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

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2022

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: 001-38672

ARVINAS, INC.

(Exact name of registrant as specified in its Charter)

Delaware	**47-2566120**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
5 Science Park 395 Winchester Ave. New Haven, Connecticut	**06511**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (203) 535-1456

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 stock, par value $0.001 per share	ARVN	The Nasdaq Stock Market LLC

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 (§232.405 of this chapter) 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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of November 2, 2022, the registrant had 53,227,521 shares of common stock, $0.001 par value per share, outstanding.

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FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements that involve substantial risks and uncertainties. All statements, other than statements of historical facts, contained in this Quarterly Report on Form 10-Q, including statements regarding our strategy, future operations, future financial position, future revenues, projected costs, prospects, plans and objectives of management, are forward-looking statements. The words “anticipate,” “believe,” “estimate,” “expect,” “intend,” “may,” “might,” “plan,” “predict,” “project,” “target,” “potential,” “goals,” “will,” “would,” “could,” “should,” “continue” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words.

The forward-looking statements in this Quarterly Report on Form 10-Q include, among other things, statements about:

- the initiation, timing, progress and results of our current and future clinical trials of bavdegalutamide, ARV-471 and ARV-766, including statements regarding the period during which the results of the clinical trials will become available;
- the timing of, and our ability to obtain, marketing approval of bavdegalutamide, ARV-471 and ARV-766, and the ability of bavdegalutamide, ARV-471, ARV-766 and our other product candidates to meet existing or future regulatory standards;
- the potential achievement of milestones and receipt of payments under our collaborations, including our collaboration with Pfizer Inc., or Pfizer, entered into in July 2021, or the ARV-471 Collaboration;
- our plans to pursue research and development of other product candidates;
- the potential advantages of our platform technology and our product candidates;
- the extent to which our scientific approach and platform technology may potentially address a broad range of diseases and disease targets;
- the potential receipt of revenue from future sales of our product candidates;
- the rate and degree of market acceptance and clinical utility of our product candidates;
- our estimates regarding the potential market opportunity for our product candidates;
- our sales, marketing and distribution capabilities and strategy;
- our ability to establish and maintain arrangements for manufacture of our product candidates;
- our ability to enter into additional collaborations with third parties;
- our intellectual property position;
- our estimates regarding expenses, future revenues, capital requirements and needs for additional financing;
- the impact of COVID-19 on our business and operations;
- the impact of government laws and regulations; and
- our competitive position.

We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements we make. We have included important factors in the cautionary statements included in our Annual Report on Form 10-K for the year ended December 31, 2021, filed on February 28, 2022, and this Quarterly Report on Form 10-Q, particularly in the “Risk Factors” sections, that we believe could cause actual results or events to differ materially from the forward-looking statements that we make. Our forward-looking statements do

not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures or investments we may make.

You should read this Quarterly Report on Form 10-Q and the documents that we have filed as exhibits to this Quarterly Report on Form 10-Q completely and with the understanding that our actual future results may be materially different from what we expect. We do not assume any obligation to update any forward-looking statements except as required by applicable law.

In this Quarterly Report on Form 10-Q, unless otherwise stated or the context otherwise requires, references to the "Company," "Arvinas," "we," "us," and "our," refer to Arvinas, Inc. and its consolidated subsidiaries, or any one or more of them as the context may require, and "our board of directors" refers to the board of directors of Arvinas, Inc.

We use Arvinas, the Arvinas logo, and other marks as trademarks in the United States and other countries. This Quarterly Report on Form 10-Q contains references to our trademarks and service marks and to those belonging to other entities. Solely for convenience, trademarks and trade names referred to in this Quarterly Report on Form 10-Q, including logos, artwork and other visual displays, may appear without the ® or ™ symbols, but such references are not intended to indicate in any way that we will not assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensor to these trademarks and trade names. We do not intend our use or display of other entities' trade names, trademarks or service marks to imply a relationship with, or endorsement or sponsorship of us by, any other entity.

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements.

ARVINAS, INC. AND SUBSIDIARIES

Condensed Consolidated Balance Sheets (unaudited)

(dollars and shares in millions)	September 30, 2022	December 31, 2021
Assets		
Current assets:		
Cash and cash equivalents	$ 132.6	$ 108.3
Restricted cash	5.5	4.5
Marketable securities	1,138.1	1,394.3
Accounts receivable	1.0	15.0
Other receivables	5.8	10.7
Prepaid expenses and other current assets	21.7	19.7
Total current assets	1,304.7	1,552.5
Property, equipment and leasehold improvements, net	14.0	12.7
Operating lease right of use assets	4.8	3.9
Collaboration contract asset and other assets	11.3	12.5
Total assets	$ 1,334.8	$ 1,581.6
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable and accrued liabilities	$ 49.7	$ 54.4
Deferred revenue	193.1	206.2
Current portion of operating lease liability	1.8	1.1
Total current liabilities	244.6	261.7
Deferred revenue	464.6	534.3
Long term debt	1.0	1.0
Operating lease liability	3.1	2.9
Total liabilities	713.3	799.9
Commitments and Contingencies		
Stockholders’ equity:		
Common stock, $0.001 par value; 53.2 and 53.0 shares issued and outstanding as of September 30, 2022 and December 31, 2021, respectively	0.1	—
Accumulated deficit	(882.5)	(682.9)
Additional paid-in capital	1,528.7	1,469.2
Accumulated other comprehensive loss	(24.8)	(4.6)
Total stockholders’ equity	621.5	781.7
Total liabilities and stockholders’ equity	$ 1,334.8	$ 1,581.6

See accompanying notes to the condensed consolidated financial statements

ARVINAS, INC. AND SUBSIDIARIES

Condensed Consolidated Statements of Operations and Comprehensive Loss (unaudited)

(dollars and shares in millions, except per share amounts)	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
Condensed Consolidated Statements of Operations	**2022**	**2021**	**2022**	**2021**
Revenue	$ 30.3	$ 9.3	$ 85.8	$ 20.4
Operating expenses:				
Research and development	77.5	40.6	216.7	118.5
General and administrative	20.0	16.0	64.5	42.8
Total operating expenses	97.5	56.6	281.2	161.3
Loss from operations	(67.2)	(47.3)	(195.4)	(140.9)
Other income (expenses)				
Other (expense) income, net	(0.2)	0.2	(0.4)	1.7
Interest income, net	3.4	0.3	6.3	1.2
Total other income	3.2	0.5	5.9	2.9
Net loss before income taxes	(64.0)	(46.8)	(189.5)	(138.0)
Income tax expense	(2.2)	—	(10.1)	—
Net loss	$ (66.2)	$ (46.8)	$ (199.6)	$ (138.0)
Net loss per common share, basic and diluted	$ (1.24)	$ (0.94)	$ (3.76)	$ (2.81)
Weighted average common shares outstanding, basic and diluted	53.2	49.8	53.1	49.1

(dollars in millions)	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
Condensed Consolidated Statements of Comprehensive Loss	**2022**	**2021**	**2022**	**2021**
Net loss	$ (66.2)	$ (46.8)	$ (199.6)	$ (138.0)
Other comprehensive loss:				
Unrealized loss on available-for-sale securities	(2.8)	(0.1)	(20.2)	(1.2)
Comprehensive loss	$ (69.0)	$ (46.9)	$ (219.8)	$ (139.2)

See accompanying notes to the condensed consolidated financial statements

ARVINAS, INC. AND SUBSIDIARIES

Condensed Consolidated Statements of Changes in Stockholders' Equity (unaudited)

(dollars and shares in millions)	Common					
For the Three Months Ended September 30, 2022 and 2021	**Shares**	**Amount**	**Accumulated Deficit**	**Additional Paid-in Capital**	**Accumulated Other Comprehensive (Loss) Income**	**Total Stockholders' Equity**
Balance as of June 30, 2022	53.2	$ 0.1	$ (816.3)	$ 1,508.8	$ (22.0)	$ 670.6
Stock-based compensation	—	—	—	18.8	—	18.8
Net loss	—	—	(66.2)	—	—	(66.2)
Proceeds from exercise of stock options	—	—	—	1.1	—	1.1
Unrealized loss on available-for-sale securities	—	—	—	—	(2.8)	(2.8)
Balance as of September 30, 2022	53.2	$ 0.1	$ (882.5)	$ 1,528.7	$ (24.8)	$ 621.5
Balance as of June 30, 2021	49.0	$ —	$ (583.1)	$ 1,166.5	$ (0.5)	$ 582.9
Stock-based compensation	—	—	—	15.2	—	15.2
Net loss	—	—	(46.8)	—	—	(46.8)
Restricted stock vesting	0.1	—	—	—	—	—
Proceeds from exercise of stock options	0.2	—	—	6.7	—	6.7
Common stock issued, net of issuance costs of $4.6	3.5	—	—	259.9	—	259.9
Unrealized loss on available-for-sale securities	—	—	—	—	(0.2)	(0.2)
Balance as of September 30, 2021	52.8	$ —	$ (629.9)	$ 1,448.3	$ (0.7)	$ 817.7

