entitled to receive payments upon the achievement of contractual milestones related to Alnylam's use of the Company's proprietary LNP technology for other products.

10. Contingencies and commitments

Stock Purchase Agreement with Enantigen

In October 2014, Arbutus Inc., the Company's wholly-owned subsidiary, acquired all of the outstanding shares of Enantigen pursuant to a stock purchase agreement. The amount paid to Enantigen's selling shareholders could be up to an additional $102.5 million in sales performance milestones in connection with the sale of the first commercialized product by Arbutus for the treatment of HBV, regardless of whether such product is based upon assets acquired under this agreement, and a low single-digit royalty on net sales of such first commercialized HBV product, up to a maximum royalty payment of $1.0 million that, if paid, would be offset against Arbutus' milestone payment obligations. Certain other development milestones related to the acquisition were tied to programs which are no longer under development by Arbutus, and therefore the contingency related to those development milestones is zero.

The contingent consideration is a financial liability and is measured at its fair value at each reporting period, with any changes in fair value from the previous reporting period recorded in the statement of operations and comprehensive loss (Note 3).

The fair value of the contingent consideration was $8.4 million as of December 31, 2025.

11. Collaborations and royalty entitlements

Collaborations

Qilu Pharmaceuticals Co, Ltd.

In December 2021, the Company entered into a technology transfer and license agreement (the Qilu License Agreement) with Qilu Pharmaceutical Co., Ltd. (Qilu), pursuant to which the Company granted Qilu a sublicensable, royalty-bearing license, under certain intellectual property owned by the Company, which was non-exclusive as to development and manufacturing and exclusive with respect to commercialization of imdusiran, including pharmaceutical products that include imdusiran, for the treatment or prevention of hepatitis B in China, Hong Kong, Macau and Taiwan (Greater China and Taiwan).

In partial consideration for the rights granted by the Company, Qilu paid the Company a one-time upfront cash payment of $40.0 million on January 5, 2022 and agreed to pay the Company up to $245 million, net of withholding taxes, upon the achievement of certain technology transfer, development, regulatory and commercialization milestones (the Milestone Payments). Qilu paid $4.4 million of withholding taxes to the Chinese taxing authority on the Company's behalf, related to the upfront cash payment. In addition, Qilu agreed to pay the Company double-digit royalties into the low twenties percent based upon annual net sales of imdusiran in Greater China and Taiwan. The royalties were payable on a product-by-product and region-by-region basis, subject to certain limitations.

Qilu was responsible for all costs related to developing, obtaining regulatory approval for, and commercializing imdusiran for the treatment or prevention of hepatitis B in Greater China and Taiwan. Qilu was required to use commercially reasonable efforts to develop, seek regulatory approval for, and commercialize at least one imdusiran product candidate in Greater China and Taiwan. A joint development committee was established between the Company and Qilu to coordinate and review the development, manufacturing and commercialization plans. Both parties also entered into a supply agreement and related quality agreement pursuant to which the Company would manufacture and supply Qilu with all quantities of imdusiran necessary for Qilu to develop and commercialize in Greater China and Taiwan until the Company completed its manufacturing technology transfer to Qilu and Qilu received all approvals required for it or its designated contract manufacturing organization to manufacture imdusiran in Greater China and Taiwan.

Concurrent with the execution of the license agreement, the Company entered into a Share Purchase Agreement (the Share Purchase Agreement) with Anchor Life Limited, a company established pursuant to the applicable laws and regulations of Hong Kong and an affiliate of Qilu (the Investor), pursuant to which the Investor purchased 3,579,952 of the Company's common shares at a purchase price of USD $4.19 per share, which was a 15% premium on the thirty-day average closing price of the Company's common shares as of the close of trading on December 10, 2021 (the Share Transaction). The Company received $15.0 million of gross proceeds from the Share Transaction on January 6, 2022. The common shares sold to the Investor in the Share Transaction represented approximately 2.5% of the Company's common shares outstanding immediately prior to the execution of the Share Purchase Agreement.

In June 2025, the Company and Qilu mutually agreed to conclude the strategic partnership and terminated the Qilu License Agreement and related agreements, and the Company now once again holds global rights for imdusiran. As no obligations remain under the Qilu License Agreement, the Company recognized all previously deferred revenue in the second quarter of 2025.

For the period of time the Qilu License Agreement was effective, it fell under the scope of ASC 808 as both parties were active participants in the arrangement and were exposed to significant risks and rewards. While this arrangement was in the scope of ASC 808, the Company analogized to ASC 606 for some aspects of this arrangement, including for the delivery of a good or service (i.e., a unit of account). In accordance with the guidance, the Company identified the following commitments under the arrangement: (i) rights to develop, use, sell, have sold, offer for sale and import any product comprised of Licensed Product (as defined in the Qilu License Agreement) (the Qilu License) and (ii) drug supply obligations and manufacturing technology transfer (the Manufacturing Obligations). The Company determined that these two commitments were not distinct performance obligations for purposes of recognizing revenue as the manufacturing process is highly specialized and Qilu would not be able to benefit from the Qilu License Agreement without the Company's involvement in the manufacturing activities until the

transfer of the manufacturing know-how was complete. As such, the Company combined these commitments into one performance obligation to which the transaction price was allocated and recognized this transaction price associated with the bundled performance obligation over time using an inputs method based on labor hours expended by the Company on its Manufacturing Obligations.

The Company determined the initial transaction price of the combined performance obligation to be $50.4 million, which includes the $40.0 million upfront fee, $4.4 million of withholding taxes paid by Qilu on behalf of the Company and the premium paid for the Share Transaction of $4.1 million. The Company determined the Milestone Payments to be variable consideration subject to constraint at inception. At the end of each subsequent reporting period, the Company will reevaluate the probability of achievement of the future development, regulatory, and sales milestones subject to constraint and, if necessary, will adjust its estimate of the overall transaction price. Any such adjustments will be recorded on a cumulative catch-up basis, which would affect revenues and earnings in the period of adjustment.

Due to the conclusion of the strategic partnership with Qilu, the Company recognized the remainder of the $9.6 million of deferred revenue during the twelve months ended December 31, 2025. The Company also recognized $0.8 million of revenue based on labor hours expended by the Company on its Manufacturing Obligations during the twelve months ended December 31, 2025. The Company recognized $1.4 million of revenue during the twelve months ended December 31, 2024, related to labor hours expended.

The Company incurred $0.6 million of incremental costs in obtaining the Qilu License Agreement, which was capitalized in other current assets and other assets and amortized as a component of general and administrative expense commensurate with the recognition of the combined performance obligation. The Company recognized the remainder of the amortization expense at the conclusion of the strategic partnership, recognizing a total of $0.2 million of amortization expense during the twelve months ended December 31, 2025. The Company recognized amortization expense of less than $0.1 million for the twelve months ended December 31, 2024.

Until the conclusion of the strategic partnership with Qilu, the Company reevaluated the transaction price and the total estimated labor hours expected to be incurred to satisfy the performance obligations and adjusted the deferred revenue at the end of each reporting period, which resulted in changes to the amount of collaboration revenue recognized and deferred revenue.

Barinthus Biotherapeutics plc

In July 2021, the Company entered into a clinical collaboration agreement with Barinthus Biotherapeutics plc (Barinthus), formerly Vaccitech plc, pursuant to which the Company completed IM-PROVE II, a Phase 2a proof-of-concept clinical trial evaluating the safety, antiviral activity and immunogenicity of a combination treatment with Barinthus' VTP-300, an HBV immunotherapeutic, administered after imdusiran in patients with cHBV infection. This clinical trial was amended to include a treatment arm with the addition of an approved PD-1 monoclonal antibody inhibitor, nivolumab (Opdivo).

The Company was responsible for managing this Phase 2a proof-of-concept clinical trial, subject to oversight by a joint development committee comprised of representatives from the Company and Barinthus. The Company and Barinthus retained full rights to their respective product candidates and split all costs associated with the clinical trial. The Company incurred $1.4 million and $2.1 million of costs related to the collaboration, net of Barinthus's 50% share, during the years ended December 31, 2025 and 2024, respectively, and reflected those costs in research and development in the statements of operations and comprehensive loss.

Royalty Entitlements

Alnylam Pharmaceuticals, Inc. and Acuitas Therapeutics, Inc.

In 2012, the Company entered into the LNP License Agreement with Alnylam that entitles Alnylam to develop and commercialize products with the Company's LNP technology in exchange for milestone and royalty payments. The Company has two royalty entitlements to Alnylam's global net sales of ONPATTRO. In addition, the Company is entitled to receive payments upon the achievement of contractual milestones related to Alnylam's use of the Company's proprietary LNP technology for other products.

Alnylam launched ONPATTRO, the first approved application of the Company's LNP technology, in 2018. Under the terms of this license agreement, the Company is entitled to tiered royalty payments on global net sales of ONPATTRO ranging from 1.00% - 2.33% after offsets, with the highest tier applicable to annual net sales above $500 million. This royalty interest was sold to OMERS, effective as of January 1, 2019, for $20 million in gross proceeds before advisory fees. OMERS will retain this entitlement until it has received $30 million in royalties, at which point 100% of this royalty entitlement on future global net sales of ONPATTRO will revert back to the Company. OMERS has assumed the risk of collecting up to $30.0 million of future royalty payments from Alnylam and the Company is not obligated to reimburse OMERS if they fail to collect any such future royalties. If this royalty entitlement reverts to the Company, it has the potential to provide an active royalty stream or to be otherwise monetized again in full or in part. From the inception of the royalty sale through December 31, 2025, an aggregate of $26.5 million of royalties have been earned by OMERS. See Note 9 for further details.

The Company is also receiving a second royalty interest ranging from 0.75% to 1.125% on global net sales of ONPATTRO, with 0.75% applying to sales greater than $500 million, originating from a settlement agreement and subsequent license agreement with Acuitas Therapeutics, Inc. (Acuitas). This royalty entitlement from Acuitas has been retained by the Company and was not part of the royalty entitlement sale to OMERS.

Gritstone Oncology, Inc.

On October 16, 2017, the Company entered into a license agreement with Gritstone that granted them worldwide access to its portfolio of proprietary and clinically validated LNP technology and associated intellectual property to deliver Gritstone's self-replicating, non-mRNA, RNA-based neoantigen immunotherapy products. Gritstone paid the Company an upfront payment, and will make payments for achievement of development, regulatory, and commercial milestones and royalties. As a result of the Company's agreement with Genevant (see Note 5 for details), from April 11, 2018 going forward, Genevant is entitled to 50% of the revenues earned by the Company from Gritstone. Gritstone filed for Chapter 11 bankruptcy protection in October 2024, which resulted in Seattle Project Corp. purchasing most of the assets of Gritstone, including the rights under this license agreement. There was no change to the Company's rights under this license agreement as a result of the bankruptcy and sale of assets.

The Company is the agent in this arrangement and records revenue on a net basis. Milestone payments that are not within the control of the Company or the licensee, such as those that require regulatory approvals, are not considered probable of being achieved until those approvals are received. The Company did not receive any payments from Gritstone or Seattle Project Corp. during the years ended December 31, 2025 or 2024.

Revenues from the Company's royalty entitlements are summarized in the following table:

	Year ended December 31,	
	2025	2024
	(in thousands)	
Revenue from collaborations and licenses		
Royalties from sales of ONPATTRO	$ 1,667	$ 2,562
Qilu Pharmaceutical Co., Ltd.	10,434	1,357
Other milestone and royalty payments	500	—
Non-cash royalty revenue		
Royalties from sales of ONPATTRO	1,482	2,252
Total revenue	$ 14,083	$ 6,171

12. Shareholders' equity

Authorized share capital

The Company's authorized share capital consists of an unlimited number of common shares and preferred shares, without par value, and 1,164,000 Series A participating convertible preferred shares, without par value.

Open Market Sale Agreement

Effective March 26, 2025, the Company terminated its Open Market Sale Agreement with Jefferies LLC (Jefferies) dated December 20, 2018, as amended by Amendment No. 1, dated December 20, 2019, Amendment No. 2, dated August 7, 2020 and Amendment No. 3, dated March 4, 2021 (as amended, the Sale Agreement), under which the Company could issue and sell common shares, from time to time.

Previously, on November 6, 2024, the Company filed: i) a shelf registration statement on Form S-3 with the SEC (File No. 333-283038) with an accompanying base prospectus, declared effective by the SEC on December 5, 2024 (the December 2024 Registration Statement), for the offer and sale of up to $300.0 million of the Company's securities; and ii) a prospectus supplement with the SEC in connection with the offering of up to $100.0 million of the Company's common shares pursuant to the Sale Agreement under the December 2024 Registration Statement (the December 2024 Prospectus Supplement). The Company did not utilize any of the December 2024 Prospectus Supplement pursuant to the Sale Agreement prior to the termination of the Sale Agreement.

During the year ended December 31, 2024, the Company issued 16,499,999 common shares under the Sale Agreement, resulting in net proceeds of approximately $44.1 million. During the year ended 2025, the Company issued no common shares under the Sale Agreement.

13. Stock-based compensation

Awards outstanding and available for issuance

During the year ended December 31, 2025, the Company had stock options outstanding under the following plans (collectively, the Arbutus Plans): the 2016 Omnibus Share and Incentive Plan (the 2016 Plan), the 2011 Omnibus Share Compensation Plan (the 2011 Plan); and the 2023 inducement grant. During the year ended December 31, 2025, the Company had restricted stock units outstanding under the 2016 Plan.

As of December 31, 2025, the aggregate number of shares authorized for awards under the Arbutus Plans was 40,493,870. As of December 31, 2025, the Company had 12,430,999 options and 1,529,959 restricted stock units outstanding and 16,881,800 awards available for issuance under the Arbutus Plans.

The Company issues new common shares of stock to settle options exercised.

The 2011 Plan expired in June 2021. Under the 2016 Plan, the Board may grant options, and other types of awards, to employees, directors and consultants of the Company. The exercise price of the options is determined by the Board but will be at least equal to the closing market price of the common shares on the date of grant and the term may not exceed 10 years. Options granted generally vest over four years for employees and for directors' initial grants, and immediately for directors' annual grants.

In July 2023, the Company provided an inducement grant of 500,000 options in connection with the hiring of its then-General Counsel and Chief Compliance Officer, which is governed by substantially the same terms as the 2016 Plan.

Hereafter, information on options governed by the Arbutus Plans is presented on a consolidated basis as the terms of the plans are similar.

Stock options under the Arbutus Plans

The following table summarizes activity related to the Company's equity-classified stock options for the year ended December 31, 2025:

	Number		Weighted-Average Exercise Price
Balance as of December 31, 2024	15,451,687	$	3.37
Options granted	5,263,722	$	3.33
Options exercised	(1,926,656)	$	2.87
Options forfeited, canceled or expired	(6,357,754)	$	3.44
Balance as of December 31, 2025	12,430,999	$	3.39

The intrinsic value of options exercised under the Arbutus Plans during 2025 and 2024 was $1.8 million and $1.4 million, respectively. The weighted average grant-date fair value of stock options granted during the year ended December 31, 2025 and 2024 was $2.34 and $1.87, respectively.

The following table summarizes additional information related to the Company's equity-classified stock options as of December 31, 2025:

		As of December 31, 2025
Options outstanding and expected to vest		
Number of stock options outstanding		12,430,999
Weighted-average exercise price	$	3.39
Intrinsic value (in $000s)	$	18,345
Weighted-average term remaining		6.2 years
Vested stock options		
Number of vested stock options		9,146,505
Weighted-average exercise price	$	3.44
Intrinsic value (in $000s)	$	13,243
Weighted-average term remaining		5.2 years

The assumptions used in the Black-Scholes option-pricing for grants made during the years ended December 31, 2025 and 2024 were as follows:

	December 31, 2025	December 31, 2024
Expected average option term	5.7 years	5.6 years
Expected volatility (historical)	82.2 %	92.0 %
Expected dividends	— %	— %
Risk-free interest rate	4.02 %	3.84 %

The Company considers all available information when estimating the fair value of its stock option grants.

Restricted Stock Units under the 2016 Plan

The following table summarizes activity related to the Company's restricted stock units, for the year ended December 31, 2025:

	Number	Weighted-Average Grant-Date Fair Value
Balance as of December 31, 2024	1,493,136	$ 2.57
Restricted stock units granted	1,968,509	$ 3.58
Restricted stock units vested	(580,584)	$ 2.61
Restricted stock units forfeited, canceled or expired	(1,351,102)	$ 2.90
Balance as of December 31, 2025	1,529,959	$ 3.55

The restricted stock units vest over three years in equal annual installments beginning one year from the grant date. The weighted average grant-date fair value of restricted stock units granted during the years ended December 31, 2025 and 2024 was $3.58 and $2.40, respectively.

Employee Stock Purchase Plan

In May 2020, the Company's shareholders approved the 2020 Employee Stock Purchase Plan (the ESPP) which became effective on May 28, 2020. A total of 1,500,000 common shares were reserved for issuance under the ESPP. Company employees contribute funds via payroll deductions, which are used to buy Company common shares at a discount of up to 15% based on the lower of the price at the start of the offering period and at the end of the relevant purchase period within such offering period. The initial offering period under the ESPP was September 1, 2020 through August 31, 2021 with purchase dates set on February 26, 2021 and August 31, 2021, with subsequent offering periods beginning on September 1 and ending on August 31. The Company issued 60,493 and 227,333 shares under its ESPP for the years ended December 31, 2025 and 2024, respectively. As of December 31, 2025, there were 554,175 shares remaining for issuance under the ESPP. For both of the years ended December 31, 2025 and 2024, the Company recognized less than $0.1 million of stock-based compensation expense related to the ESPP. The fair value of the right to acquire stock at a discounted price under the ESPP is calculated using the Black-Scholes valuation model and recorded as stock-based compensation. Expense is recognized over the period the employee contributes to the plan through payroll deductions.

Stock-based compensation expense

Total stock-based compensation expense was comprised of the vesting of options and restricted stock units awarded to employees under the Arbutus Plans calculated in accordance with the fair value method as described above and amortization of compensation cost related to the ESPP.

The Company recognizes forfeitures as they occur, and the effects of forfeitures are reflected in stock-based compensation expense.

Stock-based compensation has been recorded in the consolidated statement of operations and comprehensive loss as follows:

	Year Ended December 31,	
	2025	2024
	(in thousands)	
Research and development	$ 1,901	$ 3,647
General and administrative	2,550	5,339
Restructuring	$ 2,502	$ —
Total	$ 6,953	$ 8,986

At December 31, 2025, there remained $6.3 million and $4.1 million of unrecognized compensation expense related to unvested equity employee stock options and restricted stock units, respectively, to be recognized as expense over weighted-average periods of approximately 2.9 years and 1.7 years, respectively.