(dollars and shares in millions)	Common					
For the Nine Months Ended September 30, 2022 and 2021	**Shares**	**Amount**	**Accumulated Deficit**	**Additional Paid-in Capital**	**Accumulated Other Comprehensive Income (Loss)**	**Total Stockholders' Equity**
Balance as of December 31, 2021	53.0	$ —	$ (682.9)	$ 1,469.2	$ (4.6)	$ 781.7
Stock-based compensation	—	—	—	55.4	—	55.4
Net loss	—	—	(199.6)	—	—	(199.6)
Proceeds from exercise of stock options	0.2	0.1	—	4.1	—	4.2
Unrealized loss on available-for -sale securities	—	—	—	—	(20.2)	(20.2)
Balance as of September 30, 2022	53.2	$ 0.1	$ (882.5)	$ 1,528.7	$ (24.8)	$ 621.5
Balance as of December 31, 2020	48.5	$ —	$ (491.9)	$ 1,133.5	$ 0.6	$ 642.2
Stock-based compensation	—	—	—	40.1	—	40.1
Net loss	—	—	(138.0)	—	—	(138.0)
Restricted stock vesting	0.2	—	—	—	—	—
Proceeds from exercise of stock options	0.6	—	—	14.8	—	14.8
Common stock issued, net of issuance costs of $4.6	3.5	—	—	259.9	—	259.9
Unrealized loss on available-for-sale securities	—	—	—	—	(1.3)	(1.3)
Balance as of September 30, 2021	52.8	$ —	$ (629.9)	$ 1,448.3	$ (0.7)	$ 817.7

See accompanying notes to the condensed consolidated financial statements

ARVINAS, INC. AND SUBSIDIARIES

Condensed Consolidated Statements of Cash Flows (unaudited)

(dollars in millions)	For the Nine Months Ended September 30, 2022	2021
Cash flows from operating activities:		
Net loss	$ (199.6)	$ (138.0)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	4.6	3.5
Net accretion of bond discounts/premiums	6.5	5.2
Forgiveness of debt income	—	(1.0)
Loss on sale of marketable securities	0.4	—
Amortization of right-of-use assets	1.5	0.9
Amortization of collaboration contract asset	1.3	0.1
Stock-based compensation	55.4	40.1
Changes in operating assets and liabilities:		
Accounts receivable	14.0	(0.9)
Other receivables	4.9	0.7
Prepaid expenses and other current assets	(2.0)	(12.4)
Collaboration contract asset	—	(12.9)
Accounts payable and accrued liabilities	(5.0)	(7.6)
Operating lease liability	(1.5)	(0.9)
Deferred revenue	(82.8)	718.3
Net cash (used in) provided by operating activities	(202.3)	595.1
Cash flows from investing activities:		
Purchases of marketable securities	(702.2)	(1,402.9)
Maturities of marketable securities	872.2	200.5
Sales of marketable securities	59.1	7.2
Purchases of property, equipment and leasehold improvements	(5.7)	(2.8)
Net cash provided by (used in) investing activities	223.4	(1,198.0)
Cash flows from financing activities:		
Proceeds from issuance of common stock	—	264.5
Payment of common stock issuance costs	—	(4.6)
Proceeds from exercise of stock options	4.2	14.8
Net cash provided by financing activities	4.2	274.7
Net increase (decrease) in cash, cash equivalents and restricted cash	25.3	(328.2)
Cash, cash equivalents and restricted cash, beginning of the period	112.8	588.4
Cash, cash equivalents and restricted cash, end of the period	$ 138.1	$ 260.2
Supplemental disclosure of cash flow information:		
Purchases of property, equipment and leasehold improvements unpaid at period end	$ 0.3	$ 0.1
Cash paid for taxes	$ 8.1	$ —

See accompanying notes to the condensed consolidated financial statements

ARVINAS, INC. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements (unaudited)

1. Nature of Business and Basis of Presentation

Arvinas, Inc. and its subsidiaries ("Arvinas" or "the Company") is a clinical-stage biopharmaceutical company dedicated to improving the lives of patients suffering from debilitating and life-threatening diseases through the discovery, development and commercialization of therapies that degrade disease-causing proteins.

The accompanying unaudited condensed consolidated financial statements include the accounts of Arvinas, Inc. and its subsidiaries. The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") for interim financial information and the instructions to Form 10-Q and Article 10 of Regulation S-X under the Securities Exchange Act of 1934, as amended ("Exchange Act"). Certain information and footnote disclosures normally included in annual financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to Securities and Exchange Commission ("SEC") rules. In the opinion of management, all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation have been included. The condensed consolidated balance sheet as of December 31, 2021 has been derived from the Company's audited consolidated financial statements as of that date. The financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended December 31, 2021, forming part of Arvinas' 2021 Annual Report on Form 10-K filed with the SEC on February 28, 2022.

Certain reclassifications have been made to prior period financial information in order to conform with current period presentation. Accounts payable and Accrued expenses have been condensed into Accounts payable and accrued liabilities, and Interest income and Interest expense have been condensed into Interest income, net.

The preparation of the Company's unaudited condensed consolidated financial statements in conformity with U.S. GAAP requires the use of estimates that affect the reported amount of assets, liabilities, revenue and expenses. These estimates include assumptions and judgments based on historical experience, current conditions, future expectations and other factors the Company considers reasonable. These estimates are reviewed on an ongoing basis and revised as necessary. Actual results could differ from these estimates.

Concentration of Credit Risk and Other Risks and Uncertainties

The Company is subject to a number of risks similar to other biopharmaceutical companies in the early stage, including, but not limited to, the need to obtain adequate additional funding, possible failure of preclinical testing or clinical trials, the need to obtain marketing approval for its product candidates, competitors developing new technological innovations, the need to successfully commercialize and gain market acceptance of the Company's products and protection of proprietary technology. If the Company does not successfully obtain regulatory approval, it will be unable to generate revenue from product sales or achieve profitability.

To date, the Company has not generated any revenue from product sales and expects to incur additional operating losses and negative operating cash flows for the foreseeable future. The Company has financed its operations primarily through sales of equity interests, proceeds from collaborations, grant funding and debt financing. The Company had cash, cash equivalents, restricted cash and marketable securities totaling $1.3 billion as of September 30, 2022.

Impact of the Coronavirus ("COVID-19") Pandemic

As a result of the COVID-19 pandemic, many companies have experienced disruptions in their operations and in the markets they serve. The Company considered the impact of COVID-19 on the assumptions and estimates used and determined that there were no material adverse impacts on the Company's financial position and results of operations as of and for the nine months ended September 30, 2022. The full extent of the impacts of COVID-19 on the Company's operations remains uncertain and could have a material adverse impact on the Company's financial results and business operations, including the

timing and ability of the Company to complete certain clinical trials and other efforts required to advance its preclinical pipeline.

2. Accounting Pronouncements and Significant Accounting Policies

The Company reviews new accounting standards as issued. As of September 30, 2022, the Company has not identified any new standards that it believes will have a material impact on the Company's financial statements.

There were no changes to the Company's significant accounting policies during the nine months ended September 30, 2022.

3. Research Collaboration and License Agreements

ARV-471 Collaboration Agreement

In July 2021, the Company entered into a Collaboration Agreement with Pfizer Inc. ("Pfizer") (the "ARV-471 Collaboration Agreement") pursuant to which the Company granted Pfizer worldwide co-exclusive rights to develop and commercialize products containing the Company's proprietary compound ARV-471 (the "Licensed Products"). Under the ARV-471 Collaboration Agreement, the Company received an upfront, non-refundable payment of $650.0 million. In addition, the Company is eligible to receive up to an additional $1.4 billion in contingent payments based on specific regulatory and sales-based milestones for the Licensed Products. Of the total contingent payments, $400.0 million in regulatory milestones are related to marketing approvals and $1.0 billion are related to sales-based milestones.

The Company and Pfizer share equally all development costs, including costs of conducting clinical trials, for the Licensed Products, subject to certain exceptions. Except for certain regions described below, the parties will also share equally all profits and losses in commercialization and medical affairs activities for the Licensed Products in all other countries, subject to certain exceptions.

The Company will be the marketing authorization holder in the United States and, subject to marketing approval, book sales in the United States, while Pfizer will hold marketing authorizations outside the United States. The parties will determine which, if any, regions within the world will be solely commercialized by one party, and in such region the parties will adjust their share of profits and losses for the Licensed Products based on the role each party will be performing.

As a direct result of the Company's entry into the ARV-471 Collaboration Agreement, the Company incurred direct and incremental costs to obtain the contract totaling $12.9 million. In accordance with ASC 340, *Other Assets and Deferred Costs*, the Company recognized an asset of $12.9 million in collaboration contract asset and other assets on the condensed consolidated balance sheet at inception of the agreement, which is being amortized as general and administrative expense over the total estimated period of performance under the ARV-471 Collaboration Agreement.

Bayer Collaboration Agreement

In June 2019, the Company and Bayer AG entered into a Collaboration and License Agreement (the "Bayer Collaboration Agreement") setting forth the Company's collaboration with Bayer AG to identify or optimize proteolysis targeting chimeras ("PROTAC® targeted protein degraders") that mediate the degradation of target proteins. Under the terms of the Bayer Collaboration Agreement, the Company received an upfront, non-refundable payment of $17.5 million in exchange for the use of the Company's technology license. Bayer is committed to fund an additional $12.0 million through 2023, of which of $10.5 million was received from inception through September 30, 2022. These payments are being recognized over the total estimated period of performance.

The Company is also eligible to receive up to $197.5 million in development milestone payments and up to $490.0 million in sales-based milestone payments for all designated targets. In addition, the Company is eligible to receive, on net sales of PROTAC targeted protein degrader-related products, mid-single digit to low-double digit tiered royalties, which may be subject to reductions. There were no development or sales-based milestone payments or royalties received as of September 30, 2022.