For each of the years ended December 31, 2025 and 2024, the Company had zero performance-based stock compensation expense.

Modification associated with restructuring

During the year ended December 31, 2025, the Company recognized $2.5 million of expense related to the modification of stock options for employees who were terminated as a result of the restructuring (Note 16). The modifications involved extension of the post-termination exercise period from 90 days to one year. The expense was recorded as part of restructuring costs in the consolidated statements of operations and comprehensive income.

14. Segment Reporting

The Company has one reportable segment. The Company's chief operating decision maker is the Chief Executive Officer and President. The accounting policies of the single segment are the same as those described in the summary of significant accounting policies. The chief operating decision maker assesses performance for the single segment and decides how to allocate resources based on net loss that also is reported on the statement of operations and comprehensive loss as consolidated net loss. The chief operating decision maker uses net loss to monitor budget versus actual results and to evaluate the overall cash burn of the business.

	Year ended December 31,	
	2025	2024
	(in thousands)	
Revenue	$ 14,083	$ 6,171
Less:		
Research and development employee expense, lab supplies and overhead	13,961	26,613
Imdusiran IM-PROVE I, II & III clinical trials expense	4,824	15,735
AB-101-001 Phase 1a/1b clinical trial expense	6,220	10,196
Other early research and development programs expense	236	1,493
General and administrative expense	15,893	22,108
Restructuring expense	12,939	3,720
Other segment expense (1)	(1,747)	2,811
Add:		
Interest income	4,068	6,585
Gain on sale of property and equipment	674	—
Segment net loss	$ (33,501)	$ (69,920)
Adjustments and reconciling items	—	—
Consolidated net loss	$ (33,501)	$ (69,920)

(1) Other segment expense includes the change in the fair value of contingent consideration, non-cash interest expenses and foreign currency exchange gains and losses.

15. Income taxes

The Company is subject to taxation and files income tax returns in Canadian federal and provincial, and United States federal and several state jurisdictions. As described in Note 2, the Company implemented ASU 2023-09 for the year ended December 31, 2025 on a prospective basis.

Income tax expense varies from the amounts that would be computed by applying the combined Canadian federal tax rate of 25% to the loss before income taxes as shown in the following tables. The change in the rate from 27% in 2024 to 25% in 2025 is due to the adoption of the new standard, which requires the rate reconciliation to begin with the federal rate in the country of domicile. In 2024, a combined rate of 27% was used (federal of 15% and provincial of 12%).

The domestic and foreign components of loss before income taxes were as follows:

	Year ended December 31,	
	2025	2024
	(in thousands)	
Domestic	$ 11,952	$ (1,671)
Foreign	$ (45,453)	$ (68,249)
Loss before income taxes	$ (33,501)	$ (69,920)

There is no provision for federal, state or foreign income taxes.

A reconciliation of the Canadian federal statutory income tax rate to the effective tax rate for the year ended December 31, 2025 in accordance with the guidance in ASU 2023-09 is as follows:

	Year Ended December 31, 2025	
	(in thousands, except percentages)	
Computed taxes (benefits) at Canadian federal rates	$ (8,374)	25 %
Domestic tax effects:		
Change in valuation allowance	(2,540)	8 %
Other	(449)	1 %
Domestic provincial tax effects:		
Tax abatement	(1,195)	4 %
Provincial tax	1,435	(4)%
Change in valuation allowance	(203)	1 %
Other	(36)	— %
Foreign tax effects:		
United States		
Foreign tax rate differential	1,818	(5)%
Non-taxable and non-deductible items: stock options	879	(3)%
Tax credits: research and development credits	(403)	1 %
Changes in valuation allowance	8,706	(26)%
Other adjustments:		
Stock option adjustment	304	(1)%
Other	58	— %
Effective tax rate	$ —	— %

The reconciliation of the combined Canadian federal and provincial income tax rate to the effective income tax rate for the year ended December 31, 2024 is as follows:

	Year Ended December 31, 2024
	(in thousands)
Computed taxes (benefits) at Canadian federal and provincial tax rates	$ (18,888)
Permanent and other differences	515
Federal R&D credit	(1,122)
Change in valuation allowance	11,748
Difference due to income taxed at foreign rates	4,101
Stock-based compensation	1,327
Other	2,319
Income tax expense	$ —

The Company had investment tax credits available to reduce Canadian federal income taxes of $7.1 million as of both December 31, 2025 and 2024, which expire between 2031 and 2037, and provincial income taxes of $2.0 million as of both December 31, 2025 and 2024, which expire between 2024 and 2027. The investment tax credits are accounted for under a flow-through method. In addition, the Company had research and development credits of $8.7 million as of December 31, 2025 and $8.3 million as of December 31, 2024, which expire between 2031 and 2038 and which can be used to reduce future taxable income in the United States.

The Company had scientific research and experimental development expenditures of $61.8 million available for indefinite carry-forward as of both December 31, 2025 and 2024. The Company also had net operating losses of $152.7 million and $150.8 million as of December 31, 2025 and 2024, respectively, which are due to expire between 2035 and 2038 and which can be used to offset future taxable income in Canada.

As of December 31, 2025 and 2024, the Company had $11.7 million of net operating losses due to expire in 2035 which can be used to offset future taxable income in the United States. United States net operating loss carryforwards arising in 2019 and future periods have an indefinite carryforward period. As of December 31, 2025 and 2024, the Company had $329.9 million and $260.0 million of net operating losses subject to an indefinite carryforward period which can be used to offset future taxable income in the United States.

As a result of ownership changes occurring on October 1, 2014 and March 4, 2015, the Company’s ability to use these losses may be limited under Internal Revenue Code Section 382. Losses incurred to date may be further limited if a subsequent change in control occurs.

The Company generated $12.0 million of pre-tax domestic income and $45.5 million in pre-tax foreign losses, respectively, for the year ended December 31, 2025. The Company generated $1.7 million of pre-tax domestic losses and $68.2 million in pre-tax foreign losses, respectively, for the year ended December 31, 2024. The Company used accumulated domestic net operating losses to offset the taxable income in both years.

As required by the 2017 Tax Cuts and Jobs Act and effective in 2022, the deferred tax asset as of December 31, 2025 and 2024 included $27.2 million and $33.7 million, respectively, related to the mandatory capitalization and amortization of research and development expenses.

Significant components of the Company's deferred tax assets and liabilities are shown below:

	As of December 31,	
	2025	2024
	(in thousands)	
Deferred tax assets (liabilities):		
Operating loss carryforwards	$ 111,292	$ 96,075
Canadian research and development deductions	16,673	16,700
Book amortization in excess of tax	308	(232)
Revenue recognized for tax purposes in excess of revenue recognized for accounting purposes	929	1,296
Tax value in excess of accounting value in lease inducements	157	51
Deferred revenue	—	2,817
Canadian Federal investment tax credits	5,147	5,147
Canadian Provincial investment tax credits	1,953	1,953
Equity method investment	3,375	3,375
U.S. Federal research and development credits	8,677	8,310
Deductible stock options	3,559	4,037
U.S. research and experimental expenditures capitalization	27,188	33,707
Accrued interest payable	1,869	1,796
Amortization	191	256
Other	72	138
Total deferred tax assets	$ 181,390	$ 175,426
Valuation allowance	(181,390)	(175,426)
Net deferred tax assets (liabilities)	$ —	$ —

16. Restructuring

In both 2024 and 2025, the Company implemented changes to focus its efforts on advancing the clinical development of imdusiran and AB-101 by ceasing all discovery efforts, implementing workforce reductions, and halting preparations for a potential IM-PROVE III clinical trial. In 2025, the decision was made to exit the Company's corporate headquarters in Warminster, Pennsylvania and to discontinue in-house scientific research. The restructuring has resulted in a total workforce after reductions of 19 employees.

Significant components of the Company's restructuring charges are shown below:

	Year ended December 31,	
	2025	2024
	(in thousands)	
Severance and continuing benefits	$ 6,331	$ 2,857
Non-cash stock compensation modification expense	2,483	—
Non-cash impairment of leasehold improvements and laboratory equipment	2,811	167
Non-cash impairment of lease right-of-use asset	948	—
Accrual of lease-related operating expenses	364	—
Contract close-out costs	—	696
Total restructuring charges	$ 12,939	$ 3,720

17. Related Party Transaction

On August 5, 2025, the Company entered into an agreement with Keith Manchester, M.D. for consulting services regarding the Company's development strategy and its hepatitis B programs. Dr. Manchester served as a member of the Board until February 24, 2025 and is considered a related person due to his service on the Board during the fiscal year ended December 31, 2025. In connection with this agreement, the Company granted an option to purchase 400,000 common shares to Dr. Manchester, with 5/48ths vesting immediately and the remainder vesting monthly. Vesting of all unvested shares may be accelerated if certain performance conditions are achieved, at the discretion of the Board.

The grant date fair value of the award was calculated using the Black-Scholes option valuation model, and expense will be recognized over the expected service period. The Company will accelerate recognition of any unrecognized expense if and when it becomes probable that the performance conditions will be satisfied.

18. Subsequent Events

On March 3, 2026, subsequent to the Company's December 31, 2025 balance sheet date, the Company and Genevant entered into the Moderna Settlement Agreement to resolve the Moderna LNP Litigation.

As part of the Moderna Settlement Agreement, the Company and Genevant will receive an aggregate $950 million Noncontingent Settlement Payment in July 2026. This portion of the settlement is noncreditable and nonrefundable. In addition, the Company and Genevant are entitled to receive an additional Contingent Settlement Payment of up to an aggregate $1.3 billion upon the occurrence of certain events related to the Moderna §1498 Appeal, but which may be subject to repayment. Under the Genevant License, the Company is entitled to receive, after reimbursement of both the Company's and Genevant's litigation costs, 20% of the Noncontingent Settlement Payment. As of December 31, 2025, the Company owns approximately 16% of the outstanding common equity of Genevant.

As the settlement was executed after December 31, 2025, no amounts related to the settlement have been reflected in the accompanying consolidated financial statements.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Disclosure Controls and Procedures

Our management, including our principal executive officer and principal financial officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the Exchange Act)), as of the end of the period covered by this Annual Report on Form 10-K. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer, concluded that, as of December 31, 2025, our disclosure controls and procedures were effective to provide reasonable assurance that (a) the information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and (b) such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

In designing and evaluating our disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Management's Annual Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Under the supervision and with the participation of our management, including our principal executive officer and our principal financial officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in the Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO 2013).

Our internal control over financial reporting is a process designed 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 in the United States of America. Our internal control over financial reporting includes those policies and procedures that: (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Based on our evaluation under the framework in COSO 2013, our management concluded that our internal control over financial reporting was effective as of December 31, 2025.

Changes in Internal Control over Financial Reporting

There have not been changes in our internal control over financial reporting during the quarter ended December 31, 2025 that have materially affected or are reasonably likely to materially affect the Company's internal control over financial reporting.

Item 9B. Other Information

Trading Plans

During the three months ended December 31, 2025, none of our directors or officers adopted, modified or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement" as such terms are defined under Item 408 of Regulation S-K.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The information required by this item is incorporated herein by reference to our Proxy Statement for the 2026 Annual General Meeting of Shareholders to be filed with the SEC within 120 days of the fiscal year ended December 31, 2025.

We have adopted a code of business conduct for directors, officers and employees (the Code of Conduct), which is available on our website at http://investor.arbutusbio.com/corporate-governance-0 and also at www.sedar.com. We intend to satisfy the disclosure requirement under Item 5.05 of Form 8-K regarding any amendment to, or waiver from, a provision of this Code of Conduct by posting such information on the website address and location specified above.

Item 11. Executive Compensation

The information required by this item is incorporated herein by reference to our Proxy Statement for the 2026 Annual General Meeting of Shareholders to be filed with the SEC within 120 days of the fiscal year ended December 31, 2025.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this item is incorporated herein by reference to our Proxy Statement for the 2026 Annual General Meeting of Shareholders to be filed with the SEC within 120 days of the fiscal year ended December 31, 2025.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this item is incorporated herein by reference to our Proxy Statement for the 2026 Annual General Meeting of Shareholders to be filed with the SEC within 120 days of the fiscal year ended December 31, 2025.

Item 14. Principal Accounting Fees and Services

The information required by this item is incorporated herein by reference to our Proxy Statement for the 2026 Annual General Meeting of Shareholders to be filed with the SEC within 120 days of the fiscal year ended December 31, 2025.

PART IV

Item 15. Exhibits and Financial Statement Schedules

Exhibit	Description
2.1	Agreement and Plan of Merger and Reorganization, dated January 11, 2015, by and among Tekmira Pharmaceuticals Corporation, TKM Acquisition Corporation and OnCore Biopharma, Inc. (incorporated herein by reference to Exhibit 2.1 to the Registrant's Current Report on Form 8-K/A, filed with the SEC on January 26, 2015).
3.1	Notice of Articles and Articles of the Company, as amended (incorporated herein by reference to Exhibit 3.1 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2017, filed with the SEC on March 16, 2018).
3.2	Amendment to Articles of the Company (incorporated herein by reference to Exhibit 3.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2018, filed with the SEC on November 7, 2018).
4.1**	Description of Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934.
10.1**#	Form of Arbutus Biopharma Corporation Indemnity Agreement.
10.2†	Settlement Agreement and General Release, by and among Tekmira Pharmaceuticals Corporation, Protiva Biotherapeutics Inc., Alnylam Pharmaceuticals, Inc., and AlCana Technologies, Inc., dated November 12, 2012 (incorporated herein by reference to Exhibit 4.26 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2012, filed with the SEC on March 27, 2013).
10.3†	Cross-License Agreement by and among Alnylam Pharmaceuticals, Inc., Tekmira Pharmaceuticals Corporation and Protiva Biotherapeutics Inc., dated November 12, 2012 (incorporated herein by reference to Exhibit 4.27 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2012, filed with the SEC on March 27, 2013).
10.4†	Stock Purchase Agreement by and among OnCore Biopharma, Inc. and each of the stockholders of Enantigen Therapeutics, Inc., dated as of October 1, 2014 (incorporated herein by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2015, filed with the SEC on May 6, 2015).
10.5#	Amended 2011 Omnibus Share Compensation Plan (incorporated herein by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2016, filed with the SEC on August 4, 2016).
10.6	Master Contribution And Share Subscription Agreement, by and between the Company, Genevant Sciences Ltd. and Roivant Sciences LTD. (incorporated herein by reference Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2018, filed with the SEC on May 4, 2018).
10.7#	Executive Employment Agreement, dated June 11, 2018, by and between the Company and David Hastings (incorporated herein by reference to Exhibit 10.52 of the Registrant's Annual Report on Form 10-K for the year end December 31, 2018, filed with the SEC on March 7, 2019).
10.8#	Executive Employment Agreement, dated July 10, 2015, by and between the Company and Michael McElhaugh, as amended by the First Amendment to Executive Employment Agreement, dated April 20, 2016, the Second Amendment to Executive Employment Agreement, dated December 11, 2018, the Third Amendment to the Executive Employment Agreement, dated November 1, 2022, and the Fourth Amendment to the Executive Employment Agreement, dated January 1, 2024 (incorporated herein by reference to Exhibit 10.23 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on March 5, 2024).
10.9#	Separation Agreement and General Release, dated effective April 2, 2025, by and between Arbutus Biopharma, Inc. and David Hastings (incorporated herein by reference to Exhibit 10.7 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2025, filed with the SEC on May 14, 2025).
10.10#	Separation Agreement and General Release, dated effective March 25, 2025, by and between Arbutus Biopharma, Inc. and Michael J. McElhaugh (incorporated herein by reference to Exhibit 10.4 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2025, filed with the SEC on May 14, 2025).

10.11†	Purchase and Sale Agreement, dated July 2, 2019, by and between the Company and OCM IP Healthcare Portfolio LP (incorporated herein by reference to Exhibit 10.6 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2019, filed with the SEC on August 5, 2019).
10.12#	Arbutus Biopharma Corporation 2020 Employee Stock Purchase Plan (incorporated herein by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K, filed with the SEC on June 1, 2020).
10.13#	Form of Arbutus Biopharma Corporation Option Agreement (incorporated herein by reference to Exhibit 10.8 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2019, filed with the SEC on August 5, 2019).
10.14†	Cross License Agreement, dated April 11, 2018, by and between the Company and Genevant Sciences Ltd. (incorporated herein by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, filed with the SEC on August 7, 2020).
10.15†	First Amendment to Cross License Agreement, dated June 27, 2018, by and among the Company, Genevant Sciences Ltd and Genevant Sciences GmbH. (incorporated herein by reference to Exhibit 10.4 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, filed with the SEC on August 7, 2020).
10.16†	Second Amendment to Cross License Agreement, dated June 27, 2018, by and among the Company, Genevant Sciences Ltd. and Genevant Sciences GmbH. (incorporated herein by reference to Exhibit 10.5 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, filed with the SEC on August 7, 2020).
10.17†	Third Amendment to Cross License Agreement, dated December 9, 2021, by and between the Company and Genevant Sciences GmbH (incorporated herein by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K, filed with the SEC on December 10, 2021).
10.18#	Form of Arbutus Biopharma Corporation Restricted Stock Unit Agreement. (incorporated herein by reference to Exhibit 10.41 of the Registrant's Annual Report on Form 10-K for the year end December 31, 2022, filed with the SEC on March 2, 2023).
10.19#	Arbutus Biopharma Corporation 2016 Omnibus Share and Incentive Plan, as supplemented and amended (incorporated herein by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K, filed with the SEC on May 28, 2024).
10.20#+	Executive Employment Agreement, dated February 25, 2025, by and between Arbutus Biopharma, Inc. and Lindsay Androski (incorporated herein by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2025, filed with the SEC on May 14, 2025).
10.21	Agreement, dated March 2, 2025, by and between the Company and Genevant Sciences GmbH (incorporated herein by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K, filed with the SEC on March 3, 2025).
10.22#+	Executive Employment Agreement, dated March 25, 2025, by and between Arbutus Biopharma, Inc. and Tuan Nguyen (incorporated herein by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2025, filed with the SEC on May 14, 2025).
10.23**†+	Settlement Agreement, dated March 3, 2026, by and among Arbutus Biopharma Corporation, Genevant Sciences GmbH, Genevant Sciences Ltd., Moderna, Inc. and ModernaTX, Inc.
19**	Insider Trading Policy.
21.1**	List of Subsidiaries.
23.1**	Consent of Ernst and Young LLP, an Independent Registered Public Accounting Firm.
31.1**	Certification of President and Chief Executive Officer pursuant to Rule 13a-14 or 15d-14 of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2**	Certification of Chief Financial Officer pursuant to Rule 13a-14 or 15d-14 of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of President and Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

32.2**	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
97	Arbutus Biopharma Corporation Incentive Compensation Recovery Policy (incorporated herein by reference to Exhibit 97 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on March 5, 2024).
101.INS**	XBRL Instance Document
101.SCH**	XBRL Taxonomy Extension Schema Document
101.CAL**	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF**	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB**	XBRL Taxonomy Extension Label Linkbase Document
101.PRE**	XBRL Taxonomy Extension Presentation Linkbase Document
104**	Cover Page Interactive Data File (formatted as Inline XBRL and Contained in Exhibit 101).