Pfizer Research Collaboration Agreement

In December 2017, the Company entered into a Research Collaboration and License Agreement with Pfizer (the “Pfizer Research Collaboration Agreement”). Under the terms of the Pfizer Research Collaboration Agreement, the Company received an upfront, non-refundable payment and certain additional payments totaling $28.0 million in 2018 in exchange for use of the Company’s technology license and to fund Pfizer-related research as defined within the Pfizer Research Collaboration Agreement. These payments are being recognized as revenue over the total estimated period of performance. The Company is eligible to receive up to an additional $37.5 million in non-refundable option payments if Pfizer exercises its options for all targets under the Pfizer Research Collaboration Agreement. The Company is also entitled to receive up to $225.0 million in development milestone payments and up to $550.0 million in sales-based milestone payments for all designated targets under the Pfizer Research Collaboration Agreement, as well as tiered royalties based on sales. During the nine months ended September 30, 2022, the Company received payments totaling $3.5 million, which was included in accounts receivable as of December 31, 2021, for an additional target and additional services which are being recognized as revenue over the total period of performance. There were no sales-based milestone payments or royalties received as of September 30, 2022.

Genentech Modification

In November 2017, the Company entered into an Amended and Restated Option, License, and Collaboration Agreement (the “Genentech Modification”) with Genentech, Inc. and F. Hoffman-La Roche Ltd. (together "Genentech"), amending a previous Genentech agreement. Under the Genentech Modification, the Company received additional upfront, non-refundable payments of $34.5 million (in addition to $11.0 million received under the previous agreement) to fund Genentech-related research. Under the Genentech Modification, Genentech has the right to designate up to ten targets. The Company is eligible to receive up to $27.5 million in additional expansion target payments if Genentech exercises its options on all remaining targets. Upfront non-refundable payments are recognized as revenue over the total estimated period of performance.

The Company is eligible to receive up to $44.0 million per target in development milestone payments, $52.5 million in regulatory milestone payments and $60.0 million in commercial milestone payments based on sales as well as tiered royalties based on sales. There were no development, regulatory or commercial milestone payments or royalties received as of September 30, 2022.

Changes in the Company's contract balances for the nine months ended September 30, 2022 and 2021 were as follows:

(dollars in millions)	September 30, 2022	September 30, 2021
Accounts receivable		
Beginning balance	$ 15.0	$ 1.0
Additions	2.4	1.9
Payments received	(16.4)	(1.0)
Ending balance	$ 1.0	$ 1.9
Contract assets: Collaboration contract asset		
Beginning balance	$ 12.5	$ —
Additions	—	12.9
Amortization	(1.3)	(0.1)
Ending balance	$ 11.2	$ 12.8
Contract liabilities: Deferred revenue		
Beginning balance	$ 740.5	$ 45.1
Revenue recognized from balances held at the beginning of the period	(85.8)	(20.3)
Additions to collaboration agreements	3.0	738.6
Ending balance	$ 657.7	$ 763.4

The aggregate amount of the transaction price allocated to performance obligations that are unsatisfied as of September 30, 2022 was $657.7 million, which is expected to be recognized in the following periods:

(dollars in millions)	
Remainder of 2022	$ 52.8
2023	190.0
2024	136.5
2025	100.4
2026	63.4
2027	34.1
Thereafter	80.5
Total	$ 657.7

4. Marketable Securities and Fair Value Measurements

The Company's marketable securities consist of corporate bonds and government securities which are adjusted to fair value as of each balance sheet date based on quoted prices, which are considered Level 2 inputs.

The following is a summary of the Company's available-for-sale marketable securities measured at fair value on a recurring basis.

			September 30, 2022			
(dollars in millions)	**Valuation Hierarchy**	**Effective Maturity**	**Amortized Cost**	**Gross Unrealized Gains**	**Gross Unrealized Losses**	**Fair Value**
Corporate bonds	Level 2	2022 - 2023	$ 854.3	$ —	$ (12.4)	$ 841.9
Corporate bonds	Level 2	2023 - 2025	218.1	—	(11.4)	206.7
Government securities	Level 2	2022 - 2023	76.3	—	(0.7)	75.6
Government securities	Level 2	2023 - 2024	14.2	—	(0.3)	13.9
Total			$ 1,162.9	$ —	$ (24.8)	$ 1,138.1

			December 31, 2021			
(dollars in millions)	**Valuation Hierarchy**	**Effective Maturity**	**Amortized Cost**	**Gross Unrealized Gains**	**Gross Unrealized Losses**	**Fair Value**
Corporate bonds	Level 2	2022	$ 784.0	$ —	$ (0.7)	$ 783.3
Corporate bonds	Level 2	2023 - 2024	582.5	—	(3.8)	578.7
Government securities	Level 2	2022	32.4	—	(0.1)	32.3
Total			$ 1,398.9	$ —	$ (4.6)	$ 1,394.3

The carrying values of accounts receivable, accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these assets and liabilities.

5. Property, Equipment and Leasehold Improvements

Property, equipment and leasehold improvements consist of the following at:

(dollars in millions)	September 30, 2022	December 31, 2021
Laboratory equipment	$ 16.8	$ 13.6
Leasehold improvements	10.4	8.4
Office equipment	1.7	1.4
Total property, equipment and leasehold improvements	28.9	23.4
Less: accumulated depreciation and amortization	(14.9)	(10.7)
Property, equipment and leasehold improvements, net	$ 14.0	$ 12.7

Depreciation and amortization expense totaled $1.6 million and $1.2 million for the three months ended September 30, 2022 and 2021, respectively, and $4.6 million and $3.5 million for the nine months ended September 30, 2022 and 2021, respectively.

6. Right-of-Use Assets and Liabilities

The Company determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use ("ROU") assets and operating lease liabilities in the condensed consolidated balance sheets.

ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. As the Company's leases do not provide an implicit interest rate, the Company uses its incremental borrowing rate based on the information available at the lease commencement date in determining the present value of lease payments. The incremental borrowing rate ranges from 3.0% - 4.1%. Lease expense is recognized on a straight-line basis over the lease term. Some of the Company's leases include options to extend or terminate the lease. The Company includes these options in the recognition of the Company's ROU assets and lease liabilities when it is reasonably certain that the Company will exercise such options.

In May 2021, the Company entered into a lease, which was amended in August 2022, for approximately 160,000 square feet of laboratory and office space to be occupied in 2024. In connection with the signing of the lease and the related amendment, and at the Company's election to increase the landlord's contribution to the tenant improvement allowance, the Company issued a letter of credit for $5.5 million, collateralized by a certificate of deposit in the same amount, which is presented as restricted cash as of September 30, 2022. Once occupied, the base rent will range from $7.7 million to $8.8 million annually over a ten-year lease term.

The Company has operating leases for its corporate office, laboratories and certain equipment, which expire no later than January 2026. The leases have a weighted average remaining term of 2.2 years.

The components of lease expense were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(dollars in millions)	2022	2021	2022	2021
Operating lease cost	$ 0.5	$ 0.3	$ 1.6	$ 1.0

Supplemental cash flow information related to leases was as follows:

(dollars in millions)	Nine Months Ended September 30, 2022	2021
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$ 1.5	$ 0.9
Supplemental non-cash information:		
Right-of-use assets obtained in exchange for new lease obligations	$ 2.4	$ 3.2

Maturities of lease liabilities for operating leases as of September 30, 2022, are as follows:

(dollars in millions)	
Remainder of 2022	$ 0.4
2023	2.1
2024	2.1
2025	0.5
2026	—
Total lease payments	5.1
Less: imputed interest	(0.2)
Total	$ 4.9

7. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities consisted of the following:

(dollars in millions)	September 30, 2022	December 31, 2021
Accounts payable	$ 7.9	$ 31.3
Accrued liabilities		
Research and development expenses	24.8	9.5
Employee expenses	12.2	12.4
Income taxes	2.0	—
Professional fees and other	2.8	1.2
Total accounts payable and accrued liabilities	$ 49.7	$ 54.4

8. Long-Term Debt

In June 2018, the Company entered into an additional Assistance Agreement with the State of Connecticut (the "2018 Assistance Agreement") to provide funding for the expansion and renovation of laboratory and office space. The Company borrowed $2.0 million under the 2018 Assistance Agreement in September 2018, of which $1.0 million was forgiven upon meeting certain employment conditions. Borrowings under the agreement bear an interest rate of 3.25% per annum, with interest-only payments required for the first 60 months, and mature in September 2028. The 2018 Assistance Agreement requires that the Company be located in the State of Connecticut through 2028, with a default penalty of repayment of the full original funding amount of $2.0 million plus liquidated damages of 7.5% of the total amount of funding received. As of September 30, 2022, $1.0 million remains outstanding under the 2018 Assistance Agreement.

In connection with an Assistance Agreement with the State of Connecticut entered into in 2014 under which all the borrowings by the Company were forgiven, the Company is required to be located in the State of Connecticut through January 2024, with a default penalty of repayment of the full original funding amount of $2.5 million plus liquidated damages of 7.5%.

Minimum future principal payments on long-term debt for the years ending December 31 are as follows:

(dollars in millions)	
2023	$ —
2024	0.2
2025	0.2
2026	0.2
2027	0.2
2028	0.2
Total	$ 1.0

During the three and nine months ended September 30, 2022 and 2021, interest expense was immaterial.

9. Equity

Equity Distribution Agreements

In August 2021, the Company entered into an Equity Distribution Agreement with Piper Sandler & Company (“Piper Sandler”) and Cantor Fitzgerald & Co. (“Cantor”), as agents, pursuant to which the Company may offer and sell from time to time, through the agents, up to $300.0 million of the common stock registered under the Company's universal shelf registration statement pursuant to one or more “at-the-market" offering. During the nine months ended September 30, 2022, no shares were issued under this agreement.