** Filed or furnished herewith, as applicable

† Certain confidential portions of the agreement were omitted by means of marking such portions with brackets (due to the registrant customarily and actually treating such information as private or confidential and such omitted information not being material) pursuant to Item 601 of Regulation S-K promulgated by the SEC. Arbutus agrees to supplementally furnish a copy of any confidential portions to the SEC upon request.

Management Contract or Compensatory Arrangement.

+ Certain exhibits or schedules to this agreement have been omitted in accordance with Item 601(a)(5) of Regulation S-K. A copy of any omitted exhibits or schedules will be furnished supplementally to the SEC upon request.

Financial Statements

See Index to Consolidated Financial Statements under Item 8 of Part II.

Financial Statement Schedules

None.

Item 16. Form 10-K Summary

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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 on March 23, 2026.

ARBUTUS BIOPHARMA CORPORATION

By: /s/ Lindsay Androski
Lindsay Androski
President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities indicated on March 23, 2026.

Signatures	Capacity in Which Signed
/s/ Lindsay Androski Lindsay Androski	President, Chief Executive Officer and Director (Chairperson) (Principal Executive Officer)
/s/ Tuan Nguyen Tuan Nguyen	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)
/s/ Robert Alan Beardsley Robert Alan Beardsley	Director
/s/ Joseph Bishop Joseph Bishop	Director
/s/ Matthew Gline Matthew Gline	Director
/s/ Dr. Roger Sawhney Dr. Roger Sawhney	Director

Exhibit 4.1

DESCRIPTION OF THE REGISTRANT'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

As of the date of the Annual Report on Form 10-K of which this exhibit forms a part, the only class of securities of Arbutus Biopharma Corporation ("we," "us" and "our") registered under Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is our common shares, without par value.

CAPITAL STOCK

The following description of our capital stock summarizes provisions of our Notice of Articles and Articles, as amended, or our Articles, the Investment Canada Act (Canada), the Competition Act (Canada) and the Business Corporations Act (British Columbia). The following description does not purport to be complete and is subject to, and qualified in its entirety by, our Articles, which are incorporated by reference as exhibits to the Annual Report on Form 10-K of which this exhibit is a part, and to the applicable provisions of the Investment Canada Act, the Competition Act and the Business Corporations Act.

Authorized and Outstanding Shares

Our authorized share capital consists of (i) an unlimited number of common shares, without par value, (ii) an unlimited number of preferred shares, without par value, and (iii) 1,164,000 Series A Participating Convertible Preferred Shares. As of March 18, 2026 there were (a) 195,478,068 common shares outstanding and (b) 0 Series A Participating Convertible Preferred Shares outstanding. None of our common shares or preferred shares are held by us or on behalf of us.

Voting Rights

The holders of our common shares are entitled to receive notice of any meeting of our shareholders and to attend and vote thereat, except those meetings at which only the holders of shares of another class or of a particular series are entitled to vote. Each common share entitles its holder to one vote. There are no cumulative voting rights.

Dividends

Subject to the rights of the holders of preferred shares, the holders of common shares are entitled to receive on a pro rata basis such dividends as our Board of Directors may declare out of funds legally available for payment of dividends.

Liquidation Rights

In the event of the dissolution, liquidation, winding-up or other distribution of our assets, those holders are entitled to receive on a pro rata basis all of our assets remaining after payment of all of our liabilities, subject to the rights of holders of preferred shares.

Other Rights and Preferences.

The terms of our common shares do not include any preemptive, conversion or subscription rights, nor any redemption or sinking fund provisions. The common shares are not subject to future calls or assessments by us.

Limitations to Control due to Certain Provisions of Canadian and British Columbian Law and our Articles

Unless such offer constitutes an exempt transaction, an offer made by a person, or an offeror, to acquire outstanding shares of a Canadian entity that, when aggregated with the offeror's holdings (and those of persons or companies acting jointly with the offeror), would constitute 20% or more of the outstanding shares, would be subject to the take-over provisions of Canadian securities laws. The foregoing is a limited and general summary of certain aspects of applicable securities law in the provinces and territories of Canada, all in effect as of the date hereof.

In addition to the take-over bid requirements noted above, the acquisition of shares may trigger the application of additional statutory regimes including amongst others, the Investment Canada Act (Canada) and the Competition Act (Canada).

As well, under the Business Corporations Act (British Columbia), unless otherwise stated in our Articles, certain corporate actions require the approval of a special majority of shareholders, meaning holders of shares representing 66 2/3% of those votes cast in respect of a shareholder vote addressing such matter. Those items requiring the approval of a special majority generally relate to fundamental changes with respect to our business, and include amongst others, resolutions: (i) removing a

director prior to the expiry of his or her term; (ii) altering our Articles, (iii) approving an amalgamation; (iv) approving a plan of arrangement; and (v) providing for a sale of all or substantially all of our assets.

The Nasdaq Global Select Market

Our common shares are listed on the Nasdaq Global Select Market under the symbol "ABUS."

Transfer Agent and Registrar

The transfer agent and registrar for our common shares is TSX Trust Company.

INDEMNITY AGREEMENT

THIS AGREEMENT has been entered into as of the __ day of ____, 20__

BETWEEN:

ARBUTUS BIOPHARMA CORPORATION, a company duly incorporated under the laws of the Province of British Columbia, and having an office at 701 Veterans Circle, Warminster, PA 18974

(the "**Indemnitor**")

AND:

_____[insert name]_____, with an address c/o 701 Veterans Circle, Warminster, PA 18974 USA

(the "**Indemnitee**")

WHEREAS:

(A) the Indemnitor has requested the Indemnitee to act as a director or officer of the Indemnitor and may ask the Indemnitee to act in a similar capacity with affiliates of the Indemnitor; and

(B) the Indemnitee has agreed, subject to the granting of the indemnities and releases herein provided for, to act as a director or officer of the Indemnitor and act in a similar capacity with affiliates of the Indemnitor if requested;

NOW THEREFORE in consideration of these premises, the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by each of the parties hereto, the parties hereto covenant and agree as set forth below.

1. INDEMNITY

1.1 Subject to §1.2, and §2.6(b) below the Indemnitor shall indemnify and save harmless the Indemnitee, and the Indemnitee's successors, heirs and personal representatives (together with the Indemnitee, the "Indemnified Parties") against and from:

(a) any and all actions and claims, whether current, threatened, pending or completed, whether civil, criminal, quasi-criminal or administrative, of every nature and kind whatsoever which may be brought or made by any person, firm, corporation or government, or by any governmental department, body, commission, board, bureau, agency or instrumentality against the Indemnified Parties in connection with the Indemnitee's execution of the duties of his office held as a director or officer with the Indemnitor or any affiliate of the Indemnitor from time to time;

(b) any and all costs, damages, charges, expenses (including legal fees and disbursements, on a full indemnity basis), fines, liabilities (statutory or otherwise), losses and penalties which the Indemnitee may sustain, incur or be liable for in consequence of

his acting as a director or officer of the Indemnitor or any affiliate of the Indemnitor from time to time, whether sustained or incurred by reason of the Indemnitee's negligence, default, breach of duty, breach of trust, failure to exercise due diligence or otherwise in relation to the Indemnitor or any of its affiliates from time to time, or any of their respective affairs; and

(c) without in any way limiting the generality of the foregoing, any and all costs, damages, charges, expenses (including legal fees and disbursements on a full indemnity basis), fines, liabilities, losses and penalties which the Indemnified Parties may sustain, incur or be liable for as a result of or arising by operation of statute and incurred by or imposed upon the Indemnified Parties in relation to the affairs of the Company in the Indemnitee's capacity as director or officer, including but not limited to, all statutory obligations to creditors, employees, suppliers, contractors, subcontractors and any government or agency or division of any government, whether federal, provincial, state, regional or municipal whether existing at the date hereof or incurred hereafter,

and without in any way limiting the generality of the foregoing, the Indemnitor agrees that should any payment or reimbursement made pursuant to this Agreement, including without limitation the payment of insurance premiums or any payment made by an insurer under an insurance policy, be deemed to constitute a taxable benefit or otherwise be or become subject to any tax or levy upon the Indemnified Parties, then the Indemnitor shall pay such amount as may be necessary to ensure that the amount received by or on behalf of the Indemnified Parties, after the payment of or withholding for such tax, fully reimburses the Indemnified Parties for the actual cost, expense or liability incurred by or on his or her behalf.

1.2 Notwithstanding the provisions of §1.1, the Indemnitor shall not be obligated to indemnify or save harmless the Indemnified Parties against and from any action, claim, cost, damage, charge, expense, fine, liability, loss or penalty:

(a) if in respect thereof the Indemnitee failed to act honestly and in good faith with a view to the best interests of the Indemnitor or its affiliate as the case may be;

(b) in the case of a criminal or administrative action or proceeding, if the Indemnitee did not have reasonable grounds for believing that his conduct was lawful;

(c) arising out of any act, error or omission of the Indemnitee that is fraudulent or malicious and that is committed by the Indemnitee with actual fraudulent or malicious purpose or intent; or

(d) for which he is entitled to indemnity pursuant to any valid and collectible policy of insurance, to the extent of such insurance. Where partial indemnity is provided by such policy of insurance, the obligation of the Indemnitor under §1.1 shall continue in effect but be limited to that portion of the liability for which indemnity is not provided by such policy.

1.3 The determination of any claim by judgment, order, settlement or conviction, or upon a plea of "nolo contendere" or its equivalent, will not, of itself, create any presumption for the purposes of this Agreement that the Indemnitee did not act honestly and in good faith with a view to the best interests of the Indemnitor or with the care, diligence, and skill of a reasonably prudent person or, in the case of a criminal or administrative action or proceeding, that he or she did not have reasonable grounds for believing that his conduct was lawful (unless the judgment or order of a court specifically finds otherwise) or that the Indemnitee had committed wilful neglect or gross default.

2. DEFENSE

2.1 For the purposes of this section 2:

"**Action**" means any action, inquiry, investigation, suit or other proceeding before a court or other tribunal in which a Claim is brought, made or advanced by or against the Indemnitee;

"**Claim**" means any allegation of charge, claim, cost, damage, expense, fine, liability, loss or penalty contemplated by §1.1;

"**Judgment**" means an award of damages or other monetary compensation made in an Action or any amounts the Indemnitee is ordered to pay by any court or other tribunal or any government, governmental department, body, commission, board, bureau, agency or instrumentality having proper jurisdiction as a result of any Claim brought, made or advanced of or against the Indemnitee; and

"**Settlement**" means an agreement to compromise a Claim or an Action.

2.2 Upon the Indemnitee becoming aware of any pending or threatened Claim or Action, the Indemnitee must provide written notice of it to the Indemnitor as soon as is reasonably practicable.

2.3 The Indemnitor shall have full power and authority to conduct such investigation of each Claim as is reasonably necessary in the circumstances and shall pay all costs of such investigation.

2.4 Subject to this subsection and §2.6(b), the Indemnitor shall defend, on behalf of the Indemnitee, any Claim or Action, even if the basis for the Claim or Action is groundless, false or fraudulent. If the Indemnitor has reasonable grounds for believing that any of the circumstances described in §1.2 apply to the Claim or Action, then the Indemnitor, upon giving the Indemnitee written notice of its belief and the grounds therefore, may refuse to so defend the Claim or Action, but such refusal shall not relieve the Indemnitor from any of its obligations of indemnity hereunder if it has determined that none of the provisions of §1.2 apply to the Claim or Action.

2.5 The Indemnitor shall consult with and pay reasonable heed to the Indemnitee concerning the appointment of any defence counsel to be engaged by the Indemnitor in fulfillment of its obligation to defend a Claim or Action, pursuant to §2.4.

2.6 With respect to a Claim or Action for which the Indemnitor is obliged to indemnify the Indemnitee hereunder:

(a) the Indemnitor may conduct negotiations towards a Settlement and, with the written consent of the Indemnitee (which the Indemnitee agrees not to unreasonably withhold), the Indemnitor may make such Settlement as it (in its sole judgment) deems appropriate or expedient in the circumstances, provided, however, that the Indemnitee shall not be required, as part of any proposed Settlement, to admit liability or agree to indemnify the Indemnitor in respect of, or make contribution to, any compensation or other payment for which provision is made by such Settlement; and

(b) if the Indemnitee fails to give his consent to the terms of a proposed Settlement which is otherwise acceptable to the Indemnitor and the claimant, the Indemnitor may require the Indemnitee to negotiate or defend the Claim or Action independently of the Indemnitor and in such event any amount recovered by such claimant in excess of the

amount for which Settlement could have been made by the Indemnitor, shall not be recoverable under this Indemnity, it being further agreed by the parties that the Indemnitor shall only be responsible for legal fees and costs up to the time at which such Settlement could have been made.

2.7 The Indemnitor shall have the right to negotiate a Settlement in respect of any Claim or Action which is founded upon any of the acts specified in §1.2. In the event that the Indemnitor negotiates a Settlement in respect of any of the acts specified in §1.2, the Indemnitee shall pay any compensation or other payment for which provision is made under the Settlement (and shall not seek indemnity or contribution from the Indemnitor), within 60 days of the Indemnitor making demand therefor, together with all fees, costs and expenses (including legal fees and disbursements on a full indemnity basis) which result from the defence of the Claim or the Action in respect of which the Settlement was made, including the cost of any investigation undertaken by the Indemnitor in connection therewith, to the date the Settlement was made.

2.8 The Indemnitor shall pay any Judgment which may be given against the Indemnitee unless any of the circumstances set out in §1.2 applies to the Action in respect of which the Judgment is given or unless and to the extent the Indemnitee is otherwise entitled to indemnity under the policy of insurance as contemplated by §1.2(d) in either case, the Indemnitee shall pay to the Indemnitor, within 60 days of the Indemnitor making demand therefore, all, fees, costs and expenses (including legal fees and disbursements on a full indemnity basis) which result from the defence and appeal of the Action, including the costs of any investigation undertaken by the Indemnitor in connection with the Action.

2.9 Upon the request of the Indemnitee and subject to the restrictions set out in the *Business Corporations Act* (British Columbia), the Indemnitor shall pay the expenses of the Indemnitee incurred in relation to a Claim or an Action indemnified hereunder, provided the Indemnitee hereby gives an undertaking to repay such expenses if it is finally determined that such payments are not indemnifiable under this agreement or prohibited by the *Business Corporations Act* (British Columbia).

3. GENERAL

3.1 Nothing herein contained shall in any way affect the Indemnitee's right to resign from his position as director or officer of the Indemnitor at any time.

3.2 The indemnity and release herein provided for shall survive the termination of the Indemnitee's position as director or officer of the Indemnitor, the termination of this Agreement, and shall continue in full force and effect thereafter.

3.3 This Agreement supersedes all prior agreements between the parties with respect to its subject matter. Notwithstanding the forgoing, nothing in this Agreement shall be deemed to diminish or otherwise restrict an Indemnified Party's right to indemnification under any provision of the Indemnitor's articles or under applicable corporate law.

3.4 Unless stated otherwise, all monies to be paid hereunder shall be paid within 10 days of becoming payable.

3.5 The Indemnitee acknowledges that he or she has been advised to obtain independent legal advice with respect to entering into this Agreement, that he or she has obtained such independent legal advice or has expressly waived such advice, and that he or she is entering into this Agreement with full knowledge of the contents hereof, of his own free will and with full capacity and authority to do so.

3.6 If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof shall continue in full force and effect. The parties hereto agree to negotiate in good faith to agree to a substitute provision which shall be as close as possible to the intention of any invalid or unenforceable provision as may be valid or enforceable. The invalidity or unenforceability of any provision in any particular jurisdiction shall not affect its validity or enforceability in any other jurisdiction where it is valid or enforceable.

3.7 Each party hereto agrees to do all such things and take all such actions as may be necessary or desirable to give full force and effect to the matters contemplated by this Agreement.

3.8 This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and permitted assigns.

3.9 Time shall be of the essence of this Agreement.

3.10 This Agreement and the application or interpretation hereof shall be governed exclusively by its terms and by the laws of the Province of British Columbia and the laws of Canada applicable therein and the parties hereto hereby irrevocably attorn to the jurisdiction of the courts of the Province of British Columbia.

IN WITNESS WHEREOF parties hereto have duly executed this Agreement as of the date first written above.

ARBUTUS BIOPHARMA CORPORATION

Per: __
Authorized Signatory

28183|8048555_2

Signed, Sealed and Delivered by _____[insert name]_____ in the presence of:)

)

Witness (Signature) **[insert name and sign above]**)

Name (please print))

Address)

City, Province)

Occupation)

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Schedule to Exhibit 10.1

The following directors and executive officers are parties to an Indemnity Agreement with the Company, each of which are substantially identical in all material respects to the representative Indemnity Agreement filed herewith as Exhibit 10.1 except as to the name of the signatory and the effective date of each signatory's Indemnity Agreement. The name of each signatory to the Indemnity Agreement is set forth below. The actual Indemnity Agreements are omitted pursuant to Instruction 2 to Item 601 of Regulation S-K.

INDEMNITEE

Lindsay Androski
Tuan Nguyen

Robert Alan Beardsley
Joseph Bishop
Matthew Gline
Roger Sawhney

EXECUTION COPY

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is entered into as of March 3, 2026 (the "Effective Date") by and between, on the one hand, Genevant Sciences GmbH ("Genevant"), a limited liability company organized under the laws of Switzerland having a principal place of business at Viaduktstrasse 8, 4051 Basel, Switzerland, and Arbutus Biopharma Corp. ("Arbutus"), a British Columbia corporation having an address at 700 West Georgia St., 25th Floor, Vancouver, British Columbia V7Y1B3 Canada, and, on the other hand, Moderna, Inc., a Delaware corporation having its principal place of business at 325 Binney Street, Cambridge, Massachusetts 02142, and ModernaTX, Inc., a Delaware corporation having its principal place of business at 325 Binney Street, Cambridge, Massachusetts 02142. For purposes of this Agreement, Genevant and Arbutus shall be referred to collectively as "Genevant/Arbutus," and Moderna, Inc. and ModernaTX, Inc. shall be referred to collectively as "Moderna." The aforementioned entities are individually referred to herein as a "Party" and collectively as the "Parties." In addition, Genevant Sciences Ltd. ("Genevant Parent") is also a signatory and a "Party" to this Agreement, but solely for purposes of [***].

WHEREAS Arbutus owns, and Genevant licenses, U.S. Patent Nos. 8,058,069, 8,492,359, 8,822,668, 9,364,435, 9,504,651, and 11,141,378 (collectively, the "Asserted US Patents");

WHEREAS Genevant/Arbutus have sued Moderna in Civil Action No. 1-22-cv-00252-JDW in the U.S. District Court for the District of Delaware (the "US Litigation"), in which Genevant/Arbutus have alleged infringement of the Asserted US Patents relating to Moderna's SPIKEVAX (COVID-19 vaccine, mRNA) and Moderna has asserted certain affirmative defenses and counterclaims;

WHEREAS Moderna has alleged that, pursuant to 28 U.S.C. § 1498, it is not the proper party to compensate Genevant/Arbutus for any patent infringement in connection with sales to the United States Government under the C-100 Contract (as defined below);

WHEREAS the Court denied-in-part and granted-in-part Moderna's motion for summary judgment and granted-in-part and denied-in-part Genevant/Arbutus' motion for summary judgment concerning the application of § 1498(a) to doses supplied under the C-100 Contract in the Court's opinion and order dated February 2, 2026 [D.I. 697 and 698];

WHEREAS Genevant Parent, the indirect parent of Genevant, is not a claimant in the US Litigation or the Ex-US Litigation, is not a direct beneficiary of any potential resolution of the US Litigation or the Ex-US Litigation, is not an intended direct beneficiary of the cash Payments to Genevant/Arbutus contemplated by this Agreement, and does not directly own or license the Genevant/Arbutus Patent Rights or the EPO Patent Rights, but is a Party to this Agreement solely for purposes of the Genevant Parent Provisions;

WHEREAS the Parties wish to stipulate to the entry of judgment in the US Litigation while preserving Moderna's ability to appeal the Court's ruling with respect to the § 1498 Disputed Matter, and this Agreement sets forth the terms and conditions regarding same;

WHEREAS the Parties or their Affiliates are also involved in various patent litigation proceedings outside the United States; and

WHEREAS, to avoid the time and expense of litigation, in recognition of the inherent risks and costs of litigation and appeal, the Parties wish to resolve and settle the US Litigation and the Ex-US Litigation (as defined below) on the terms and conditions set forth below.

NOW THEREFORE, in consideration of all the above premises and terms and conditions of this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Definitions

The following terms used in this Agreement shall have the meanings assigned to them in this Section 1 and shall include the singular as well as the plural.

1.1 "§ 1498 Disputed Matter" means whether 28 U.S.C. §1498 bars Genevant/Arbutus' direct infringement claims and Genevant/Arbutus' indirect infringement claims against Moderna for the Disputed Doses.

1.2 "§ 1498 Judgment" means the judgment reflected in Paragraph 3a of the proposed Consent Judgment and Order for the US Litigation contained in Exhibit 2.3.

1.3 "Affiliate" means, with respect to a Person, any Person that, now or hereafter, is directly or indirectly controlled by, under common control with or that controls such Person; provided that, notwithstanding the foregoing, solely as used in Sections 1.8, 1.11, 4.1, 4.3, and 4.4 with respect to (A) each of Genevant and Genevant Parent, "Affiliate" means solely Genevant Parent and its direct and indirect wholly owned subsidiaries and (B) Arbutus, "Affiliate" means solely Arbutus Biopharma Corporation and its direct and indirect wholly owned subsidiaries. For purposes of this definition and the definition of "Change of Control," "control" or "controlled" means direct or indirect ownership or control of at least fifty percent (50%), including ownership by trusts with substantially the same beneficial interests, of the voting rights of such Person, or the power to direct the management of such Person.

1.4 "Business Day" means a day other than Saturday, Sunday, or a United States federal or Delaware state holiday.

1.5 "C-100 Contract" means Contract No. W911QY20C0100, including modifications in effect as of the Effective Date that were disclosed to Genevant/Arbutus and Genevant/Arbutus counsel, including by production in the US Litigation, prior to the Effective Date.

1.6 "Change of Control" of Moderna means any transaction or series of related transactions in which (a) a Third Party acquires, directly or indirectly, control of Moderna, Inc. or ModernaTX, Inc. (each, a "Moderna Party"), (b) a Moderna Party merges with or into a Third Party and the holders of voting rights of such Moderna Party immediately prior to such transaction do not hold more than fifty percent (50%) of the voting rights of the surviving entity immediately after such transaction, or (c) a Moderna Party sells all or substantially all of its assets to a Third Party.

1.7 "Disputed Doses" means 493,757,200 doses that were sold to the United States Government under the C-100 Contract and which were characterized by the district court in the US Litigation (D.I. 698) as "vaccines that did not go directly to United States Government employees."

1.8 "EPO Patent Rights" means:

(a) European Patent Nos. 2279254 and 4241767, and any European patent applications from which they derive;

(b) any European patents granted on the applications identified in clause (a), whether as European bundle patents under the EPC or as Unitary Patents, together with all national validations, national parts, national designations, and any extensions or validations thereof in any EPC member state or any extension or validation state;

(c) any European patent application or European patent that claims priority, directly or indirectly, in whole or in part, to: (i) any patent or application identified in clauses (a) or (b), or (ii) any priority application to which a patent or application identified in clauses (a) or (b) claims priority, in each case to the extent controlled by Genevant, Arbutus, or any of their respective Affiliates; and

(d) any divisionals (including all generations thereof), substitutions, reissues, reexaminations, amendments, supplementary protection certificates, pediatric extensions, patent term extensions, and any other extensions or restorations of term relating to any of the foregoing.

For purposes of this definition, "controlled" means that Genevant, Arbutus, or any of their respective Affiliates (i) owns the relevant EPO Patent Right, in whole or in part, or (ii) has the legal right to license or enforce such EPO Patent Right without the consent of any Third Party and without any obligation to make any payment to any Third Party (for clarity, excluding payments to employees while employed by such Party or any of its Affiliates).

1.9 "Ex-US Litigation" means the following proceedings:

1.9.1 Canada: Federal Court of Canada File No. T-704-25, for infringement of Canadian Patent No. 2,721,333;

1.9.2 Japan: Tokyo District Court Case No. 2025 (Wa) 70079, for infringement of Japanese Patent No. 5,475,753;

1.9.3 Switzerland: Case O2025 002, for infringement of European Patent 2279254;

1.9.4 Case UPC_CFI_191/2025 (formerly Case 10280/2025), for infringement of European Patent 2279254;

1.9.5 Case UPC_CFI_192/2025 (formerly Case 10284/2025), for infringement of European Patent 4241767;

1.9.6 Moderna's opposition proceedings before the European Patent Office concerning EP 2279254; and

1.9.7 Moderna's opposition proceedings before the European Patent Office concerning EP 4241767.

1.10 "Final Non-Appealable Judgment" means a judgment, order, or decree of a court of competent jurisdiction as to which: (a) no appeal, petition for rehearing or rehearing *en banc*, or petition for writ of certiorari is pending; and (b) the time for filing any such appeal or petition has expired.

1.11 "Genevant/Arbutus Patent Rights" means: (a) the Asserted US Patents; (b) Canadian Patent No. 2,721,333, Japanese Patent No. 5,475,753, European Patent 2279254, and European Patent 4241767 (the "Asserted Ex-US Patents" and, together with the Asserted US Patents, the "Asserted Patents"); (c) on a country-by-country basis, with respect to any country anywhere in the world, all other Patents with an effective filing date before the Effective Date controlled by Genevant, Arbutus or any of their respective Affiliates that would, in the absence of the license granted under this Agreement, be infringed by the manufacture, use, distribution, offer for sale, sale, import, or export of any Moderna Licensed Product; [***] and (e) any continuations, continuations-in-part, divisionals, re-examinations, re-issues, extensions, and foreign counterparts of any of the Patents set forth in clauses (a) through (d). [***]

1.12 "Moderna Licensed Products" means: SPIKEVAX (COVID-19 vaccine, mRNA); mNEXSPIKE (COVID-19 vaccine, mRNA); mRESVIA (Respiratory Syncytial Virus vaccine); and any other mRNA vaccine, including those in development, that includes an SM-102-based LNP formulation against an infectious disease and is or will be either (i) licensed or authorized according to a Regulatory Application filed by

Moderna or (ii) sold by or on behalf of Moderna or its applicable Affiliate as Moderna's or the Affiliate's own product.

1.13 "Patents" means (i) all classes or types of patents in any country or jurisdiction, including utility patents, utility models, design patents, invention certificates, reexamination certificates, and reissue patents; and (ii) all applications for all classes and types of patents in any country or jurisdiction, including provisional applications, nonprovisional applications, continuations, divisionals, and continuations-in-part.

1.14 "Person" means an individual, trust, corporation, partnership, joint venture, limited liability company, association, unincorporated organization or other legal or governmental entity.

1.15 "Regulatory Application" means an application for Emergency Use Authorization or a Biologics License Application submitted to FDA (or other application seeking approval to market a pharmaceutical product including a foreign equivalent), and any supplements, amendments, or replacements thereto.

1.16 "Third Party" means a Person that is not a Party and is not an Affiliate of a Party.

2. Releases and Dismissals

2.1 Mutual Release. Except as set forth in Section 2.1.1, effective upon the payment in full by Moderna of the noncontingent lump sum payment in accordance with Section 3.1, each Party, on behalf of itself, its Affiliates, shareholders, directors, officers, employees, agents, representatives, assigns, predecessors, and successors, hereby fully, finally and irrevocably releases, relinquishes, acquits and discharges each other Party and its Affiliates, and each of their respective directors, officers, employees, agents, representatives, heirs, assigns, shareholders, importers, manufacturers, distributors, suppliers, service providers, collaboration partners, licensees, insurers and each of their predecessors and successors of and from any and all pending and potential claims, counterclaims, demands, all manner of actions, causes of action, suits, defenses, judgments, settlements, debts, offsets, accounts, damages, losses, liabilities, costs, expenses (including expert fees), interest, punitive damages, reasonable attorneys' fees and other damages or costs of whatever nature, whether known or unknown, pending or future, certain or contingent (collectively, "Claims"), both at law and in equity, suspected or unsuspected, accrued or unaccrued, in the case of each of the foregoing based on activities on or before the Effective Date which relate in any way to: (i) the US Litigation, including the claims asserted in the US Litigation; (ii) the Ex-US Litigation, including the claims asserted in the Ex-US Litigation; and (iii) the manufacture, use, distribution, development, offer for sale, sale, import, or export of the Moderna Licensed Products or components thereof, including any claims for infringement of any of the Genevant/Arbutus Patent Rights in any jurisdiction in which the Genevant/Arbutus Patent Rights exist. For clarity, neither the releases set forth in this Section 2.1 nor any other provision of this Agreement shall prevent any Party from bringing an action or otherwise taking steps to enforce this Agreement.

2.1.1 Limitation on Release of Claims Regarding the § 1498 Disputed Matter. The Parties acknowledge that pursuant to the stipulated judgment in the US Litigation and subject to Section 2.5, Moderna may appeal from the stipulated judgment solely with respect to the § 1498 Disputed Matter. As of the Effective Date, the release provided in Section 2.1 does not extend to the Disputed Doses. If, after the Effective Date, Moderna pays in full the contingent lump sum provided in Section 3.2 and has exhausted or forfeited any remaining appellate rights concerning the decision that triggered its obligation to pay the contingent lump sum, then the release provided in Section 2.1 shall thereupon extend to the applicable Disputed Doses for which there is a Final Non-Appealable Judgment affirming the § 1498 Judgment in its entirety or otherwise holding that § 1498(a) does not bar Genevant/Arbutus' claim against Moderna for either or both of direct infringement and indirect infringement. If a Final Non-Appealable Judgment holds that § 1498(a) bars Genevant/Arbutus' claims with respect to all or some of the Disputed Doses, the release in Section 2.1 shall extend to those Disputed Doses as to which § 1498(a) was found to bar Genevant/Arbutus' claims, regardless of whether no contingent lump sum payment, or only a partial contingent lump sum payment, was required or made under Section 3.2. The release provided in Section 2.1 (including this Section 2.1.1) (i) does not extend to the United States Government, and (ii) does not result in, and shall not be construed to result in, any impairment, waiver, release or other limitation on Genevant's or Arbutus' (or any of their respective Affiliates') right to pursue any claim against the United States Government with respect to such products. Moderna shall not take any position or make any argument that is contrary to the limitations of the release, including clauses (i) and (ii) immediately above. Moderna's compliance with its contractual obligations under the C-100 Contract to the U.S. Government, including compliance with FAR 52.227-2, does not violate any term of this Agreement.

2.2 Waiver of Right to Assert Unknown Claims. Each Party hereby expressly waives any and all provisions, rights and benefits conferred by § 1542 of the California Civil Code (which provides that "A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party"), or by any law or principle of common law that is similar, comparable or equivalent to § 1542 of the California Civil Code, with respect to the Claims released in Section 2.1.

2.3 Dismissal of the US Litigation and Ex-US Litigation. Within one (1) Business Day of the Effective Date, the Parties shall cause their counsels to execute and promptly file, and shall reasonably cooperate and take other reasonable actions to effectuate, stipulated judgments and stipulations of dismissal (substantially in the forms included in Exhibit 2.3 hereto) for the respective courts or tribunals to enter judgment or dismiss with prejudice or withdraw (as the case may be) all claims in the US Litigation and Ex-US Litigation, with each Party to bear its own fees and costs.

2.4 No Patent Challenges. Moderna shall not, and shall cause its Affiliates not to, voluntarily challenge or assist any Third Party in challenging the infringement, validity, or enforceability of any of the Asserted US Patents, any U.S. Patents that claim priority to the same applications as the Asserted US Patents (the "Related Asserted US Patents"), or U.S. Patent Nos. 8,492,359, 11,298,320, and 11,318,098 (collectively with the Asserted US Patents and the Related Asserted US Patents, the "Specified Patents"), except if any Specified Patent is asserted or threatened to be asserted (i) against Moderna or any of its Affiliates, or (ii) against any Related Third Party within the scope of any license, release, or covenant granted under this Agreement.

2.4.1 Freedom to Operate. Moderna, its Affiliates, and their collaboration partners may initiate or participate in any validity challenge (including IPR, PGR, reexamination, or opposition) concerning Genevant/Arbutus Patent Rights—other than Specified Patents—involving claims that are not expressly limited to the field of use of the Moderna Licensed Products and such challenge relates to Moderna products, technology, or activities—other than a Moderna Licensed Product—Moderna shall not be required to identify or specify any particular product in connection with such challenge, and any such challenge shall not constitute an admission of validity, enforceability, or infringement of the Genevant/Arbutus Patent Rights.

2.4.2 No Admissions. Nothing in this Agreement constitutes an admission by any Party of the validity or invalidity of any Genevant/Arbutus Patent Right, of direct or indirect infringement of those patents, or of any issue relating to the US Litigation or Ex-US Litigation. Further, the consent to enter judgment in Exhibit 2.3 for the US Litigation is entered into by Moderna based on the disclosures of the asserted patents' specifications, the relevant priority dates, the Court's claim construction, and the parties' contentions and expert opinions, the specific asserted relevant prior art, the specific prior related proceedings, and the asserted claims in the patents.

2.4.3 Successors and Acquired Entities. This Section 2.4 does not apply to (i) an assignee or transferee under Section 7.6 that is not an Affiliate of a Party, or (ii) any entity acquired by Moderna or its Affiliates after the Effective Date, with respect to any challenge in which that entity was participating prior to the closing of such acquisition.

2.4.4 Compelled Activities. Nothing in this Section 2.4 prevents Moderna or its Affiliates from complying with discovery requests, testifying at depositions, serving as a witness, complying with court or, subject to Section 2.6, government directives, complying with applicable laws or regulations, or complying with contractual obligations (including Moderna's obligations under the C-100 Contract, including FAR 52.227-2).

2.5 Appeal of the § 1498 Judgment. Pursuant to the stipulated judgment to be entered in the US Litigation, Moderna will preserve its right to appeal solely with respect to the §

1498 Disputed Matter. For the avoidance of doubt, no Party shall challenge on appeal the district court's finding that "vaccine doses that the Government acquired and distributed to its own employees" (quoted from D.I. No. 697, at 15) are subject to 28 U.S.C. § 1498(a) and Moderna is not liable for infringement. Moderna may challenge on appeal only the district court's conclusions with respect to the § 1498 Disputed Matter. In conducting these appellate proceedings at the Federal Circuit (both first-instance and following any remand), no Party will (without the consent of all other Parties) seek any extension [***]. In proceedings before the Supreme Court, no Party shall seek extension on a cert petition, and during the Supreme Court merits stage, no Party shall seek any extensions on merits briefing without first confirming with the Court that the extensions will not affect which argument session the case will be heard. Any failure to comply with the preceding sentence will be deemed a material breach of this Agreement. If any Party moves for or requests expedited oral argument in the first-instance appeal before the Federal Circuit and any subsequent appeal before the Federal Circuit following remand or other further proceedings, all other Parties shall join or support such motion or request upon written notice thereof from the moving Party.

2.6 Moderna's Role in any Court of Federal Claims Action Concerning the C-100 Contract Doses. In any claim Genevant or Arbutus (or any of their Affiliates) files against the United States Government related to doses sold under the C-100 Contract, to the extent Moderna is served with any discovery requests or subpoenas by Genevant, Arbutus, or the U.S. Government, Moderna shall reasonably comply by providing proportional discovery pursuant to a protective order that Moderna agrees to. Notwithstanding anything herein to the contrary, the provision of discovery in response to a lawful discovery request or subpoena does not breach or otherwise violate the terms of this Agreement. Notwithstanding anything herein to the contrary, Moderna shall have the right to comply with its contractual obligations under the C-100 Contract to the U.S. Government, including compliance with FAR 52.227-2, provided that Moderna shall not provide any assistance to the United States Government in any claim against the United States Government related to doses sold under the C-100 Contract that it is not contractually obligated to provide, and compliance thereunder does not breach or otherwise violate the terms of this Agreement.