Share-based Compensation

2018 Employee Stock Purchase Plan

In September 2018, the Company adopted the 2018 Employee Stock Purchase Plan (the “2018 ESPP”), with the first offering period under the 2018 ESPP commencing on January 1, 2020, by initially providing participating employees with the opportunity to purchase an aggregate of 311,850 shares of the Company’s common stock. The number of shares of the Company’s common stock reserved for issuance under the 2018 ESPP increase, pursuant to the terms of the 2018 ESPP, by additional shares equal to 1% of the Company’s then-outstanding common stock, effective as of January 1 of each year. As of September 30, 2022, 1,986,565 shares remained available for purchase. During the nine months ended September 30, 2022 and 2021, the Company issued 24,898 and 19,357 shares, respectively, of common stock under the 2018 ESPP.

Incentive Share Plan

In the Fourth Amendment to the Company’s Incentive Share Plan (the “Incentive Plan”) adopted in March 2018, the Company was authorized to issue up to an aggregate of 6,199,477 incentive units pursuant to the terms of the Incentive Plan. Generally, incentive units were granted at no less than fair value as determined by the board of managers and had vesting periods ranging from one to four years. The Incentive Plan was terminated in September 2018.

2018 Stock Incentive Plan

In September 2018, the Company’s board of directors adopted, and the Company’s stockholders approved, the 2018 Stock Incentive Plan (the “2018 Plan”), which became effective upon the effectiveness of the registration statement on Form S-1 for the Company’s initial public offering. The number of common shares initially available for issuance under the 2018 Plan equaled the sum of (1) 4,067,007 shares of common stock; plus (2) the number of shares of common stock (up to 1,277,181) issued in respect of incentive units granted under the Incentive Plan that were subject to vesting immediately prior to the effectiveness of the registration statement expired, terminated or were otherwise surrendered, cancelled, forfeited or repurchased by the Company at their original issuance price pursuant to a contractual repurchase right; plus (3) an annual increase on the first day of each fiscal year beginning with the fiscal year ended December 31, 2019 and continuing to, and including, the fiscal year ending December 31, 2028, equal to the lesser of 4,989,593 shares of the Company’s common stock, 4% of the number of shares of the Company’s common stock outstanding on the

first day of the year or an amount determined by the Company's board of directors. As of September 30, 2022, 2,268,813 shares remained available for issuance under the 2018 Plan. Common shares subject to outstanding equity awards that expire or are terminated, surrendered, or canceled without having been fully exercised or are forfeited in whole or in part are available for future grants of awards.

Compensation Expense

During the three months ended September 30, 2022 and 2021, the Company recognized compensation expense of $18.8 million and $15.2 million, respectively, relating to the issuance of incentive awards. During the nine months ended September 30, 2022 and 2021, the Company recognized compensation expense of $55.4 million and $40.1 million, respectively, relating to the issuance of incentive awards.

As of September 30, 2022, there was $76.7 million of unrecognized compensation expense that is expected to be amortized over a weighted average period of approximately two years.

Stock Options

The fair value of the stock options granted during the nine months ended September 30, 2022 and 2021 was determined using the Black-Scholes option pricing model with the following assumptions:

	September 30, 2022	September 30, 2021
Expected volatility	73.2 - 76.0%	74.8 - 78.0%
Expected term (years)	5.5 - 7.0	5.3 - 7.0
Risk free interest rate	1.5% - 3.3%	0.5% - 1.2%
Expected dividend yield	0 %	0 %
Exercise price	$36.79 - $78.91	$66.82 - $100.40

Given the Company's common stock has not been trading for a sufficient period of time, the Company calculates volatility of its common stock by utilizing a weighted average of a collection of peer company volatilities and its own common stock volatility. The expected term is calculated utilizing the simplified method.

A summary of the stock option activity under the 2018 Plan during the nine months ended September 30, 2022 is presented below. These amounts include stock options granted to employees and directors.

(dollars in millions, except weighted average exercise price)	Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value
Outstanding as of December 31, 2021	5,343,254	$ 44.98		
Granted	1,716,817	$ 60.13		
Exercised	(167,118)	$ 18.11		
Forfeited	(194,089)	$ 61.70		
Outstanding as of September 30, 2022	6,698,864	$ 49.05	7.9	$ 59.9
Exercisable as of September 30, 2022	3,340,023	$ 35.62	7.0	$ 53.8

The weighted-average grant date fair value per share of options granted during the nine months ended September 30, 2022 was $39.69. The total intrinsic value of options exercised during the nine months ended September 30, 2022 was $7.6 million.

As of September 30, 2022, there were 6,396,248 stock options under the 2018 Plan that have vested or are expected to vest.

Restricted Stock Awards

A summary of restricted stock award activity under the Incentive Plan during the nine months ended September 30, 2022 is presented below. These amounts include restricted stock granted to employees and directors.

	Shares		Weighted Average Grant Date Fair Value Per Share
Unvested restricted stock as of December 31, 2021	30,625	$	16.00
Vested	(29,305)	$	16.00
Cancelled	(1,320)	$	16.00
Unvested restricted stock as of September 30, 2022	—	$	16.00

Restricted Stock Units

A summary of restricted stock unit activity under the 2018 Plan during the nine months ended September 30, 2022 is presented below. These amounts include restricted stock units granted to employees.

	Shares		Weighted Average Grant Date Fair Value Per Share
Unvested restricted stock units as of December 31, 2021	88,307	$	20.02
Granted	370,466	$	55.42
Vested	(42,500)	$	20.04
Cancelled	(14,774)	$	52.43
Unvested restricted stock units as of September 30, 2022	401,499	$	51.49

As of September 30, 2022, there were 334,575 restricted stock units under the 2018 Plan that have vested or are expected to vest.

10. Income Taxes

For the three months ended September 30, 2022, the Company recognized income tax expense of $2.2 million resulting in an effective tax rate of (3.4)%, as compared to income tax expense of zero resulting in an effective tax rate of 0.0% in the same period for 2021. The primary reconciling items between the federal statutory rate of 21.0% for the three months ended September 30, 2022 and the Company's overall effective tax rate of (3.4)% was the effect of equity compensation, generation of research and development tax credits, deferred state income taxes and the valuation allowance recorded against the full amount of its net deferred tax assets. The primary reconciling items between the federal statutory rate of 21.0% for the three months ended September 30, 2021 and the Company's overall effective tax rate of 0.0% was the effect of equity compensation and the valuation allowance recorded against the full amount of its net deferred tax assets.

For the nine months ended September 30, 2022, the Company recognized income tax expense of $10.1 million resulting in an effective tax rate of (5.3)%, as compared to income tax expense of zero resulting in an effective tax rate of 0.0% in the same period for 2021. The primary reconciling items between the federal statutory rate of 21.0% for the nine months ended September 30, 2022 and the Company's overall effective tax rate of (5.3)% was the effect of equity compensation, generation of research and development tax credits,

deferred state income taxes and the valuation allowance recorded against the full amount of its net deferred tax assets. The primary reconciling items between the federal statutory rate of 21.00% for the nine months ended September 30, 2021 and the Company's overall effective tax rate of 0.00% was the effect of equity compensation and the valuation allowance recorded against the full amount of its net deferred tax assets.

A valuation allowance is established when it is more likely than not that some portion or all of a deferred tax asset will not be realized. The realization of deferred tax assets depends on the generation of future taxable income during the period in which related temporary differences become deductible. The Company is projecting taxable income for the current year, and as a result projects current income tax expense for the year. The projection of taxable income is primarily due to revenue recognition for tax purposes from the ARV-471 Collaboration Agreement and the capitalization of qualified research and development expenses incurred on or after January 1, 2022, which upon recognition for tax purposes would create additional deferred tax assets. Under the Tax Cuts and Jobs Act of 2017, qualified research expenses incurred after 2021 are no longer immediately deductible for tax purposes and instead must be amortized over at least five years for tax purposes. The Company continues to establish a full valuation allowance against the Company's net deferred tax assets since it is more likely than not that benefits will not be realized, including those benefits created in the current year. This assessment is based on the Company's historical cumulative losses which provide strong objective evidence that cannot be overcome with projections of income, as well as the fact the Company expects continuing losses in the future.

11. Net Loss Per Share

Basic and diluted loss per common share was calculated as follows:

(dollars and shares in millions, except per common share amounts)	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2022	2021	2022	2021
Net loss	$ (66.2)	$ (46.8)	$ (199.6)	$ (138.0)
Weighted average number of common shares outstanding - basic and diluted	53.2	49.8	53.1	49.1
Net loss per common share - basic and diluted	$ (1.24)	$ (0.94)	$ (3.76)	$ (2.81)

The Company reported net losses for each of the three and nine months ended September 30, 2022 and 2021, and, therefore, excluded all stock options, restricted stock awards and restricted stock units from the calculation of diluted net loss per common share as their inclusion would have had an anti-dilutive effect, as summarized below:

(shares in millions)	For the For the Three and Nine Months Ended September 30,	
	2022	2021
Stock options	6.7	5.3
Restricted stock awards	—	0.1
Restricted stock units	0.4	0.1
	7.1	5.5

12. Equity Method Investments

In July 2019, the Company and Bayer CropScience LP ("Bayer LP") formed a joint venture, Oerth Bio LLC ("Oerth"), to research, develop and commercialize PROTAC targeted protein degraders for applications in the field of agriculture. As Oerth is jointly controlled by the Company and Bayer LP, the Company accounts for its 50% interest using the equity method of accounting. The Company also provides to Oerth compensated research and development services and administrative services through a separate agreement. The services

rendered by the Company during the three and nine months ended September 30, 2022 and 2021 were immaterial.

Operating expenses and net loss of Oerth for the three months ended September 30, 2022 and 2021 totaled $6.2 million and $3.5 million, respectively. Operating expenses and net loss of Oerth for the nine months ended September 30, 2022 and 2021 totaled $16.3 million and $9.5 million, respectively.

The carrying value of the investment has been reduced to zero and, as a result, no additional losses were recorded against the carrying value of the investment during the three and nine months ended September 30, 2022 and 2021.