3. Payments to Genevant/Arbutus

3.1 Noncontingent Lump Sum Payment. In consideration for the release and dismissals set forth in Section 2, Moderna shall pay to Genevant, Arbutus, or their respective designees, collectively, the noncreditable, nonrefundable sum of nine hundred fifty million United States Dollars (US $950,000,000.00) in accordance with an allocation schedule to be provided to Moderna by Genevant on or before June 30, 2026. Said payment shall be made on or before July 8, 2026 [***].

3.2 Contingent Lump Sum Payment. In consideration for the release and dismissals set forth in Section 2.1.1 and without limitation of Section 3.3, Moderna shall pay to Genevant, Arbutus, or their respective designees, collectively, the noncreditable, nonrefundable contingent lump sum payment specified in one of Section 3.2.1, Section 3.2.2 or Section 3.2.3, should one be applicable.

3.2.1 Full Affirmance Upon Final Non-Appealable Judgment: If there is a Final Non-Appealable Judgment affirming the § 1498 Judgment in its entirety, or otherwise holding that § 1498(a) does not bar Genevant/Arbutus' claim against Moderna for either or both of direct infringement and indirect infringement for all of the Disputed Doses, Moderna shall pay to Genevant, Arbutus, or their respective designees, collectively, one billion three hundred million United States Dollars (US $1,300,000,000.00), within ninety (90) days after such Final Non-Appealable Judgment, plus interest calculated from the date that the Federal Circuit first issues a decision with respect to the § 1498 Disputed Matter (if such decision was not a Final Non-Appealable Judgment) until the date of payment under this Section 3.2.1, at the per annum rate of the lesser of: (i) [***] over the then-current US prime lending rate (as reported in the Wall Street Journal); or (ii) the maximum rate permitted by applicable law.

3.2.2 Mixed Outcome Payment Upon Final Non-Appealable Judgment: If Section 3.2.1 does not apply and there is a Final Non-Appealable Judgment holding that § 1498(a) does not bar Genevant/Arbutus' claim against Moderna for either or both of direct infringement and indirect infringement for a subset of the Disputed Doses, Moderna shall pay to Genevant, Arbutus, or their respective designees, collectively, a prorated amount of one billion three hundred million United States Dollars (US $1,300,000,000.00) that reflects the number of Disputed Doses to which § 1498(a) does not bar Genevant/Arbutus' claim against Moderna.
Payment shall be due within sixty (60) days after the Final Non-Appealable Judgment. The prorated amount shall be calculated by assigning equal value to each dose, using the following formula:

(Number of Disputed Doses to which § 1498(a) does not bar) ÷ (493,757,200) × US $1,300,000,000.00 = "Mixed Outcome Payment"

3.2.3 Payment Upon Forgone Appeal: If Moderna does not file a notice of appeal within twenty-one (21) days of the district court's entry of the stipulated § 1498 Judgment, Moderna shall pay to Genevant, Arbutus, or their respective designees, collectively, one billion three hundred million United States Dollars (US $1,300,000,000.00) within ninety (90) days after such entry. If Moderna voluntarily dismisses a pending appeal, Moderna shall pay to Genevant, Arbutus, or their respective designees, collectively, one billion three hundred million United States Dollars (US $1,300,000,000.00) within ninety (90) days of such entry of filing for voluntary dismissal. Only if the voluntary dismissal was not by agreement of the Parties, interest shall be due or payable, from the Effective Date through the payment date by Moderna under this Section 3.2.3, at the per annum rate of the lesser of: (i) [***] over the then-current US prime lending

rate (as reported in the Wall Street Journal); or (ii) the maximum rate permitted by applicable law. If the voluntary dismissal is made by agreement between the parties, no interest shall be due or payable by Moderna.

3.3 Interim Payments Pending Final Resolution: Because a Federal Circuit decision may be subject to further appeal, rehearing, rehearing *en banc*, certiorari, and/or remand proceedings, any payment made by Moderna pursuant to this Section 3.3 prior to a Final Non-Appealable Judgment is an interim payment that is subject to refund or true-up as set forth below.

3.3.1 Interim Payment upon Federal Circuit Full Affirmance: If there is a decision of the Federal Circuit, by the initial panel, upon panel rehearing, or *en banc*, affirming the § 1498 Judgment in its entirety, or otherwise holding that § 1498(a) does not bar Genevant/Arbutus' claim against Moderna as to either or both of direct infringement and indirect infringement, for all of the Disputed Doses, Moderna shall pay to Genevant, Arbutus, or their respective designees, collectively, one billion three hundred million United States Dollars (US $1,300,000,000.00) (the "Interim Affirmance Payment") within ninety (90) days after such Federal Circuit decision. No interest shall be due or payable by Moderna under this Section 3.3.1.

If, following the Interim Affirmance Payment, a Final Non-Appealable Judgment affirms the § 1498 Judgment in its entirety, or otherwise holds that § 1498(a) does not bar Genevant/Arbutus' claim against Moderna, as to either or both of Genevant/Arbutus' direct infringement claims and indirect infringement claims, for all of the Disputed Doses, the Interim Affirmance Payment shall be deemed to satisfy Moderna's obligation under Section 3.2, and no further contingent lump sum payment shall be due. If, however, a Final Non-Appealable Judgment reverses the § 1498 Judgment in its entirety, Genevant/Arbutus shall refund to Moderna the full amount of the Interim Affirmance Payment, plus interest calculated from the date the Interim Affirmance Payment was made by Moderna until the date of refund at the per annum rate of the lesser of: (i) [***] over the then-current US prime lending rate (as reported in the Wall Street Journal); or (ii) the maximum rate permitted by applicable law. Such refund shall be made by wire transfer of immediately available funds in accordance with instructions to be provided in writing by Moderna, within ninety (90) days after the date on which such Final Non-Appealable Judgment is entered. If the Final Non-Appealable Judgment results in a mixed outcome such that Section 3.2.2 applies, the Parties shall reconcile the Interim Affirmance Payment against the Mixed Outcome Payment, and Genevant/Arbutus shall refund any excess, plus interest as provided above, within ninety (90) days after such Final Non-Appealable Judgment.

3.3.2 Mixed Outcome Subject to Further Proceedings – Interim Payment and Binding Arbitration to Determine Interim Payment: This Section 3.3.2 applies if: (a) the Federal Circuit issues a decision that is not a Final Non-Appealable Judgment; (b) such decision holds that § 1498(a) does not bar Genevant/Arbutus' claim against

Moderna for either or both of direct infringement and indirect infringement, as to some, but not all, of the Disputed Doses; and (c) one or more Parties seek further appellate review or additional proceedings (including remand) that could alter the number of Disputed Doses to which § 1498(a) is a bar (a "Mixed Outcome Subject to Further Proceedings").

a. Good-Faith Negotiation: Within [***] following a Mixed Outcome Subject to Further Proceedings, the Parties shall engage in good-faith negotiations to agree upon the number of Disputed Doses subject to the initial decision and the corresponding interim payment amount, if any, that Moderna must pay pending the outcome of subsequent proceedings. If the Parties reach agreement within such [***] period, Moderna shall pay the agreed-upon amount within [***] after such agreement. Payments made under this Section a are subject to refund and additional payment under the True Up provisions of Section 3.6.

b. Binding Arbitration to Determine Interim Payment: If the Parties do not reach agreement pursuant to Section a within the [***] negotiation period, either Party may invoke binding arbitration by written notice to the other Party within [***] following the expiration of the negotiation period. The arbitration shall determine: (a) the prorated number of Disputed Doses for which Moderna is likely to prevail in obtaining a final judgment that § 1498(a) bars Genevant/Arbutus' claim against Moderna for either or both of direct infringement and indirect infringement; and
(b) the corresponding interim payment amount, if any, that Moderna must pay pending the outcome of subsequent proceedings. [***]

3.4 Binding Arbitration Upon Delay of Federal Circuit Proceedings:

3.4.1 Right to Invoke Arbitration: If the Federal Circuit has not issued a first-instance decision by a merits panel on the § 1498 Judgment within twenty-four (24) months of Moderna's filing of the notice of appeal, Genevant/Arbutus may invoke binding arbitration by written notice to Moderna to determine whether Moderna has engaged in conduct outside of standard appellate advocacy that contributed materially to a material delay of the Federal Circuit proceedings.

3.4.2 Standard for Determination: The arbitrator shall determine solely whether Moderna engaged in conduct outside of standard appellate advocacy that contributed materially to a material delay of the Federal Circuit proceedings. For the avoidance of doubt, the following are examples of standard appellate

advocacy that shall not qualify as Moderna engaging in conduct contributing to material delay: (i) filing briefs in accordance with the standard Federal Circuit briefing schedule; (ii) efforts to generate and coordinate the filing of amicus curiae briefs regardless of the number of such briefs; (iii) responding to court orders or inquiries in accordance with the Federal Circuit's instructions, including relating to its jurisdiction to entertain the appeal; and (iv) delays caused by the court's own scheduling, internal processes, or backlog. In determining whether Moderna engaged in conduct outside of standard appellate advocacy that contributed materially to a material delay of the Federal Circuit proceedings, the arbitrator shall subtract from the asserted period of material delay any period of delay attributable to the conduct of Genevant or Arbutus and any period of delay attributable to the court.

3.4.3 Payment Obligation Upon Finding of Material Delay: If the arbitrator determines that Moderna materially delayed the Federal Circuit proceedings and is thus responsible for the absence of first-instance decision within 24 months, Moderna shall pay to Genevant, Arbutus, or their respective designees, collectively, one billion three hundred million United States Dollars (US $1,300,000,000.00) within ninety (90) days after the arbitrator's decision. Such payment shall be subject to refund, including interest, in accordance with the provisions of Section 3.10 as if it were a contingent lump sum payment made under Section 3.2.

3.4.4 Costs of Delayed Arbitration: The non-prevailing Party shall pay the prevailing Party's reasonable attorneys' fees and costs, as well as the fees and expenses of the arbitrator, as well as a lump sum of [***] as a mutually agreed reasonable estimate of the intangible costs incurred by the prevailing Party in executive time, overhead, and opportunity costs associated with the arbitration.

3.5 Arbitration Procedures: Any arbitration under Section 3.3.2(b) or Section 3.4 shall be conducted in accordance with the arbitrator selection procedures set forth in Section 3.5.1 and the arbitration procedures and schedule set forth in Section 3.5.2. Additionally, the non-prevailing Party shall pay the prevailing Party's reasonable attorneys' fees and costs, as well as the fees and expenses of the arbitrator.

3.5.1 Arbitrator Selection: Within [***] after the notice invoking arbitration, the Parties shall mutually agree upon a single neutral arbitrator with experience in patent litigation matters. If the Parties cannot agree within such period, each of Moderna and Arbutus and Genevant together shall, within [***] thereafter, designate one candidate arbitrator, and those two candidates shall jointly select the arbitrator within [***].

3.5.2 Arbitration Procedures and Schedule:

The arbitration shall proceed on the following expedited schedule:

(a) Opening Briefs: Each Party shall submit an opening brief of no more than ten (10) pages within [***] of the arbitrator's appointment. Briefs shall be submitted simultaneously (cross-briefing).

(b) Responsive Briefs: Each Party shall submit a responsive brief of no more than ten (10) pages within [***] of the exchange of opening briefs. Responsive briefs shall be submitted simultaneously (cross-briefing).

(c) Oral Argument: The arbitrator may, in the arbitrator's sole discretion, convene oral argument. If oral argument is held, it shall occur within [***] of the submission of responsive briefs.

(d) Decision: The arbitrator shall issue a written decision within [***] of the submission of responsive briefs, or within [***] of oral argument if oral argument is held. The Parties agree not to submit, cite, or reference the arbitrator's decision to any court adjudicating any appeal or remand from any appeal of the US Litigation.

3.5.3 Standard for Arbitrator's Determination in Arbitration Pursuant to Section 3.3.2(b):

The arbitrator shall determine: (a) the Party most likely to prevail in obtaining a Final Non-Appealable Judgment as to whether § 1498(a) bars Genevant/Arbutus' claim against Moderna as to either or both of direct infringement and indirect infringement, as to the disputed portion of the Disputed Doses; and (b) the proportion of the Disputed Doses as to which such Party is likely to prevail. The arbitrator shall base this determination solely on the applicable law and precedent that would govern the Federal Circuit and any court or tribunal with jurisdiction over subsequent proceedings, the record developed in the US Litigation and appellate proceedings, and the reasoning set forth in any judicial decisions issued to date.

3.5.4 Interim Payment Obligation following Arbitration Pursuant to Section 3.3.2(b): Within sixty (60) days after the arbitrator's decision, Moderna shall pay to Genevant, Arbutus, or their respective designees, collectively, an amount calculated as follows:

(Number of Disputed Doses - Number of Disputed Doses for which the arbitrator determines Moderna is likely to prevail that § 1498(a) is a bar to Genevant/Arbutus' claim against Moderna) ÷ (493,757,200) × US $1,300,000,000.00 = interim payment

If the arbitrator determines that Moderna is likely to prevail that § 1498(a) is a bar to Genevant/Arbutus' claim against Moderna as to all Disputed Doses, no interim payment shall be due.

3.6 True-Up Upon Final Non-Appealable Judgment: Upon entry of a Final Non-Appealable Judgment resolving the § 1498 Disputed Matter:

(a) Underpayment: If the Final Non-Appealable Judgment determines that Moderna is liable for a greater number of Disputed Doses than reflected in any interim payment, Moderna

shall pay the difference to Genevant, Arbutus, or their respective designees within sixty (60) days after such judgment, plus interest calculated from the date that such interim payment was made until the date of payment under this Section 3.6(a), at the per annum rate of the lesser of: (i) [***] over the then-current US prime lending rate (as reported in the Wall Street Journal); or (ii) the maximum rate permitted by applicable law.

(b) Overpayment: If the Final Non-Appealable Judgment determines that Moderna is liable for fewer Disputed Doses than reflected in any interim payment (including zero doses), Genevant/Arbutus shall refund the excess amount to Moderna within sixty (60) days after such judgment, plus interest calculated from the date that such interim payment was made until the date of payment under this Section 3.6(b), at the per annum rate of the lesser of: (i) [***] over the then-current US prime lending rate (as reported in the Wall Street Journal); or (ii) the maximum rate permitted by applicable law.

3.7 Remand Proceedings: If the § 1498 Judgment is vacated or reversed and remanded to the district court for further proceedings, the issues before the district court shall be limited to the issues that the Federal Circuit remands to the district court. On remand, the Parties shall not challenge the validity, enforceability, or claim scope of any Genevant/Arbutus Patent Right, or whether the physical composition of Disputed Doses falls within the scope of the asserted claims. However, if the Federal Circuit determines that § 1498(a) bars Genevant/Arbutus's claims for direct infringement but does not bar Genevant/Arbutus' claims for indirect infringement for any Disputed Doses, Moderna shall be permitted to fully litigate on remand the number of Disputed Doses, if any, for which Moderna is liable for indirect infringement, including whether the predicate acts of direct infringement necessary to establish indirect infringement liability exist with respect to any such Disputed Doses.

3.7.1 Payment Upon Adverse Remand Decision: If (a) the § 1498 Judgment is vacated or reversed and remanded, (b) the district court determines on remand that § 1498(a) does not bar Genevant/Arbutus' claims with respect to any portion of the Disputed Doses, then Moderna shall, within ninety (90) days of such decision, pay to Genevant, Arbutus, or their respective designees, collectively, an interim payment (the "Interim Remand Payment") equal to:

(Number of Disputed Doses to which the district court determines § 1498 does not bar claims) ÷ (493,757,200) × US $1,300,000,000.00 = Interim Remand Payment

Any Interim Remand Payment shall be subject to refund or true-up upon entry of a Final Non-Appealable Judgment in accordance with Section 3.6.

3.8 Method of Payment: [***]

3.9 [***]

3.10 Return of the Contingent Lump Sum Payment: If Genevant/Arbutus receives a contingent lump sum payment pursuant to Section 3.2 based on a finding that § 1498(a) does not bar Genevant/Arbutus' claim against Moderna as to a subset of Disputed Doses and there is subsequently a Final Non-Appealable Judgment holding that § 1498(a) does bar Genevant/Arbutus' claim against Moderna as to that subset of doses, Genevant/Arbutus shall refund to Moderna the corresponding portion of the contingent lump sum payment, plus interest calculated from the date of Moderna's payment until the date of refund at the per annum rate of the lesser of: (i) [***] over the then-current US prime lending rate (as reported in the Wall Street Journal); or (ii) the maximum rate permitted by applicable law. Repayment shall be made by wire transfer within ninety (90) days of the date such amount becomes due.

3.10.1 Genevant/Arbutus Financial Covenant Protection. Any contingent lump sum payment pursuant to Section 3.2 or any interim payment pursuant to Section 3.3, in each case that remains subject to a potential repayment obligation under this Agreement (such payment, a "Potentially Refundable Payment") shall be subject to the ongoing requirements set forth in this Section 3.10.1. Genevant and Arbutus shall, from the date that such Potentially Refundable Payment becomes due until the earlier such time as any Genevant/Arbutus repayment obligation has been fully and finally extinguished, comply with the following requirements.

(a) Financial Assurance.

(i) Genevant. Moderna shall have no obligation to make any Potentially Refundable Payment unless and until the Approved Financial Assurances have been provided to Moderna sufficiently in advance for Moderna to make a timely payment. Prior to the payment by Moderna to Genevant (or its designee) of any Potentially Refundable Payment, Genevant shall provide Moderna with one or more of the following forms of alternative financial assurance ("Approved Financial Assurances"), in an aggregate amount not less than the Potentially Refundable Payment then due to Genevant (or its designee):

(A) an irrevocable surety bond issued by a surety company rated at least "A-" by A.M. Best (or an equivalent rating by a nationally recognized rating agency);

(B) one or more irrevocable standby letters of credit issued by a United States commercial bank having total assets of not less than [***];

(C) a cash escrow deposit held by an independent, nationally recognized escrow agent pursuant to an escrow agreement in form and substance reasonably acceptable to Moderna;

(D) a segregated account over which Genevant shall grant Moderna a perfected, first-priority security interest, which shall be subject to customary restrictions reasonably acceptable to Moderna; or

(E) a Parent Guaranty in accordance with the terms of Section 3.10.1(ii) below; or

(F) such other form of financial assurance as is reasonably acceptable to Moderna.

(ii) Roivant Guaranty. In the case Genevant chooses clause (a)(i)(E) as an Approved Financial Assurance, with respect to all or any portion of the Potentially Refundable Payment due to Genevant (or its designee), Roivant Sciences Ltd., a Bermuda exempted limited company ("Roivant") must execute and deliver to Moderna an unconditional, irrevocable guaranty (the "Parent Guaranty"), in a form reasonably acceptable to Moderna, pursuant to which Roivant unconditionally and irrevocably guarantees the repayment obligations of Genevant under this Agreement with respect to the applicable portion of such Potentially Refundable Payment (the "Guaranteed Refundable Payment Amount"). Any such Parent Guaranty shall:

(1) be absolute and unconditional;

(2) remain in full force and effect until the earlier of (i) the date on which Moderna's right to repayment from Genevant of the Guaranteed Refundable Payment Amount has been fully and finally extinguished, and (ii) the date on which Genevant (or Roivant on its behalf) has repaid to Moderna the full amount of the Guaranteed Refundable Payment Amount due from Genevant hereunder (the "Parent Guaranty Period");

(3) not be subject to any defenses, set-offs, counterclaims, or conditions;

(4) waive any right of Roivant to require Moderna to proceed first against Genevant or any collateral; and

(5) provide that Roivant shall pay all amounts due within thirty (30) days after Moderna's written demand therefor following the failure of Genevant to make any required repayment when due.

If, at any time during the Parent Guaranty Period, Roivant fails to maintain cumulative cash and cash equivalents, investments (current and non-current), and outstanding liquidity related to undrawn loan facilities (determined in accordance with generally accepted accounting principles as reported in Roivant's most recent quarterly or annual filing with the SEC or equivalent regulatory authority), equal to at least two point three (2.3) times the Guaranteed Refundable Payment Amount, then Roivant or Genevant must, within thirty (30) days after such failure, provide Moderna with one or more of the Approved Financial Assurances (other than a Parent Guaranty) with respect to Guaranteed Refundable Payment Amount.

Roivant shall provide Moderna with written notice within [***] after becoming aware that Roivant's cumulative cash and cash equivalents, investments (current and non-current), and outstanding liquidity related to undrawn loan facilities has fallen below the threshold described in this Section 3.10.1(a)(ii).

(iii) Arbutus. If, at any time after the date that a Potentially Refundable Payment becomes due to Arbutus (or its designee), until the earlier of (1) the date on which Moderna's right to repayment of any portion of the Potentially Refundable Payment from Arbutus has been fully and finally extinguished, and (2) the date on which Arbutus has repaid to Moderna the full amount due by Arbutus under this Agreement with respect to a Potentially Refundable Payment, Arbutus fails to maintain cumulative cash and cash equivalents, investments (current and non-current), and outstanding liquidity related to undrawn loan facilities (determined in accordance with generally accepted accounting principles as reported in Arbutus' most recent quarterly or annual filing with the SEC or equivalent regulatory authority after giving effect, on a *pro forma* basis, to the portion of the Potentially Refundable Payment payable to Arbutus (or its designee) in accordance with Section 3.1 and not yet paid), of at least two point three times the amount of the Potentially Refundable Payment paid to Arbutus (or its designee), Arbutus shall, within [***] after such failure, provide Moderna with one or more of Approved Financial Assurances, in an aggregate amount not less than the Potentially Refundable Payment then outstanding.

Arbutus shall provide Moderna with written notice within [***] after becoming aware that Arbutus' cumulative cash and cash equivalents, investments (current and non-current), and outstanding liquidity related to undrawn loan facilities has fallen below the threshold described in this Section 3.10.1(a)(ii).

(iv) Any Approved Financial Assurance provided pursuant to this Section 3.10.1(a) shall name Moderna or its designee as beneficiary and shall remain in effect until

the earlier of (A) the date on which Moderna's applicable right to repayment has been fully and finally extinguished, or (B) the date on which Genevant (or Roivant on its behalf) or Arbutus, as applicable, has repaid to Moderna the applicable full amount due. Genevant or Arbutus, as applicable, shall provide Moderna with prompt written notice of the form of Approved Financial Assurance selected and reasonable documentary evidence thereof.

(b) Effect of Failure to Satisfy Financial Covenants. If Genevant fails to deliver financial assurance pursuant to Section 3.10.1(a)(i) when due, Moderna shall deposit the Potentially Refundable Payment into an escrow account with an independent, nationally recognized escrow agent, to be released to Genevant (or its designee) upon delivery of financial assurance pursuant to Section 3.10.1(a)(i). If Arbutus fails to deliver financial assurance pursuant to Section 3.10.1(a)(iii) when due, Moderna shall deposit the portion of the Potentially Refundable Payment due to Arbutus (or its designee) into an escrow account with an independent, nationally recognized escrow agent, to be released to Arbutus (or its designee) upon delivery of financial assurance pursuant to Section 3.10.1(a)(iii).

3.11 Moderna Financial Covenant Protection. Moderna shall, until the earlier of (i) the date on which the right of Genevant, Arbutus, or their respective designees to receive any contingent lump sum payment from Moderna has been fully and finally extinguished, and (ii) the date on which Moderna has paid to Genevant, Arbutus, or their respective designees all contingent lump sum payments due under this Agreement, comply with the obligations in this Section 3.11. If, Moderna fails to maintain cumulative cash and cash equivalents, investments (current and non-current) and outstanding liquidity related to undrawn loan facilities (determined in accordance with generally accepted accounting principles as reported in Moderna's most recent quarterly or annual filing with the SEC) of at least (x) at any time between the Effective Date and the date that any contingent payment is made by Moderna pursuant to Section 3.2, three billion United States Dollars (US $3,000,000,000.00), or (y) from the date that any contingent payment is made by Moderna to Genevant, Arbutus, or their respective designees pursuant to Section 3.2, an amount equal to three billion United States Dollars (US $3,000,000,000.00) *minus* the amount of such contingent payment that was paid by Moderna to Genevant, Arbutus, or their respective designees, Moderna shall, within thirty (30) days after such failure (the "Cure Period"), either secure its ability to satisfy the contingent lump sum payment under Section 3.2.1 by providing one or more of the following forms of financial assurance, in an aggregate amount not less than, in the case of clause (x), one billion three hundred million United States Dollars (US $1,300,000,000.00), or in the case of clause (y), one billion three hundred million United States Dollars (US $1,300,000,000.00) *minus* the amount of such contingent payment that was paid by Moderna to Genevant, Arbutus, or their respective designees:

(a) an irrevocable surety bond issued by a surety company rated at least "A-" by A.M. Best (or an equivalent rating by a nationally recognized rating agency);

(b) one or more irrevocable standby letters of credit issued by a United States lender having total assets of not less than [***];

(c) a cash escrow deposit held by an independent, nationally recognized escrow agent pursuant to an escrow agreement in form and substance reasonably acceptable to Genevant/Arbutus;

(d) a segregated account over which Moderna shall grant Genevant/Arbutus a perfected, first-priority security interest, which shall be subject to customary restrictions reasonably acceptable to Genevant/Arbutus; or

(e) such other form of financial assurance as is reasonably acceptable to Genevant/Arbutus. Any

financial assurance provided pursuant to this Section 3.11 shall name Genevant, Arbutus, and their respective designees as beneficiaries and shall remain in effect until the earlier of (i) the date on which Moderna has paid all amounts payable or potentially payable by Moderna under this Agreement, or (ii) the date on which all of Moderna's obligations to make any such payments have been fully and finally extinguished. Moderna shall provide Genevant/Arbutus with (A) prompt written notice of the form of financial assurance selected and reasonable documentary evidence thereof and (B) written notice [***] after becoming aware that Moderna's cumulative cash and cash equivalents, investments (current and non-current), and outstanding liquidity related to undrawn loan facilities has fallen below the threshold described in this Section 3.11.

If Moderna fails to deliver the financial assurance pursuant to this Section 3.11 when due, Moderna shall deposit into an escrow account with an independent, nationally recognized escrow agent, to be released to Genevant, Arbutus or their respective designees when due in accordance with this Agreement, either (x) the full amount due under Section 3.2.1 (*i.e.*, one billion three hundred million United States Dollars (US $1,300,000,000.00)), or (y) if any contingent payment was made by Moderna to Genevant, Arbutus, or their respective designees pursuant to Section 3.2, an amount equal to one billion three hundred million United States Dollars (US $1,300,000,000.00) *minus* the amount of such contingent payment that was paid by Moderna. The escrow funds are to be released to Moderna upon delivery of financial assurance pursuant to this Section 3.11.

3.12 Tax Matters. Any payment made hereunder shall be net of applicable withholding taxes, provided that:

3.12.1 Unless a relevant change in applicable law occurs between the date of this Agreement and the date of a particular payment to Genevant hereunder, [***].

3.12.2 Unless a relevant change in applicable law occurs between the date of this Agreement and the date of a particular payment to Arbutus hereunder, [***].

3.12.3 If a withholding tax applies to a payment due under this Agreement, the Parties shall cooperate reasonably to complete any procedural formalities necessary to obtain any available relief, reduction or exemption from such withholding. In addition, the paying party shall timely pay the full amount deducted or withheld to the relevant governmental authority in accordance with applicable law. As soon as practicable after any payment of such taxes to a governmental authority, the paying party shall deliver to the receiving party the original or a certified copy of a receipt issued by such governmental authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the receiving party.

3.12.4 In the event that there is liability of Moderna or its Affiliates to pay, or of Genevant/Arbutus or their Affiliates to collect or remit, any sales, use, value-added, or similar taxes, or any penalties or interest related thereto (collectively, "Sales Taxes") in respect of license or other rights granted to Moderna or its Affiliates under this Agreement, Moderna shall be liable for and shall pay forthwith any such Sales Taxes related thereto, and shall indemnify and hold Genevant/Arbutus and their Affiliates harmless in respect of such Sales Taxes.

3.13 Late Payments. Any late payments under this Agreement will accrue interest at the rate of [***] per month, compounded quarterly, or the highest rate allowed by applicable law, whichever is less. [***]

3.14 Limitation of Patent Rights. Moderna acknowledges and agrees that, if any Genevant/Arbutus Patent Right is materially limited or declared invalid, unpatentable

or unenforceable, Moderna remains liable in full for any amounts payable under this Agreement but not yet paid and will not be entitled to the return of any payments made.

4. License to Moderna; Covenants

4.1 License. Subject to the terms and conditions of this Agreement, including Section 3.2, each of Genevant and Arbutus, on behalf of itself and its Affiliates, hereby grants to Moderna, and Moderna hereby accepts, a fully paid-up, royalty free, irrevocable, sublicensable (solely to Affiliates and Third Party CMOs and CDMOs), nontransferable (except as expressly provided in Section 7.6), nonexclusive license, under the Genevant/Arbutus Patent Rights, to develop, have developed, make, have made, use, have used, distribute, have distributed, sell, have sold, offer for sale, have offered for sale, import, have imported, export, have exported, and otherwise dispose of Moderna Licensed Products anywhere in the world. This license fully exhausts all Genevant/Arbutus Patent Rights as to Moderna Licensed Products and the practice of any method or process in connection with Moderna Licensed Products. For clarity, each Genevant/Arbutus Patent Right (regardless of jurisdiction) shall be deemed exhausted by any sale, provision, or disposition of Moderna Licensed Products, regardless of the jurisdiction in which such Moderna Licensed Products were made or first sold, to the same extent that such Genevant/Arbutus Patent Right would have been exhausted if such Moderna Licensed Products were made and first sold in the jurisdiction in which such Genevant/Arbutus Patent Right was issued.

4.2 Change of Control. In the event of a Change of Control of a Moderna Party, the licenses, releases and other rights granted to such Moderna Party under this Agreement shall remain in effect solely with respect to the Moderna Licensed Products of such Moderna Party that were in clinical development, clinically developed or commercialized by such Moderna Party or its Affiliates immediately prior to the closing of such Change of Control, and natural evolutions of such Moderna Licensed Products. The term natural evolutions includes updated versions of such products to address new viral strains or variants. Without limiting the foregoing, the licenses, releases and other rights granted to such Moderna Party under this Agreement shall not extend to or cover any products, platforms, programs or other assets of any Third Party acquirer in such Moderna Change of Control or any Affiliates of such Third Party acquirer (other than such Moderna Party and its existing Affiliates). For the avoidance of doubt, no products, platforms, programs or other assets of a Third Party shall become Moderna Licensed Products of such Moderna Party by virtue of being combined, co-formulated, co-developed, manufactured, or commercialized with a Moderna Licensed Product following a Change of Control of such Moderna Party.

4.3 Covenants to Moderna.

4.3.1 Each of Genevant, Genevant Parent, and Arbutus, on behalf of itself and its Affiliates, covenants and agrees that it and each of its Affiliates will not assert any claim for direct or indirect (including induced or contributory) infringement

against Moderna or its Affiliates at any time, under any Genevant/Arbutus Patent Right anywhere in the world based on any manufacture, use, selling, offering to sell, distributing, importing, exporting and otherwise transferring or disposing of Moderna Licensed Products, past, present or future, or the practice of any process or method of operation for any such products.

4.3.2 Each of Genevant, Genevant Parent, and Arbutus, on behalf of itself and its Affiliates, covenants and agrees that it and each of its Affiliates will not assert any claim for direct or indirect (including induced or contributory) infringement against Moderna or its Affiliates at any time, under any Specified Patent or EPO Patent Right anywhere in the world based on any manufacture, use, selling, offering to sell, distributing, importing, exporting and otherwise transferring or disposing of any product (a) that is not a Moderna Licensed Product and (b) that is or will be (i) licensed or authorized according to a Regulatory Application filed by Moderna, (ii) sold by or on behalf of Moderna or its applicable Affiliate as its own product, or (iii) developed by Moderna, past, present or future, or the practice of any process or method of operation for any such products.

4.3.3 Each of Genevant, Genevant Parent, and Arbutus, on behalf of itself and its Affiliates, covenants and agrees that they will not cite, reference, rely upon, or introduce into evidence the Consent Judgment and Order (Exhibit 2.3) entered in the US Litigation (including any stipulated findings of infringement or invalidity contained therein), or any portion thereof, in any court, tribunal, arbitration, administrative proceeding, or other forum anywhere in the world, at any time, for any purpose against Moderna or any of its Affiliates.

4.4 Covenant to Related Third Parties.

4.4.1 Each of Genevant, Genevant Parent, and Arbutus, on behalf of itself and its Affiliates, covenants and agrees that it and each of its Affiliates will not assert any claim for direct or indirect (including induced or contributory) infringement against any Moderna or Moderna Affiliate customers, suppliers, manufacturers, service providers, licensees and third parties in Moderna's or a Moderna Affiliate's development, commercialization or distribution chain or with whom Moderna has entered into a collaboration agreement or license agreement (all of whom the Parties agree to be intended third-party beneficiaries of this Agreement, and collectively, "Related Third Parties") at any time under any Genevant/Arbutus Patent Right anywhere in the world, in each case based on their development, manufacture, use, selling, offering to sell, distributing, importing, exporting and otherwise transferring or disposing of Moderna Licensed Products, past, present or future, or their practice of any process or method of operation for any such Moderna Licensed Product.

4.4.2 Each of Genevant, Genevant Parent, and Arbutus, on behalf of itself and its Affiliates, covenants and agrees that it and each of its Affiliates will not assert any claim for direct or indirect (including induced or contributory) infringement against any Related Third Parties at any time under any Specified Patent or EPO

Patent Right anywhere in the world, in each case based on their development, manufacture, use, selling, offering to sell, distributing, importing, exporting and otherwise transferring or disposing of any product that (a) is not a Moderna Licensed Product and (b) that is or will be (i) licensed or authorized according to a Regulatory Application filed by Moderna or its licensee, (ii) sold by or on behalf of Moderna or its applicable Affiliate or licensee as its own product, or (iii) developed by Moderna, past, present or future, or the practice of any process or method of operation for any such products.

4.5 No Implied Rights. No rights shall arise, and nothing in this Agreement shall be construed as the grant by either Party, by implication, estoppel, exhaustion, integration, or otherwise, of any intellectual property rights other than as expressly set forth in this Agreement.

5. Warranties and Representations

5.1 Mutual Representations. Each of Genevant and Arbutus, on the one hand, and Moderna, on the other hand, represents and warrants to the other(s), as of the Effective Date, that:

5.1.1 such Party is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has full corporate power and authority to enter into this Agreement and to carry out the provisions hereof;

5.1.2 such Party has taken all corporate action necessary to authorize the execution and delivery of this Agreement and the performance of its obligations under this Agreement;

5.1.3 this Agreement has been duly executed by such Party and constitutes a valid and legally binding obligation of such Party, enforceable in accordance with its terms;

5.1.4 the execution, delivery and performance of this Agreement by such Party does not conflict with any agreement, instrument or understanding, oral or written, to which it is a party or by which it may be bound, nor violate any material law or regulation of any court, governmental body or administrative or other agency having jurisdiction over it;

5.1.5 such Party has the right to grant the licenses and releases granted hereunder, and has the right to settle the US Litigation and Ex-US Litigation;

5.1.6 such Party has been advised by its counsel of its rights and obligations under this Agreement and enters into this Agreement freely, voluntarily, and without duress;

5.1.7 such Party is not relying on any promises, inducements, or representations other than those provided herein;

5.1.8 there is no lawsuit or any other civil or administrative proceeding, or any claim or counterclaim of any kind, in any court, tribunal, government entity or agency, or

dispute resolution proceeding (including arbitration and mediation) pending on the Effective Date that was commenced by or on behalf of such Party or any of its Affiliates against any other Party or any of its Affiliates other than the US Litigation and the Ex-US Litigation; and

5.1.9 such Party has not transferred, assigned, subrogated or pledged to any Third Party or to an Affiliate, the right to bring, pursue, or settle any of the claims, counterclaims, or demands released pursuant to Section 2 of this Agreement.