13. Commitments and Contingencies

From time to time, the Company may be subject to legal proceedings, claims and disputes that arise in the ordinary course of business. The Company accrues a liability for such matters when it is probable that future expenditures will be made and that such expenditures can be reasonably estimated. Significant judgment is required to determine both probability and the estimated amount. Legal fees and other costs associated with such actions are expensed as incurred. As of September 30, 2022, the Company does not believe there are any such matters where there is at least a reasonable probability that a material loss, if any, has been or will be incurred.

Clinical and Preclinical Development and Licensing Arrangements

From time to time, the Company enters into contracts in the normal course of business with various third parties who support its clinical trials, preclinical research studies, and other services related to its development activities. The scope of the services under these agreements can generally be modified at any time, and the agreement can be terminated by either party after a period of notice and receipt of written notice.

In addition, under licensing and related arrangements to which we are a party, we may be obligated to make milestone payments to third parties. The payment obligations under these arrangements are contingent upon future events, such as achievement of specified milestones or generation of product sales, and the amount, timing and likelihood of such payments are not known.

FMI Agreement

On June 4, 2022, the Company entered into a Master In Vitro Diagnostics Agreement, effective as of June 4, 2022 with Foundation Medicine, Inc. (the "FMI Agreement") for the development and commercialization of one or more of Foundation Medicine's companion in vitro diagnostic assays for use with one or more of the Company's therapeutic products.

Bavdegalutamide

In exchange for the development of FoundationOne® Liquid CDx as a companion diagnostic for use with bavdegalutamide for AR mCRPC in the United States and European Union, pursuant to the terms of the FMI Agreement, the Company is subject to success-based milestone payments of up to low to mid tens of millions of dollars, in addition to certain validation fees per sample and related pass-through costs.

ARV-766

In exchange for the development of FoundationOne® Liquid CDx as a companion diagnostic for use with ARV-766 for AR mCRPC in the United States and European Union, pursuant to the terms of the FMI Agreement, the Company is subject to success-based milestone payments of up to low tens of millions of dollars in addition to certain validation fees per sample and related pass-through costs.

The FMI Agreement does not have a fixed duration, and the Company may terminate the FMI Agreement for convenience by providing adequate written notice to Foundation Medicine, subject to payment of applicable termination fees. Either party may terminate the FMI Agreement in its entirety for an uncured material breach by the other party, upon the bankruptcy or insolvency of the other party or by the mutual written agreement of both parties. Additionally, Foundation Medicine may terminate the FMI Agreement with respect to

an applicable program, if (a) a reasonably necessary third party license is not secured by Foundation Medicine or if we do not consent to payments for such license (b) Foundation Medicine reasonably determines that further development of the applicable assay is not technically feasible or (c) following a certain number of years after the first commercial launch of the applicable assay for use with the applicable therapeutic product. Certain license and other rights and certain obligations of Foundation Medicine survive termination of the FMI Agreement. If the FMI Agreement is terminated in its entirety or with respect to any program, the Company has certain payment obligations remaining to Foundation Medicine and may also be required to pay a termination fee, if applicable.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis is meant to provide material information relevant to an assessment of the financial condition and results of operations of our company, including an evaluation of the amount and certainty of cash flows from operations and from outside sources, so as to allow investors to better view our company from management's perspective. You should read the following discussion and analysis of financial condition and results of operations together with our unaudited condensed consolidated financial statements and the related notes appearing elsewhere in this Quarterly Report on Form 10-Q and the consolidated financial statements and the related notes and discussion and analysis of financial condition and results of operations in our Annual Report on Form 10-K for the year ended December 31, 2021 filed on February 28, 2022. This discussion contains forward-looking statements that involve risks and uncertainties. As a result of many factors, such as those set forth in the section titled "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2021, filed on February 28, 2022 and elsewhere in this Quarterly Report on Form 10-Q, our actual results may differ materially from those anticipated in or implied by these forward-looking statements.

Overview

Our Business

We are a clinical-stage biopharmaceutical company dedicated to improving the lives of patients suffering from debilitating and life-threatening diseases through the discovery, development and commercialization of therapies to degrade disease-causing proteins. We use our PROTAC Discovery Engine, our proprietary technology platform to engineer proteolysis targeting chimeras, or PROTAC targeted protein degraders, that are designed to harness the body's own natural protein disposal system to selectively remove disease-causing proteins. We believe that our targeted protein degradation approach is a therapeutic modality that may provide distinct advantages over existing modalities, including traditional small molecule therapies and gene-based medicines. Our small molecule PROTAC technology has the potential to address a broad range of intracellular disease targets, including those representing up to the 80% of proteins that currently cannot be addressed by existing small molecule therapies, commonly referred to as "undruggable" targets. We are using our PROTAC Discovery Engine to build an extensive pipeline of protein degradation product candidates to target diseases in oncology (including immuno-oncology), neuroscience, and other therapeutic areas. Our three lead product candidates are bavdegalutamide (ARV-110), ARV-471, and ARV-766.

Bavdegalutamide (ARV-110)

We are developing bavdegalutamide, an investigational orally bioavailable PROTAC protein degrader targeting the androgen receptor protein, or AR, for the treatment of men with metastatic castration-resistant prostate cancer, or mCRPC. In 2019, we initiated a Phase 1/2 clinical trial of bavdegalutamide designed to assess the safety, tolerability and pharmacokinetics of bavdegalutamide, which also includes measures of anti-tumor activity as secondary endpoints, including reduction in prostate specific antigen, or PSA, a well-recognized biomarker of prostate cancer progression. We received fast track designation for bavdegalutamide for mCRPC in May 2019. We have completed dose escalation in the Phase 1 clinical trial. In the fourth quarter of 2020, we initiated ARDENT, the Phase 2 single agent expansion portion of the bavdegalutamide clinical trial. In the fourth quarter of 2021, we initiated a Phase 1b clinical trial with bavdegalutamide in combination with abiraterone for the treatment of men with mCRPC.

In the first half of 2023, we plan to confirm the final dose selection and secure final health authority feedback for a global Phase 3 trial protocol and, in the second half of 2023, initiate a global Phase 3 trial in mCRPC for patients with AR T878/H875 tumor mutations. Also in the second half of 2023, we expect to complete enrollment in the Phase 1b clinical trial with bavdegalutamide in combination with abiraterone.

ARV-471

We are developing ARV-471, an investigational orally bioavailable PROTAC protein degrader targeting the estrogen receptor protein, or ER, for the treatment of patients with locally advanced or metastatic ER positive / HER2 negative breast cancer. In 2019, we initiated a Phase 1/2 clinical trial of ARV-471 designed to assess the safety, tolerability and pharmacokinetics of ARV-471, which also includes measures of anti-tumor

activity as secondary endpoints. In the fourth quarter of 2020, we initiated a Phase 1b cohort expansion of ARV-471 in combination with Ibrance® (palbociclib). We have completed dose escalation in the Phase 1 clinical trial. In the first quarter of 2021, we initiated VERITAC, the Phase 2 single agent expansion cohort of the clinical trial. In July 2021, we entered into a collaboration agreement with Pfizer Inc., or Pfizer, pursuant to which we granted Pfizer worldwide coexclusive rights to develop and commercialize ARV-471. In the third quarter of 2022, we initiated TACTIVE-E, a Phase 1b clinical trial with ARV-471 in combination with everolimus in patients with metastatic breast cancer; initiated with Pfizer activities that will enable dosing in TACTIVE-U, a Phase 1b umbrella trial combination trial, with the cyclin-dependent kinase, or CDK, inhibitors abemaciclib and ribociclib in two of the combination arms in the fourth quarter of 2022; initiated with Pfizer a Phase 1b trial with ARV-471 as a monotherapy in Japanese patients; and initiated activity that will enable dosing for TACTIVE-N, a Phase 2 clinical trial with ARV-471 as a monotherapy in patients with early breast cancer in the neoadjuvant setting in the fourth quarter of 2022.

In the fourth quarter of 2022, we plan to present data from the VERITAC Phase 2 dose expansion cohort (with patients dosed at 200 mg and 500 mg). Also in the fourth quarter of 2022, in partnership with Pfizer, we plan to initiate a Phase 3 trial with ARV-471 in combination with palbociclib as a first-line treatment in patients with metastatic breast cancer and initiate a Phase 3 trial with ARV-471 as a second-line treatment in patients with metastatic breast cancer. In 2023, we plan, with Pfizer, to initiate additional arms of the Phase 1b combination trial TACTIVE-U of ARV-471 with other targeted therapies. In the first half of 2023, we plan to present data from the Phase 1b combination trial of ARV-471 with palbociclib at a medical conference.

ARV-766

We are developing ARV-766, an investigational orally bioavailable PROTAC protein degrader for the treatment of men with mCRPC. In preclinical studies, ARV-766 degraded all tested resistance-driving point mutations of AR, including L702H, a mutation associated with treatment with abiraterone and other AR-pathway therapies, which bavdegalutamide did not degrade in preclinical studies. In 2021, we initiated a Phase 1/2 clinical trial of ARV-766 designed to assess the safety, tolerability and pharmacokinetics of ARV-766, which also includes measures of anti-tumor activity as secondary endpoints, including reduction in PSA. In the fourth quarter of 2022, we initiated the Phase 2 expansion portion of the clinical trial at two dose levels.

In the second quarter of 2023, we plan to present Phase 1 dose escalation data.

Bavdegalutamide, ARV-471 and ARV-766 have all demonstrated potent and selective protein degradation in our preclinical studies. We believe that favorable clinical trial results in these initial oncology programs would provide validation of our platform as a new therapeutic modality for the potential treatment of diseases caused by dysregulated intracellular proteins regardless of therapeutic area.