5.2 Genevant/Arbutus Representations. Each of Genevant, Genevant Parent and Arbutus represents and warrants to Moderna, as of the Effective Date, that: (i) in the twelve (12) months prior to and including the Effective Date, neither it nor any of its Affiliates has exclusively licensed (in part or whole), transferred or assigned or purported to transfer or assign to any Person any Patent that if owned or controlled by Genevant, Arbutus, or any of their Affiliates as of the Effective Date, would be a Genevant/Arbutus Patent Right; (ii) neither it nor any of its Affiliates have participated in any way (directly or indirectly) in any transaction the purpose or effect of which is to avoid or prevent Moderna or any Related Third Parties from receiving or enjoying any part of the benefit of any of the rights, licenses, covenants, or releases provided for in this Agreement, and (iii) it has the full right and authority to enter into this Agreement on behalf of and bind all of its Affiliates, and covenants that it shall cause all such Affiliates to comply with, and grant all necessary rights, licenses, covenants, and releases to effect, this Agreement, and all other terms and conditions of this Agreement, and shall be directly liable to Moderna and its Affiliates for any breach of this Agreement by any Affiliates of Genevant or Arbutus, including any failure by any such Affiliate to grant any such right, license, covenant, or release. Each of Genevant, Genevant Parent, and Arbutus shall defend, indemnify and hold harmless Moderna and its Affiliates, and their Related Third Parties for any and all costs and expenses (including reasonable fees of attorneys and other professionals), liabilities, damages, and losses arising out of or resulting from breach of this Section 5.2, including from any actual or threatened assertion of any Patent that would have been a Genevant/Arbutus Patent Right if the representations and warranties in this Section 5.2 were true. Genevant Parent further represents and warrants to Moderna that as of the Effective Date, it does not directly own or directly control the Genevant/Arbutus Patent Rights or the EPO Patent Rights.

5.3 No Other Warranties. Except for the express warranties and representations set forth in Section 5.1 and Section 5.2, none of the Parties makes any warranties or representations, express or implied, either in fact or by operation of law, by statute or otherwise, and each Party disclaims all other warranties and representations, including any implied warranty of fitness for a particular purpose, validity or non-infringement.

6. Confidentiality

6.1 Limitations on Disclosure. The Parties shall not, and shall cause their Affiliates and their respective employees, officers, directors and other representatives (including

accountants, attorneys and auditors) not to, disclose the terms of this Agreement to any Third Party, except as provided in Sections 6.1.1 through 6.1.5.

6.1.1 The terms of this Agreement may be disclosed, without notice to the other Parties, to (i) any Party's and its Affiliates' legal counselors, auditors, accounting, financial advisors, or other similar professionals representing a Party, so long as any such Persons are bound by confidentiality obligations that extend to the terms of this Agreement; and (ii) any Third Party that is a bona fide actual or potential investor, acquirer, merger partner, or other financial partner of a Party or an Affiliate for the purpose of evaluating an investment, acquisition, merger, or similar transaction, so long as any such Third Party agrees to be bound by confidentiality requirements at least as strict as those set forth in this Agreement.

6.1.2 A Party or its Affiliate may disclose the existence and terms of this Agreement (i) as required by any applicable law, regulation, court order, legal process, stock exchange rule, or governmental authority, including the Securities Act of 1933, the Securities Exchange Act of 1934, and the rules and regulations promulgated thereunder, or (ii) in connection with any filing required to be made with the U.S. Securities and Exchange Commission ("SEC") or other applicable securities regulator. If a Party or its Affiliate determines, upon advice of counsel (internal counsel being sufficient), that it is required to file this Agreement or a description hereof with the SEC or other securities authority (including as an exhibit to a periodic report or current report), such Party or its Affiliate may do so. To the extent reasonably practicable and permitted by law, the filing Party or its Affiliate shall provide the other Party with a reasonable opportunity to review and comment on any proposed filing that describes this Agreement, and shall consider in good faith any reasonable requests for redaction of confidential information consistent with applicable securities laws and SEC rules.

6.1.3 Any Party may issue press releases or make public announcements regarding this Agreement that consist only of (i) the amount and conditions of the payments to be made by Moderna hereunder, including the protective provisions associated therewith, (ii) any judgment or order entered into by any court related to the US Litigation or Ex-US Litigation, (iii) the general structure of the Agreement (e.g., the fact that it includes a license, releases, etc.) and (iv) content that is not a term of this Agreement. Such announcements and press releases may only be made on or after 4:15 p.m. New York time on March 3, 2026.

6.1.4 If a Party or an Affiliate is required to provide the terms of this Agreement to a Third Party pursuant to a discovery demand, discovery order, or other legal processes or requirements, including as necessary purposes of enforcing the terms of this Agreement, it shall inform the other Parties in sufficient time prior to any such disclosure to allow the other Parties to seek a protective order or confidential treatment prior to any such disclosure.

6.1.5 The terms of this Agreement may be disclosed as otherwise agreed to by the Parties in writing.

7. General Provisions

7.1 Settlement: Without limitation of the consent judgment in the US Litigation, this Agreement, including the Contingent and Non-Contingent Payments, evidences a compromise and settlement of disputed claims and nothing in this Agreement, or the fact of the Parties' respective execution of it, may be deemed or construed to be an admission of fault of any kind, which fault is expressly denied.

7.2 Term of License. The licenses granted under this Agreement shall commence upon the Effective Date and shall continue until the expiration of the last-to-expire Patent that is or becomes a Genevant/Arbutus Patent Right.

7.3 Choice of Law and Venue. This Agreement shall be governed and interpreted in accordance with the laws of the State of Delaware without regard to conflicts of law principles. The federal and state courts of Delaware shall have exclusive jurisdiction (to the extent that they have subject matter jurisdiction) in all matters arising under this Agreement, and the Parties hereto expressly consent and submit to the personal jurisdiction and venue of such courts for the limited purpose of enforcing the terms of this Agreement.

7.4 Stipulated Remedies for Certain Material Breaches. Each Party acknowledges and agrees that the restrictions and other terms and conditions set forth herein are reasonable and necessary to protect the respective legitimate interests of the Parties. The Parties also agree that irreparable damage, for which monetary damages (even if available) would not be an adequate remedy, would occur in the event of a breach of Section 2.4 or Section 2.5. Accordingly, the Parties acknowledge and agree that each of Genevant and Arbutus shall be entitled to an injunction, specific performance and other equitable relief to prevent a breach or threatened breach of Section 2.4 or Section
2.5 and to enforce specifically the terms and provisions thereof, in addition to any other remedy to which they are entitled in law or in equity. Moderna agrees that it will not oppose the granting of such injunction, specific performance and other equitable relief on the basis that Genevant/Arbutus has an adequate remedy at law or that any award of specific performance is not an appropriate remedy for any reason at law or in equity. If either Genevant or Arbutus seeks an injunction or injunctions to prevent a breach or threatened breach of Section 2.4 or Section 2.5 and to enforce specifically such section, it shall not be required to provide any bond or other security in connection with such order or injunction.

7.5 Waiver. A waiver by any Party of any of the terms and conditions of this Agreement in any instance shall not be deemed or construed to be a waiver of such term or condition for the future, or of any subsequent breach hereof. All rights, remedies, undertakings, obligations and agreements contained in this Agreement shall be cumulative and none of them shall be in limitation of any other remedy, right, undertaking, obligation or agreement of any Party.

7.6 Bankruptcy. All rights and licenses granted under or pursuant to any Section of this Agreement are, and shall otherwise be deemed to be, for purposes of Section 365(n) of

the U.S. Bankruptcy Code (the "Bankruptcy Code"), licenses of "intellectual property" as defined under the Bankruptcy Code. The Parties shall retain and may fully exercise all of their respective rights and elections under the Bankruptcy Code.

7.7 Assignment. This Agreement and the rights herein shall not be assignable or otherwise transferable without the written consent of the Parties except as provided in this Section 7.7. The prior written consent of the Parties shall not be required (i) for a Party to assign or transfer this Agreement in its entirety pursuant to a sale of all or substantially all of the assets of the entity or business division to which this Agreement relates, whether pursuant to a merger, consolidation, or similar transaction involving such Party, or (ii) for a Party to assign or transfer this Agreement in its entirety to an Affiliate; provided, however, that Moderna will in any event remain responsible for the payments to Genevant, Arbutus, or their respective designees required by Section 3 to the extent that an assignee of Moderna fails to make any such payment when due. The Agreement, as well as the rights and obligations herein, shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns as if such successors and assigns were the original Parties to this Agreement or the respective rights and obligations. For avoidance of any doubt, any successors or assigns to this Agreement are permitted to assign the Agreement as if they were the original Parties to it, subject to the conditions of this Section 7.7. Any purported assignment or transfer in violation of this Section shall be null and void *ab initio*.

7.8 Assignment of Genevant/Arbutus Patent Rights. Genevant/Arbutus agrees, each on behalf of itself and each of its Affiliates, that all of the licenses, releases, covenants, and other rights granted by them and all their obligations set forth in this Agreement (the "Patent Obligations") shall run with the Genevant/Arbutus Patent Rights, and that Genevant/Arbutus shall ensure that any assignee, transferee, or successor to any of the Genevant/Arbutus Patent Rights (including the acquiring or surviving entity in connection with any acquisition or other change of control of Genevant/Arbutus), or any other Person (such as an exclusive licensee) that obtains any enforcement rights with respect to any of the Genevant/Arbutus Patent Rights agrees in writing, prior to such assignment, transfer or grant, to be bound by the relevant Patent Obligations (including the obligation to obtain such written agreement from any subsequent assignee, transferee, successor or grantee). Genevant/Arbutus shall indemnify and hold harmless Moderna and its Affiliates, and the Related Third Parties for any costs and expenses (including reasonable fees of attorneys and other professionals), liabilities, damages and losses arising out of or resulting from any breach of this Section 7.8 by Genevant/Arbutus or their Affiliates, including from any assertion of any Genevant/Arbutus Patent Rights that would have been prevented by compliance with this Section 7.8.

7.9 Costs. Each Party shall each bear its own costs and legal fees associated with the Litigation and with the negotiation and preparation of this Agreement.

7.10 Severability. When possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of

this Agreement is held to be prohibited by or invalid under applicable law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement.

7.11 Integration. The Agreement and its Exhibits constitute the entire agreement between the Parties with respect to the subject matter hereof and supersede all prior agreements and understandings, both oral and written, between the Parties with respect to such subject matter. No Party is relying on any promises, representations, conditions, provisions, or terms other than those set forth in this Agreement.

7.12 Amendments. No amendment, modification or supplement of any provisions of this Agreement shall be valid or effective unless made in writing and signed by a duly authorized officer of each Party.

7.13 Headings. The captions and descriptive headings of this Agreement are for convenience only, and shall be of no force or effect in construing or interpreting any of the provisions of this Agreement.

7.14 Waiver of Rule of Construction. Each Party has had the opportunity to consult with counsel in connection with the review, drafting and negotiation of this Agreement. Accordingly, any rule of construction that any ambiguity in this Agreement shall be construed against the drafting Party shall not apply.

7.15 No Third Party Beneficiaries. Except as expressly provided herein, nothing in this Agreement, either express or implied, is intended to or shall confer upon any Third Party any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

7.16 Notices. Notices required or permitted under this Agreement shall be in writing and sent by prepaid registered or certified air mail or by overnight express mail (e.g., FedEx) or by email (provided that no "bounce-back" or similar notice of non-delivery is received), and shall be deemed to have been properly served to the addressee upon receipt of such written communication to the following addresses of the Parties:

If to Moderna:
325 Binney Street,
Cambridge, MA 02142
Attention: Shannon Thyme Klinger [***]

With a copy to:
Jeanna Wacker, Kirkland
& Ellis LLP, 601
Lexington Avenue,
New York, NY 10022
[***]

If to Genevant:
Viaduktstrasse 8,
4051 Basel
Switzerland
Attention: [***]
Attention: [***]

With a copy to:
David Berl [***]
Williams & Connolly LLP 680
Maine Avenue SW Washington,
D.C. 20024

If to Arbutus:
700 West Georgia St.
25th Floor
Vancouver, British Columbia V7Y1B3 Canada
Attention: [***]

With a copy to:
Adam Brausa [***]
Morrison & Foerster LLP
425 Market Street
San Francisco, California 94105

7.17 Counterparts. This Agreement may be executed in any number of signature page counterparts transmitted via facsimile or electronic mail, any one of which need not contain the signature of more than one Party but all such counterparts taken together shall constitute one and the same Agreement.

7.18 Interpretation. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The words "herein," "hereof," and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Section or other subdivision. All references herein to Articles, Sections, and Exhibits shall be deemed references to Articles and Sections of, and Exhibits to, this Agreement unless the context shall otherwise require. Except where the context otherwise requires, wherever used, the singular shall include the plural, the plural the singular, the use of any gender shall be applicable to all genders and the word "or" is used in the inclusive sense (and/or). Whenever this Agreement refers to a number of days, unless otherwise specified, such number refers to calendar days.

IN WITNESS WHEREOF, each of the Parties has approved and executed this Agreement by and through its duly authorized officer or agent.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have executed this Agreement effective as of the Effective Date.

Genevant Sciences GmbH

By: [***]

Name: [***]

Title: [***]

Moderna, Inc.

By: [***]

Name: [***]

Title: [***]

Arbutus Biopharma Corp.

By: [***]

Name: [***]

Title: [***]

ModernaTX, Inc.

By: [***]

Name: [***]

Title: [***]

Solely for purposes of the Genevant Parent Provisions

Genevant Sciences Ltd.

By: [***]

Name: [***]

Title: [***]

Insider Trading Policy

Amended and Restated on September 25, 2025

During the course of your relationship as a director, officer or employee of Arbutus Biopharma Corporation (the "Company"), you may receive material information that is not yet publicly available about the Company or about publicly-traded companies with which the Company has business dealings. Because of your access to this information, you may be in a position to profit financially by buying or selling or in some other way dealing in the Company's shares or shares of another publicly-traded company, or to disclose such information to a third party who does so (i.e. "tipping"). The Company has adopted this Insider Trading Policy (this "Policy") to oversee transactions in its securities by the Company's directors, officers and employees, and the guidelines contained herein will help to ensure that all such individuals are aware of and comply with their legal obligations and the Company's policy with respect to "insider trading" and "tipping".

This Policy applies to all directors, officers, and employees of the Company and its subsidiaries. Contractors, consultants and temporary employees of the Company may become subject to compliance with this Policy through the policies of their own employing agency, or be designated as subject to this Policy by the Company. All individuals subject to this Policy are responsible for the transactions of their immediate family members, other members of their household and entities they control, all of whom are also subject to this Policy.

I. General Rule Against Insider Trading and Tipping

(a) **Insider Trading.** It is illegal for persons in a special relationship with a public company who are aware of material non-public (i.e., not generally disclosed) information about a public company to buy or sell securities of that company.

(b) **Tipping**. It is illegal for persons in a special relationship with a public company or who are aware of material non-public information about a public company to provide material non-public information to other persons ("tip").

II. Persons in a "Special Relationship" With the Company

Anyone in a "special relationship" with the Company is captured by the prohibitions against insider trading and tipping. The definition of persons who are in a special relationship with a public company includes (but is not limited to):

(a) directors, officers and employees of the Company;

(b) insiders of the Company; and

(c) anyone (a "tippee") who learns of material information regarding the Company from someone that the tippee knows or should know is a person (i) in a special relationship with that company or (ii) owes fiduciary duties or a duty of confidentiality to the Company.

The definition is very broad and captures a potentially infinite chain of tippees.

The definition of an insider of a company includes (but is not limited to):

(x) directors and senior officers of:

(i) the Company;

(ii) the Company's subsidiaries;

(iii) of any other Company that is an insider of the Company; and

(y) any person or Company that owns or controls, directly or indirectly, more than 10% of the voting rights of the outstanding voting securities of the Company.

The Company sometimes utilizes the services of contract personnel who are not employees of the Company. As such, non-employee personnel may have access to material non-public information about the Company. The Company expects all such contract personnel to comply with its policies on the trading of its securities to the same extent as employees are required to comply with such policies. The Company will take appropriate action against any such personnel and the organizations for which they are employed if there is a failure to comply with the policies of the Company.

III. "MATERIAL INFORMATION"

Material information is any information (i) relating to the business and affairs of a company that results in, or would reasonably be expected to result in, a significant change in the market price or value of any of the Company's securities, or (ii) that would be likely to be considered important by a reasonable investor in making a decision to buy, hold or sell the Company's securities. Material information may include any guidance offered by the Company. Both positive and negative information can be material, as well as information that forecasts whether an event may or may not occur. Any questions concerning the materiality of particular information should be resolved by the Company's General Counsel and if not resolved, will be considered to be material in order to err on the side of caution.

The following is a non-exhaustive list of examples of information that could potentially be material:

(a) the financial performance of the Company

(b) developments with respect to the pre-clinical or clinical development of the Company's product candidates;

(c) clinical study or trial results;

(d) information concerning upcoming FDA or other regulatory body actions or other significant regulatory developments;

(e) changes in research and development strategies;

(f) pending or proposed commercial transactions, such as collaboration agreements, licensing agreements, royalty monetizations, joint ventures or strategic alliances;

(g) changes in share ownership that may affect control of the Company;

(h) a major reorganization of the Company or an amalgamation or merger of the Company with another Company;

(i) a takeover bid, issuer bid or insider bid;

(j) a planned split or consolidation of the Company's common shares;

(k) a material modification to rights of the Company's securityholders;

(l) a significant increase or decrease in the Company's near-term earnings prospects;

(m) any development that affects the Company's resources, technology, products or markets;

(n) significant new contracts, products, discoveries, patents or services or significant losses of contracts or business;

(o) a change in senior management or other major personnel changes;

(p) significant legal exposure due to actual, pending or threatened litigation;

(q) significant acquisitions or dispositions of assets, property or joint venture interests; and

(r) public or private offerings of the Company's securities.

IV. SPECIFIC RESTRICTIONS ON TRADING AND TIPPING BY DIRECTORS, OFFICERS AND EMPLOYEES OF THE COMPANY

(a) **Prohibited Use of Non-Public Material Information About the Company.** Directors, officers and employees of the Company (and any other person subject to this Policy) are prohibited from (i) informing any other person of material non-public information affecting the Company, (ii) engaging in transactions in securities of the Company, except as otherwise specified in this Policy, while they are aware of material non-public information, (iii) recommending or otherwise causing the purchase or sale of any securities of the Company while they are aware of material non-public information and (iv) assisting anyone in the above activities, until the material information has been generally disclosed as discussed further in this Policy.

(b) **Prohibited Use of Non-Public Material Information About a Counterparty.** The prohibition on insider trading and tipping also applies to anyone who has knowledge of material non-public information about a counterparty with which the Company has business dealings or is negotiating, or plans to negotiate, a business transaction that has not been generally disclosed. Directors, officers and employees of the Company are prohibited from informing any other person of material non-public information affecting the counterparty, and from trading securities of the counterparty, until the material information has been generally disclosed by press release and a reasonable period of time (at least one full trading day) has passed for the information to be widely disseminated.