We plan to submit two investigational new drug (IND)/clinical trial authorization (CTA) applications, one in neurology and one in oncology, by the end of 2023, with at least two additional programs in IND- or CTA-enabling studies.

Our Operations

As a result of the COVID-19 pandemic, many companies have experienced disruptions in their operations and in the markets they serve. We have instated some and may take additional precautionary measures intended to help ensure our employees' well-being and minimize business disruption. We temporarily shut down our laboratories in mid-March 2020 and initiated work with biology contract research organizations, or CROs, but have since reopened our laboratories and our office-based employees are working in a hybrid of remote and in-person work. We considered the impact of COVID-19 on the assumptions and estimates used and determined that there were no material adverse impacts on our results of operations and financial position as of September 30, 2022. The full extent of the impacts of COVID-19 on our operations remains uncertain and could have a material adverse impact on our financial results and business operations, including the timing and our ability to complete certain clinical trials and other efforts required to advance our preclinical pipeline.

We commenced operations in 2013. Our operations to date have been limited to organizing and staffing our company, business planning, raising capital, conducting discovery and research activities, filing patent applications, identifying potential product candidates, undertaking preclinical studies and clinical trials and establishing arrangements with third parties for the manufacture of initial quantities of our product candidates.

To date, we have not generated any revenue from product sales and have financed our operations primarily through sales of our equity interests, proceeds from our collaborations, grant funding and debt financing. Since inception through September 30, 2022, we raised approximately $1.3 billion in gross proceeds from the sale of equity instruments and the exercise of stock options and had received an aggregate of $780.5 million in payments primarily from collaboration partners.

We are a clinical-stage company. Bavdegalutamide, ARV-471 and ARV-766 are each in Phase 1/2 clinical trials and our other drug discovery activities are at the research and preclinical development stages. Our ability to generate revenue from product sales sufficient to achieve profitability will depend heavily on the successful development and eventual commercialization of one or more of our product candidates. Since inception, we have incurred significant operating losses. We expect to continue to incur significant expenses and increasing operating losses for at least the next several years. Our net loss was $199.6 million for the nine months ended September 30, 2022. As of September 30, 2022, we had an accumulated deficit of $882.5 million.

Our total operating expenses were $281.2 million for the nine months ended September 30, 2022. We anticipate that our expenses will increase substantially due to costs associated with our ongoing and anticipated clinical activities for bavdegalutamide, ARV-471, and ARV-766, development activities associated with our other product candidates, research activities in oncology, neurological and other disease areas to expand our pipeline, hiring additional personnel in research, clinical trials, quality and other functional areas, increased expenses incurred with contract manufacturing organizations, or CMOs, to supply us with product for our preclinical and clinical studies and CROs for the synthesis of compounds in our preclinical development activities, as well as other associated costs including the management of our intellectual property portfolio.

We do not expect to generate revenue from sales of any product for many years, if ever. Accordingly, we will need to obtain substantial additional funding in connection with our continuing operations. If we are unable to raise capital when needed or on attractive terms, we could be forced to delay, reduce or eliminate our research or product development programs or any future commercialization efforts, or to relinquish valuable rights to our technologies, future revenue streams, research programs or product candidates or grant licenses on terms that may not be favorable to us.

Financial Operations Overview

Revenue

To date, we have not generated any revenue from product sales and do not expect to generate any revenue from the sale of products in the foreseeable future. Our revenues to date have been generated through research collaboration and license agreements. Revenue is recognized ratably over our expected performance period under each agreement. We expect that any revenue for the next several years will be derived primarily from our current collaboration agreements and any additional collaborations that we may enter into in the future. To date, we have not received any sales-based milestone payments or royalties under any of the collaboration agreements.

Genentech License Agreement

In September 2015, we entered into an Option and License Agreement with Genentech, Inc. and F. Hoffmann-La Roche Ltd, collectively referred to as Genentech, focused on PROTAC targeted protein degrader discovery and research for target proteins, or Targets, based on our proprietary platform technology, other than excluded Targets as described below. This collaboration was expanded in November 2017 through an Amended and Restated Option, License and Collaboration Agreement, which we refer to as the Restated Genentech Agreement.

Under the Restated Genentech Agreement, Genentech has the right to designate up to ten Targets for further discovery and research utilizing our PROTAC platform technology. Genentech may designate as a Target any protein to which a PROTAC targeted protein degrader, by design, binds to achieve its mechanism of action, subject to certain exclusions. Genentech also has the right to remove a Target from the collaboration and substitute a different Target that is not an excluded Target at any time prior to us commencing research on such Target or in certain circumstances following commencement of research by us.

At the time we entered into the original agreement with Genentech we received an upfront payment of $11.0 million, and at the time we entered into the Restated Genentech Agreement, we received an additional $34.5 million in upfront and expansion target payments. We are eligible to receive up to an aggregate of $27.5 million in additional expansion target payments if Genentech exercises its options for all remaining Targets. We are also eligible to receive payments aggregating up to $44.0 million per Target upon the achievement of specified development milestones; payments aggregating up to $52.5 million per Target (assuming approval of two indications) subject to the achievement of specified regulatory milestones; and payments aggregating up to $60.0 million per PROTAC targeted protein degrader directed against the applicable Target, subject to the achievement of specified sales milestones. These milestone payments are subject to reduction if we do not have a valid patent claim covering the licensed PROTAC targeted protein degrader at the time the milestone is achieved. We are also eligible to receive, on net sales of licensed PROTAC targeted protein degraders, mid-single digit royalties, which may be subject to reductions.

Pfizer Research Collaboration Agreement

In December 2017, we entered into a Research Collaboration and License Agreement with Pfizer, setting forth our collaboration to identify or optimize PROTAC targeted protein degraders that mediate for degradation of Targets, using our proprietary platform technology that are identified in the agreement or subsequently selected by Pfizer, subject to certain exclusions. We refer to this agreement as the Pfizer Research Collaboration Agreement.

Under the Pfizer Research Collaboration Agreement, Pfizer has designated a number of initial Targets. For each identified Target, we and Pfizer will conduct a separate research program pursuant to a research plan. Pfizer may make substitutions for any of the initial Target candidates, subject to the stage of research for such Target.

In the year ended December 31, 2018, we received an upfront non-refundable payment and certain additional payments totaling $28.0 million in exchange for use of our technology license and to fund Pfizer-related research as defined within the Pfizer Research Collaboration Agreement. We are eligible to receive up to an additional $37.5 million in non-refundable option payments if Pfizer exercises its options for all targets under the Pfizer Research Collaboration Agreement. We are also entitled to receive up to $225.0 million in development milestone payments and up to $550.0 million in sales-based milestone payments for all designated targets under the Pfizer Research Collaboration Agreement, as well as mid- to high-single digit tiered royalties, which may be subject to reductions, on net sales of PROTAC targeted protein degrader-related products. We received payments totaling $3.5 million in the nine months ended September 30, 2022, and $1.2 million and $4.4 million in the years ended December 31, 2021 and 2020, respectively, for additional targets and services.

Bayer Collaboration Agreement

In June 2019, we entered into a Collaboration and License Agreement, or the Bayer Collaboration Agreement, with Bayer AG, or, together with its controlled affiliates, Bayer, setting forth our collaboration to identify or optimize PROTAC targeted protein degraders that mediate for degradation of Targets, using our proprietary platform technology, that are selected by Bayer, subject to certain exclusions and limitations. The Bayer Collaboration Agreement became effective in July 2019.

Under the Bayer Collaboration Agreement, we and Bayer conduct a research program pursuant to separate research plans mutually agreed to by us and Bayer and tailored to each Target selected by Bayer. Bayer may make substitutions for any such initial Target candidates, subject to certain conditions and based on the stage of research for such Target. During the term of the Bayer Collaboration Agreement, we are not permitted, either directly or indirectly, to design, identify, discover or develop any small molecule pharmacologically-active agent whose primary mechanism of action is, by design, directed to the inhibition or degradation of any Target selected or reserved by Bayer, or grant any license, covenant not to sue or other right to any third party in the field of human disease under the licensed intellectual property for the conduct of such activities.

Under the terms of the Bayer Collaboration Agreement, we received an aggregate upfront non-refundable payment of $17.5 million. Bayer is committed to fund a total of $12.0 million in research funding

payments through 2023, of which $10.5 million was received from inception through September 30, 2022, subject to potential increases if our costs for research activities exceed the research funding payments allocated to a Target and certain conditions are met. We are also eligible to receive up to $197.5 million in development milestone payments and up to $490.0 million in sales-based milestone payments for all designated Targets. In addition, we are eligible to receive, on net sales of PROTAC targeted protein degrader-related products, mid-single digit to low-double digit tiered royalties, which may be subject to reductions.

Pfizer ARV-471 Collaboration Agreement

In July 2021, we entered into a collaboration agreement with Pfizer, or the ARV-471 Collaboration Agreement, pursuant to which we granted Pfizer worldwide co-exclusive rights to develop and commercialize products containing our proprietary compound ARV-471, or the Licensed Products.

Under the ARV-471 Collaboration Agreement, we received an upfront, non-refundable payment of $650.0 million. In addition, we are eligible to receive up to an additional $1.4 billion in contingent payments based on specified regulatory and sales-based milestones for the Licensed Products. Of the total contingent payments, $400 million in regulatory milestones are related to marketing approvals and $1.0 billion are related to sales-based milestones.

We and Pfizer share equally (50/50) all development costs (including costs for conducting any clinical trials) for the Licensed Products, subject to certain exceptions. Except for certain regions described below, we will also share equally (50/50) all profits and losses in commercialization and medical affairs activities for the Licensed Products in all other countries, subject to certain exceptions.