(c) **Prohibited Communications.** Directors, officers and employees of the Company are prohibited from discussing material non-public information about the Company with anyone outside the Company. This prohibition covers spouses, family members, friends, business associates, or persons with whom we are doing business. Such persons may not participate in "chat rooms" or "blogs" or other electronic discussion forums concerning the activities of the Company or other companies with which the Company does business, even anonymously. Directors, officers and employees of the Company may never recommend to another person that they buy or sell the Company's securities.

(d) **Derivatives, Options and Warrants.** Buying and selling derivatives (whether issued by the Company or a third party), options, warrants, rights and similar securities are trades in securities for purposes of the insider trading and tipping prohibitions.

(e) **Speculating in Securities.** The Company considers it improper and inappropriate for any director, officer or employee of the Company to engage in short-term or speculative transactions in the Company's securities. It therefore is the Company's policy that directors, officers and employees may NOT engage in any of the transactions described below.

(i) Short Sales. Short sales of the Company's securities (i.e., the sale of a security that the seller does not own) may evidence an expectation on the part of the seller that the securities will decline in value, and therefore have the potential to signal to the market that the seller lacks confidence in the Company or its short-term prospects. In addition, short sales may reduce the seller's incentive to improve the Company's performance. For these reasons, short sales of the Company's securities are prohibited. In addition, Section 16(c) of the United States Securities Exchange Act of 1934, as amended (the "Exchange Act"), prohibits executive officers and directors from engaging in short sales.

(ii) Publicly Traded Options. Given the relatively short term of publicly-traded options, transactions in options may create the appearance that an individual is trading based on material non-public information and focus the individual's attention on short-term performance at the expense of the Company's long-term objectives. Accordingly, transactions in put options, call options or other derivative securities, on an exchange or in any other organized market, are prohibited. (Option positions arising from certain types of hedging transactions are governed by the section below captioned "Hedging Transactions").

(iii) Hedging Transactions. Certain forms of hedging or monetization transactions, such as zero-cost collars and forward sale contracts, allow an individual to lock in much of the value of their share holdings, often in exchange for all or part of the potential for upside appreciation in the securities. Such hedging transactions may permit an individual to continue to own the Company securities directly or indirectly, including those obtained through employee benefit plans or otherwise, but without the full risks and rewards of ownership. When that occurs, the director, officer or employee may no longer have the same objectives as the Company's other securityholders. It therefore is the Company's policy that any individuals covered by this Policy,

immediate family members, other members of their household and entities they control are prohibited from purchasing financial instruments (including prepaid variable forward contracts, equity swaps, collars, and exchange funds), or otherwise engaging in transactions, that hedge or offset, or are designed to hedge or offset, any decrease in the market value of Company securities.

(iv) Margin Accounts and Pledges. Securities held in a margin account may be sold by the broker without the customer's consent if the customer fails to meet a margin call. Similarly, securities pledged (or hypothecated) as collateral for a loan may be sold in foreclosure if the borrower defaults on the loan. Because a margin sale or foreclosure sale may occur at a time when the pledgor is aware of material non-public information or otherwise is not permitted to trade in Company securities, directors, officers and employees are prohibited from holding Company securities in a margin account or otherwise pledging Company securities as collateral for a loan.

(v) Standing and Limit Orders. Standing and limit orders (except standing and limit orders under approved Rule 10b5-1 Trading Plans, as described below) create heightened risks for insider trading violations similar to the use of margin accounts. There is no control over the timing of purchases or sales that result from standing instructions to a broker, and as a result the broker could execute a transaction when a director, officer or employee is in possession of material non-public information. The Company therefore discourages placing standing or limit orders on Company securities. If a person subject to this Policy determines that they must use a standing order or limit order, the order should be limited to a short duration and should otherwise comply with the restrictions and procedures outlined elsewhere in this Policy.

(f) **When is Information Public?** Information that has not been disclosed to the public is generally considered to be non-public information. In order to establish that the information has been disclosed to the public, it may be necessary to demonstrate that the information has been widely disseminated. Information generally would be considered widely disseminated if it has been disclosed through a press release, the Dow Jones "broad tape," newswire services, a broadcast on widely-available radio or television programs, publication in a widely-available newspaper, magazine or news website, or public disclosure documents filed with the SEC that are available on the U.S. Securities and Exchange Commission's (the "SEC") website (such as Form 8-K, Form 10-Q and Form 10-K). By contrast, information would likely not be considered widely disseminated if it is available only to the Company's employees, or if it is only available to a select group of persons, such as analysts, brokers and institutional investors. To avoid the appearance of impropriety, information shall not be considered widely disseminated until after the close of business on the first full trading day after the information is released. If, for example, the Company were to make an announcement *before* the commencement of trading on a Monday, a director, officer or employee should not trade in the Company's securities until Tuesday. If an announcement were made *before* the commencement of trading on a Friday, Monday would be the first eligible trading day after the announcement. Depending on the particular circumstances, the Company may determine that a longer or shorter period should apply to the release of specific material non-public information.

(g) **Transactions under Company Plans.**

(i) Stock Option Exercises. This Policy does not apply to the exercise of an employee stock option acquired pursuant to the Company's plans, or to the exercise of a tax withholding right pursuant to which a participant elects to have the Company withhold shares subject to an option to satisfy tax withholding requirements. Similarly, this Policy does not apply to the exercise of options on a "net exercise" basis pursuant to which a person either (A) delivers outstanding common shares to the Company or (B) authorizes the Company to withhold from issuance common shares issuable upon exercise of the option, in either case, having a fair market value on the date of exercise equal to the aggregate exercise price. This Policy does apply, however, to any sale of common shares as part of a broker-assisted cashless exercise of an option, or any other market sale for the purpose of generating the cash needed to pay the exercise price of an option.

(ii) Other Employee Plans. This Policy does not apply to purchases of Company securities in any employee stock purchase plan maintained by the Company resulting from the periodic contribution of money to the plan pursuant to an election previously made. This Policy also does not apply to purchases of Company securities resulting from lump sum contributions to the plan, provided that you elected to participate by lump sum payment at the beginning of the applicable enrollment period. This Policy does, however, apply to sales of Company shares purchased pursuant to the plan. This Policy may also apply generally to transactions involving Company employee plans that may be adopted or modified by the Company in the future.

(iii) Other Share Awards. Subject to Section 16 reporting obligations, this Policy does not apply to the vesting of restricted shares, restricted share units or other time- or performance-based equity awards, or the exercise of a tax withholding right pursuant to which the Company may withhold shares to satisfy tax withholding requirements upon the vesting of any restricted shares, restricted share unit or such other equity awards. The Policy does apply, however, to any market sale of the Company's securities received under such awards.

(iv) Share Splits, Share Dividends and Similar Transactions. Trading restrictions under this Policy do not apply to a change in the number of Company securities held as a result of a share split or share dividend applying equally to all securities of a class, or similar transactions.

(h) Directors, executive officers and beneficial owners of at least 10% of the Company's common shares who purchase or sell Company securities may not engage in an "opposite way" transaction of any Company securities of the same class during any six-month period (i.e. a purchase transaction followed by a sale transaction or a sale transaction followed by a purchase transaction), unless such transaction is pre-approved by the Company's General Counsel. Section 16(b) of the United States Securities Exchange Act of 1934, as amended, imposes strict liability on the persons subject to Section 16 thereunder for any "short-swing"

profits realized (or loss avoided) resulting from the purchase and sale, or sale and purchase, of such securities within any six-month period, without regard to the actual use or possession by the insider of material, non-public information. The statute allows the issuer of the securities, or any shareholder derivatively on behalf of the issuer, to bring suit for disgorgement of these short-swing profits. Directors, executive officers and beneficial owners of at least 10% of the Company's common shares are subject to Section 16 of the Exchange Act.

(i) **10b5-1 Trading Plans**

Rule 10b5-1 under the Exchange Act provides an affirmative defense from insider trading liability under Rule 10b-5. In order to be eligible to rely on this defense, a person subject to this Policy must enter into a Rule 10b5-1 trading plan for transactions in the Company's securities that meet certain conditions specified in the rule (a "10b5-1 Trading Plan"). Assuming compliance with Rule 10b5-1, the Company's 10b5-1 Trading Plan Guidelines and this Policy, under certain 10b5-1 Trading Plans, the restrictions under this Policy generally are not applicable.

Any individual seeking to implement a 10b5-1 Trading Plan must submit the proposed 10b5-1 Trading Plan in advance to the General Counsel for legal compliance evaluation. Such an evaluation could take several weeks to complete. Proposed 10b5-1 Trading Plans may become operative only after the evaluation has been completed and such 10b5-1 Trading Plan is compliant with the Company's 10b5-1 Trading Plan Guidelines. Although Rule 10b5-1 may help Company insiders avoid liability under Rule 10b-5, it does not eliminate the requirements and prohibitions contained in other relevant securities laws. Also, individuals who transact using 10b5-1 Trading Plans must comply with the Section 16 reporting requirements and short-swing liability rules under the Exchange Act as discussed later in this Policy.

V. BLACKOUT PERIODS

The Company's securities may not be traded, and shares underlying stock options or similar share compensation awards may not be traded by directors, officers, or employees of the Company during the following blackout periods:

(a) **Scheduled Quarterly Blackout Periods.** The Company has established four routine scheduled quarterly blackout periods for "Covered Persons" and "Non-Covered Persons" around the preparation and release of its quarterly and annual financial statements.

Covered Persons consist of:

(i) all directors and officers of the Company and its subsidiaries;

(ii) certain employees in the Company's legal, accounting and investor relations departments with access to financial information as determined from time to time by the Company's Chief Financial Officer or General Counsel;

(iii) additional individuals as deemed necessary from time to time by the Company's Chief Financial Officer or the General Counsel; and

(iv) immediate family members and household members of the individuals in (i), (ii) and (iii) above.

Covered Persons may not engage in any transaction in the Company's securities (other than as specified by this Policy), during a "Scheduled Quarterly Blackout Period for Covered Persons," which begins on the 1st day of a particular fiscal quarter and ends upon the completion of the first trading day following the public release of the Company's earnings results for the most recently completed fiscal quarter (or full year with respect to the fourth quarter) ("Earnings Results"). In other words, Covered Persons may only conduct transactions in the Company's securities during the "Window Period" that begins one full trading day after the Earnings Results have been announced publicly and which ends on the last day of the last month of the current fiscal quarter. For example, if the first quarter results of the Company are announced on the evening of April 1st, trading would be permissible from the morning of April 3 until the close of trading on June 30. As a further example, if an announcement is made *before* the commencement of trading on a Monday, you may trade in Company securities starting on the Tuesday of that week, because one full trading day would have elapsed by then (all of Monday). Such restrictions on trading are intended to prevent any implication that knowledge of quarter results could affect trading.

"Non-Covered Persons" consist of any employee not designated a Covered Person. Non-Covered Persons are subject to "Scheduled Quarterly Blackout Periods for Non-Covered Persons" which begin 48 hours prior to the public release of the Earnings Results and ends upon the completion of the first trading day following the public release of the Earnings Results.

(b) **Business Milestones.** The board of directors of the Company, the President and Chief Executive Officer, the Chief Financial Officer or the General Counsel or other officer designated by the foregoing will announce from time to time the dates of any blackout periods generally commencing on or about the date when important news, such as clinical trial results or strategic alliances, becomes known within the Company and ending at the close of business on the first full trading day following the date of the relevant press release.

(c) **Unscheduled Pending Corporate Developments**. Blackout periods may be recommended from time to time for prescribed periods by the board of directors, President and Chief Executive Officer, Chief Financial Officer or the General Counsel because of an unscheduled pending corporate development.

VI. PRE-CLEARANCE OF TRADES

To protect the reputation of the Company and avoid the appearance of impropriety, all directors and officers of the Company must pre-clear all proposed trades in the Company's securities (including the exercise of stock options or other similar share compensation awards) to determine whether there is any pending material information about the Company that has not been generally disclosed that would preclude the trade. Such clearance must be sought from the General Counsel.

The General Counsel may from time to time require employees of the Company who have access to material non-public information to pre-clear proposed trades in the Company's securities.

VII. INSIDER REPORTS

Subject to any applicable exceptions, (a) insider reports must be filed by all insiders (which includes directors and officers) of the Company under Canadian securities laws and (b) reports under Section 16 of the Exchange Act, must be filed by all directors, executive officers and beneficial owners of at least 10% of the Company's common shares, to report the ownership of, and trades in, securities of the Company (including the issuance and exercise of stock options or similar share compensation awards). It is the insider's, and not the Company's, responsibility to file insider reports when required. **The filing of an insider report or Section 16 report does not relieve the insider from any other responsibility under this Policy**.

VIII. DISCIPLINARY ACTION

Directors, officers and employees of the Company who violate this Policy will be subject to disciplinary action by the Company. The type of disciplinary action will be dependent on the nature of the violation and may result in:

(a) the immediate suspension or dismissal of those individuals concerned, if applicable; and/or

(b) the Company reporting those individuals concerned to securities enforcement authorities, which could lead to civil and/or criminal sanctions, potentially including imprisonment.

IX. SURVIVAL OF POLICY

This Policy continues to apply to a director's, officer's or employee's transactions in the Company's securities even after their employment or directorship with the Company has terminated. Specifically, if an applicable person is in possession of material non-public information when their employment or directorship terminates, the person may not engage in transactions in the Company's securities until one full trading day after such information has become public or is no longer material.

X. CONSEQUENCES OF VIOLATIONS

Insider trading is a crime. The purchase or sale of securities while aware of material non-public information, or the disclosure of material non-public information to others who then engage in transactions in Company securities, is prohibited by federal and state laws. Insider trading violations are pursued vigorously by the SEC,

U.S. Attorneys and state enforcement authorities, as well as enforcement authorities in foreign jurisdictions. Punishment for insider trading violations is severe and could include significant fines and imprisonment. While the regulatory authorities concentrate their efforts on the individuals who trade, or who tip inside information to others who trade, the federal securities laws also impose potential liability on companies and other "controlling persons" if they fail to take reasonable steps to prevent insider trading by company personnel.

In addition, an individual's failure to comply with this Policy may subject the individual to Company-imposed sanctions, including dismissal for cause, whether or not the employee's failure to comply results in a violation of law. Needless to say, a violation of law, or even an SEC investigation that does not result in prosecution, can tarnish a person's reputation and irreparably damage a career.

XI. ENFORCEMENT AND QUESTIONS

The General Counsel shall approve and monitor the trading activity of all insiders, directors, officers and employees of the Company and any questions related to trading or this Policy should be directed to the General Counsel. The President and Chief Executive Officer shall approve and monitor the trading activity of the General Counsel.

Exhibit 21.1

Arbutus Biopharma Corporation

List of Subsidiaries

Name	Jurisdiction
Arbutus Biopharma Inc.	Delaware, United States of America

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

1. Registration Statement (Form S-3 No. 333-283038) pertaining to the offering, issuance and sale of up to $300,000,000 of common shares, preferred shares, warrants, debt securities and units of Arbutus Biopharma Corporation,
2. Registration Statement (Form S-8 No. 333-281378) pertaining to the Arbutus Biopharma Corporation 2016 Omnibus Share and Incentive Plan,
3. Registration Statement (Form S-8 No. 333-273647) pertaining to the Arbutus Biopharma Corporation 2016 Omnibus Share and Incentive Plan and the Individual Nonqualified Stock Option Award (Inducement Grant) of Arbutus Biopharma Corporation,
4. Registration Statement (Form S-8 No. 333-266527) pertaining to the Arbutus Biopharma Corporation 2016 Omnibus Share and Incentive Plan,
5. Registration Statement (Form S-3 No. 333-260782) pertaining to the offering, issuance and sale of up to (a) $250,000,000 of common shares, preferred shares, warrants, debt securities and units of Arbutus Biopharma Corporation and (b) 38,847,462 common shares offered by the selling shareholder named therein,
6. Registration Statement (Form S-8 No. 333-258494) pertaining to the Arbutus Biopharma Corporation 2016 Omnibus Share and Incentive Plan,
7. Registration Statement (Form S-8 No. 333-239407) pertaining to the Arbutus Biopharma Corporation 2016 Omnibus Share and Incentive Plan and the Arbutus Biopharma Corporation 2020 Employee Stock Purchase Plan,
8. Registration Statement (Form S-8 No. 333-228919) pertaining to the Arbutus Biopharma Corporation 2011 Omnibus Share Compensation Plan,
9. Registration Statement (Form S-8 No. 333-212115) pertaining to the Arbutus Biopharma Corporation 2016 Omnibus Share and Incentive Plan, and
10. Registration Statement (Form S-8 No. 333-186185) pertaining to the Tekmira 2011 Omnibus Share Compensation Plan, the Tekmira Share Option Plan and the Protiva 2000 Incentive Stock Option Plan,

of our report dated March 23, 2026, with respect to the consolidated financial statements of Arbutus Biopharma Corporation included in this Annual Report (Form 10-K) of Arbutus Biopharma Corporation for the year ended December 31, 2025.

/s/ Ernst & Young LLP

Philadelphia, Pennsylvania
March 23, 2026

Exhibit 31.1

CERTIFICATION PURSUANT TO RULE 13a-14 AND 15d-14 OF THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Lindsay Androski, Chief Executive Officer of Arbutus Biopharma Corporation, certify that:

1. I have reviewed this Annual Report on Form 10-K of Arbutus Biopharma Corporation;
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: March 23, 2026

/s/ Lindsay Androski
Name: Lindsay Androski
Title: Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO RULE 13a-14 AND 15d-14 OF THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Tuan Nguyen, Chief Financial Officer of Arbutus Biopharma Corporation, certify that:

1. I have reviewed this Annual Report on Form 10-K of Arbutus Biopharma Corporation;
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: March 23, 2026

/s/ Tuan Nguyen
Name: Tuan Nguyen
Title: Chief Financial Officer
(Principal 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 Annual Report of Arbutus Biopharma Corporation (the "Company") on Form 10-K for the year ended December 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Lindsay Androski, Chief Executive Officer of the Company, certify 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, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of the operations of the Company.

Date: March 23, 2026

/s/ Lindsay Androski

Name: Lindsay Androski

Title: Chief Executive Officer

(Principal Executive Officer)

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 Annual Report of Arbutus Biopharma Corporation (the "Company") on Form 10-K for the year ended December 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Tuan Nguyen, Chief Financial Officer of the Company, certify 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, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of the operations of the Company.

Date: March 23, 2026

/s/ Tuan Nguyen

Name: Tuan Nguyen
Title: Chief Financial Officer
(Principal Financial Officer)