We will be the marketing authorization holder and, subject to marketing approval, book sales in the United States, while Pfizer will hold marketing authorizations outside the United States. We will determine with Pfizer which, if any, regions within the world will be solely commercialized by one party, and in such region the parties will adjust their share of all profits and losses for the Licensed Products based on the role each party will be performing.

Unless earlier terminated in accordance with its terms, the ARV-471 Collaboration Agreement will expire on a Licensed Product-by-Licensed Product and country-by-country basis when such Licensed Products are no longer commercialized or developed for commercialization in such country. Pfizer may terminate the ARV-471 Collaboration Agreement for convenience in its entirety or on a region-by-region basis subject to certain notice periods. Either party may terminate the ARV-471 Collaboration Agreement for the other party's uncured material breach or insolvency. Subject to applicable terms of the ARV-471 Collaboration Agreement, including certain payments to Pfizer upon termination for our uncured material breach, effective upon termination of the ARV-471 Collaboration Agreement, we are entitled to retain specified licenses to be able to continue to exploit the Licensed Products.

Subject to specified exceptions, we and Pfizer have each agreed not to directly or indirectly research, develop, or commercialize any competing products outside of the ARV-471 Collaboration Agreement anywhere in the world during the term of the ARV-471 Collaboration Agreement.

Operating Expenses

Our operating expenses since inception have consisted solely of research and development costs and general and administrative costs.

Research and Development Expenses

Research and development expenses consist primarily of costs incurred for our research activities, including our discovery efforts, and the development of our product candidates, and include:

- salaries, benefits and other related costs, including stock-based compensation expense, for personnel engaged in research and development functions;

- expenses incurred under agreements with third parties, including CROs and other third parties that conduct research and preclinical activities on our behalf as well as third parties that manufacture our product candidates for use in our preclinical studies and clinical trials;
- costs of outside consultants, including their fees, stock-based compensation and related travel expenses;
- the costs of laboratory supplies and developing preclinical studies and clinical trial materials;
- facility-related expenses, which include direct depreciation costs of equipment and allocated expenses for rent and maintenance of facilities and other operating costs; and
- third-party licensing fees.

We expense research and development costs as incurred.

We typically use our employee and infrastructure resources across our development programs, and as such, do not track all of our internal research and development expenses on a program-by-program basis. The following table summarizes our research and development expenses for our AR program, which includes bavdegalutamide and ARV-766, ER program, which includes ARV-471, and all other platform and exploratory research and development costs:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
(in millions)	2022	2021	2022	2021
AR program development costs	$ 13.4	$ 10.6	$ 40.7	$ 30.5
ER program development costs	16.1	4.3	51.1	15.9
Other research and development costs	48.0	25.7	124.9	72.1
Total research and development costs	$ 77.5	$ 40.6	$ 216.7	$ 118.5

Research and development activities are central to our business model. We expect that our research and development expenses will continue to increase substantially for the foreseeable future as we conduct clinical trials for bavdegalutamide, ARV-471 and ARV-766, including our ongoing Phase 1/2 clinical trials for bavdegalutamide, ARV-471 and ARV-766 and continue to discover and develop additional product candidates. Research and development expenses related to ARV-471 are shared equally with Pfizer from July 22, 2021, the effective date of the ARV-471 Collaboration Agreement. The ER program development costs in the table above reflect the cost sharing with Pfizer.

We cannot reasonably estimate or determine with certainty the duration and costs of future clinical trials of bavdegalutamide, ARV-471 and ARV-766 or any other product candidate we may develop or if, when, or to what extent we will generate revenue from the commercialization and sale of any product candidate for which we obtain marketing approval. We may never succeed in obtaining marketing approval for any product candidate. The successful development and commercialization of our product candidates is highly uncertain. This is due to the numerous risks and uncertainties associated with developing drugs, including the uncertainty of:

- successful completion of preclinical studies;
- successful initiation of clinical trials;
- successful patient enrollment in and completion of clinical trials;
- receipt and related terms of marketing approvals from applicable regulatory authorities;
- obtaining and maintaining patent and trade secret protection and regulatory exclusivity for our product candidates;

- making arrangements with third-party manufacturers, or establishing manufacturing capabilities, for both clinical and commercial supplies of our product candidates;
- establishing sales, marketing and distribution capabilities and launching commercial sales of our products, if and when approved, whether alone or in collaboration with others;
- acceptance of our products, if and when approved, by patients, the medical community and third-party payors;
- obtaining and maintaining third-party coverage and adequate reimbursement;
- maintaining a continued acceptable safety profile of the products following approval; and
- effectively competing with other therapies.

A change in the outcome of any of these variables with respect to the development of a product candidate could mean a significant change in the costs and timing associated with the development of that product candidate. For example, if the FDA or another regulatory authority were to require us to conduct clinical trials beyond those that we anticipate will be required for the completion of clinical development of a product candidate, or if we experience significant delays in our clinical trials due to patient enrollment or other reasons, we would be required to expend significant additional financial resources and time on the completion of clinical development.

General and Administrative Expenses

General and administrative expenses consist primarily of salaries and other related costs, including stock-based compensation for personnel in our executive, finance, business development and administrative functions. General and administrative expenses also include legal fees relating to intellectual property and corporate matters; professional fees for accounting, auditing, tax and consulting services; insurance costs; travel expenses; and facility-related expenses, which include direct depreciation costs and allocated expenses for rent and maintenance of facilities and other operating costs.

We expect that our general and administrative expenses will increase in the future as we increase our personnel headcount to support increased research and development activities relating to our product candidates. We also expect to incur increased expenses associated with being a public company, including costs of accounting, audit, legal, regulatory and tax-related services associated with maintaining compliance with the Nasdaq Stock Market and Securities and Exchange Commission requirements; director and officer insurance costs; and investor and public relations costs.

Income Taxes

Since our inception in 2013, we have not recorded any U.S. federal or state income tax benefits for the net losses we have incurred in any year or for our federal or state earned research and development tax credits, due to our uncertainty of realizing a benefit from those items. As of December 31, 2021, we had federal net operating loss carryforwards of $373.6 million, which begin to expire in 2033, state and local net operating loss carryforwards of $346.9 million, and federal and state research and development tax credit carryforwards of $15.2 million and $4.5 million, respectively, which begin to expire in 2033 and 2036, respectively. We expect to fully utilize these net operating loss and credit carryforwards in the current year due to taxable income resulting from revenue recognition for tax purposes from our ARV-471 Collaboration Agreement and the capitalization of qualified research and development expenses incurred on or after January 1, 2022. The revenue recognition and capitalization of research expenses are timing differences for tax purposes and deferred tax assets were established. We have provided a valuation allowance against the full amount of the deferred tax assets since, in the opinion of management, based upon our earnings history, it is more likely than not that the benefits will not be realized.

As of September 30, 2022, Arvinas, Inc. had four wholly-owned subsidiaries organized as C-corporations: Arvinas Operations, Inc., Arvinas Androgen Receptor, Inc., Arvinas Estrogen Receptor, Inc., and Arvinas Winchester, Inc. Prior to December 31, 2018, these subsidiaries were separate filers for federal tax purposes.

Critical Accounting Estimates

Our management's discussion and analysis of financial condition and results of operations is based on our unaudited condensed consolidated financial statements, which have been prepared in accordance with generally accepted accounting principles in the United States. The preparation of our condensed consolidated financial statements and related disclosures requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, costs and expenses and the disclosure of contingent assets and liabilities in our condensed consolidated financial statements. We base our estimates on historical experience, known trends and events and various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. We evaluate our estimates and assumptions on an ongoing basis. Our actual results may differ from these estimates under different assumptions or conditions.

There have been no material changes to our critical accounting estimates from those described in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended December 31, 2021, filed with the Securities and Exchange Commission on February 28, 2022.

Results of Operations

Comparison of Three and Nine Months Ended September 30, 2022 and 2021

	For the Three Months Ended September 30,			For the For the Nine Months Ended September 30,		
(dollars in millions)	2022	2021	$ change	2022	2021	$ change
Revenue	$ 30.3	$ 9.3	$ 21.0	$ 85.8	$ 20.4	$ 65.4
Research and development expenses	77.5	40.6	36.9	216.7	118.5	98.2
General and administrative expenses	20.0	16.0	4.0	64.5	42.8	21.7
Other income	3.2	0.5	2.7	5.9	2.9	3.0
Income tax expense	(2.2)	—	(2.2)	(10.1)	—	(10.1)
Net loss	$ (66.2)	$ (46.8)	$ (19.4)	$ (199.6)	$ (138.0)	$ (61.6)

Revenues

Revenues for the three months ended September 30, 2022 totaled $30.3 million, as compared to $9.3 million for the three months ended September 30, 2021. The increase of $21.0 million was primarily due to revenue from the ARV-471 Collaboration Agreement with Pfizer entered into during the third quarter of 2021.

Revenues for the nine months ended September 30, 2022 totaled $85.8 million, as compared to $20.4 million for the nine months ended September 30, 2021. The increase of $65.4 million was primarily due to revenue from the ARV-471 Collaboration Agreement with Pfizer entered into during the third quarter of 2021.

Research and Development Expenses

Research and development expenses for the three months ended September 30, 2022 totaled $77.5 million, compared with $40.6 million for the three months ended September 30, 2021. The increase of $36.9 million was primarily due to an increase in our continued investment in our platform and exploratory programs of $22.3 million as well as increases in expenses related to our AR and ER programs of $2.8 million and $11.8 million, respectively. The increase in spending over all of our programs was primarily due to increased clinical trial costs and related drug manufacturing costs of $14.3 million as we expanded our AR and ER programs into additional clinical studies. Direct expenses related to our platform and exploratory targets increased by $10.7 million as we continued to expand the number of protein targets in the exploratory and lead optimization phases and continued to make investments into our platform discovery efforts. Personnel related costs also increased by $10.5 million, inclusive of $2.8 million of stock compensation expense.

Research and development expenses for the nine months ended September 30, 2022 totaled $216.7 million, compared with $118.5 million for the nine months ended September 30, 2021. The increase of $98.2 million was primarily due to an increase in our continued investment in our platform and exploratory programs of $52.8 million as well as increases in expenses related to our AR and ER programs of $10.2 million and $35.2 million, respectively. The increase in spending over all of our programs was primarily due to clinical trial costs and related drug manufacturing costs of $45.7 million as we expanded our AR and ER programs into additional clinical studies. Personnel related costs increased by $30.3 million, inclusive of $9.7 million of stock compensation expense. Direct expenses related to our platform and exploratory targets also increased by $20.5 million as we continued to expand the number of protein targets in the exploratory and lead optimization phases and continued to make investments into our platform discovery efforts.

General and Administrative Expenses

General and administrative expenses totaled $20.0 million for the three months ended September 30, 2022, compared with $16.0 million for the three months ended September 30, 2021. The increase of $4.0 million was primarily due to an increase of personnel related costs of $2.9 million and professional fees of $2.1 million.

General and administrative expenses totaled $64.5 million for the nine months ended September 30, 2022, compared with $42.8 million for the nine months ended September 30, 2021. The increase of $21.7 million was primarily due to an increase of personnel related costs of $9.7 million, stock compensation expense of $3.8 million, and insurance, taxes and professional fees of $7.7 million.

Other Income

Other income totaled $3.2 million for the three months ended September 30, 2022, compared with $0.5 million for the three months ended September 30, 2021. The increase of $2.7 million was primarily due to higher interest income of $3.1 million from higher interest rates, offset in part by higher realized losses on our marketable securities of $0.3 million and lower refundable research and development credits from the State of Connecticut of $0.3 million, as we are no longer eligible to receive a cash refund for the research and development credits in the State of Connecticut.

Other income totaled $5.9 million for the nine months ended September 30, 2022, compared with $2.9 million for the nine months ended September 30, 2021. The increase of $3.0 million was primarily due to higher interest income of $5.1 million from higher investment balances and higher interest rates, offset in part by forgiveness of debt of $1.0 million in 2021 equal to 50% of the then outstanding loan balance, related to the State of Connecticut loan upon our satisfaction of certain jobs criteria, higher realized losses on our marketable securities of $0.4 million and lower refundable research and development credits from the State of Connecticut of $0.8 million, as we are no longer eligible to receive a cash refund for the research and development credits in the State of Connecticut.

Income Tax Expense

Income tax expense totaled $2.2 million for the three months ended September 30, 2022, compared with zero for the three months ended September 30, 2021, primarily due to current income taxes resulting from revenue recognition for tax purposes from our ARV-471 Collaboration Agreement and the capitalization of research and development expenses incurred on or after January 1, 2022.

Income tax expense totaled $10.1 million for the nine months ended September 30, 2022, compared with zero for the nine months ended September 30, 2021, primarily due to current income taxes resulting from revenue recognition for tax purposes from our ARV-471 Collaboration Agreement and the capitalization of research and development expenses incurred on or after January 1, 2022. Under the Tax Cuts and Jobs Act of 2017, qualified research expenses incurred after 2021 are no longer immediately deductible for tax purposes and instead must be amortized over 5 years for tax purposes. As a result of these items, we expect to fully utilize our federal net operating loss and credit carryforwards in the current year, resulting in current income tax expense for the period.

Liquidity and Capital Resources

Overview

We do not currently have any approved products and have never generated any revenue from product sales. To date, we have financed our operations primarily through the sale of equity interests and through payments from collaboration partners, grant funding and loans from the State of Connecticut. Since inception through September 30, 2022, we had received an aggregate of $780.5 million in payments from collaboration partners, grant funding and forgivable and partially forgivable loans from the State of Connecticut, and raised approximately $1.3 billion in gross proceeds from the sale of equity interests and the exercise of stock options, including:

- October 2018: our initial public offering in which we issued an aggregate of 7,700,482 shares of common stock, for aggregate gross proceeds of $123.2 million before fees and expenses;
- July 2019: the sale of 1,346,313 shares of common stock to Bayer AG for aggregate gross proceeds of $32.5 million;
- November 2019: completion of a follow-on offering in which we issued 5,227,273 shares of common stock for aggregate gross proceeds of $115.0 million before fees and expenses;
- September – December 2020: sale of 2,593,637 shares of common stock in an “at-the-market offering” for aggregate gross proceeds of $65.6 million before fees and expenses;
- December 2020: completion of a follow-on offering in which we issued 6,571,428 shares of common stock for aggregate gross proceeds of $460.0 million before fees and expenses; and
- September 2021: issuance of 3,457,815 shares of common stock to Pfizer for aggregate gross proceeds of $350.0 million.

In May 2021, we entered into a lease, which was amended in August 2022, for approximately 160,000 square feet of laboratory and office space to be occupied in 2024. In connection with the signing of the lease and the related amendment, and at our election to increase the landlord’s contribution to the tenant improvement allowance, we issued a letter of credit for $5.5 million, collateralized by a certificate of deposit in the same amount. Once occupied, the base rent will range from $7.7 million to $8.8 million annually over a ten-year lease term.

In August 2021, we entered into an Equity Distribution Agreement with Piper Sandler & Company and Cantor Fitzgerald & Co., as agents, pursuant to which we may offer and sell from time to time, through the agents, up to $300.0 million of the common stock registered under our universal shelf registration statement pursuant to one or more “at-the-market" offering. As of September 30, 2022, no shares have been issued under this agreement.

Cash Flows

Our cash, cash equivalents, restricted cash and marketable securities totaled $1.3 billion as of September 30, 2022 and $1.5 billion as of December 31, 2021. We had an outstanding loan balance of $1.0 million as of each of September 30, 2022 and December 31, 2021.

The following table summarizes our sources and uses of cash for the period presented:

(dollars in millions)	For the Nine Months Ended September 30, 2022	2021
Net cash (used in) provided by operating activities	$ (202.3)	$ 595.1
Net cash provided by (used in) investing activities	223.4	(1,198.0)
Net cash provided by financing activities	4.2	274.7
Net increase (decrease) in cash, cash equivalents and restricted cash	$ 25.3	$ (328.2)

Operating Activities

Net cash used in operating activities for the nine months ended September 30, 2022 totaled $202.3 million, primarily due to our net loss of $199.6 million, a reduction in deferred revenue of $82.8 million and a net reduction in accounts payable and accrued liabilities of $5.0 million, partially offset by non-cash charges of $69.7 million and a decrease in accounts and other receivables of $18.9 million. Non-cash charges consisted primarily of stock compensation expense of $55.4 million, net accretion of bond discounts/premiums of $6.5 million, and depreciation and amortization of $4.6 million.

Net cash provided by operating activities for the nine months ended September 30, 2021 totaled $595.1 million, primarily due to an increase in deferred revenue of $718.3 million driven largely by the ARV-471 Collaboration Agreement and non-cash charges of $48.8 million, partially offset by our net loss of $138.0 million, an increase in prepaid expenses related in part to clinical trials and drug manufacturing contracts of $12.4 million, the payment to obtain a contract of $12.9 million related to the ARV-471 Collaboration Agreement and a net reduction in accrued expenses and accounts payable of $7.6 million. Non-cash charges consisted primarily of stock compensation expense of $40.1 million, net accretion of bond discounts/premiums of $5.2 million and depreciation and amortization of $3.5 million.

Investing Activities

Net cash provided by investing activities for the nine months ended September 30, 2022 totaled $223.4 million, attributable to sales and maturities of marketable securities in excess of purchases of $229.1 million, offset by purchases of property and equipment of $5.7 million.

Net cash used in investing activities for the nine months ended September 30, 2021 totaled $1,198.0 million, attributable to purchases of marketable securities in excess of the maturities of marketable securities of $1,202.4 million due in part to funds received as part of the ARV-471 Collaboration Agreement and purchases of property and equipment of $2.8 million, offset by sales of marketable securities of $7.2 million.

Financing Activities

Net cash provided by financing activities for the nine months ended September 30, 2022 totaled $4.2 million, attributable to the proceeds from the exercise of stock options.

Net cash provided by financing activities for the nine months ended September 30, 2021 totaled $274.7 million, attributable to the proceeds from the issuance of shares of our common stock to Pfizer of $259.9 million (after allocation of a portion of the proceeds to deferred revenue), net of expenses, and proceeds from the exercise of stock options of $14.8 million.

Funding Requirements

Since our inception, we have incurred significant operating losses. We expect to continue to incur significant expenses and increasing operating losses for the foreseeable future as we advance the preclinical

and clinical development of our product candidates. In addition, we expect to continue to incur additional costs associated with operating as a public company.

Specifically, we anticipate that our expenses will increase substantially if, and as we:

- continue a Phase 1/2 clinical trial of our product candidate bavdegalutamide and a Phase 1b clinical trial of bavdegalutamide in combination with abiraterone for the treatment of men with metastatic castration-resistant prostate cancer, or mCRPC, and initiate one or more additional Phase 1b clinical expansions of bavdegalutamide in combination with standard of care agents, in men with mCRPC;
- continue a Phase 1/2 clinical trial of our product candidate ARV-471 and a Phase 1b clinical trial of ARV-471 in combination with palbociclib, and initiate an additional Phase 1b cohort expansion in combination with a standard of care agent, each in patients with locally advanced or metastatic ER positive / HER2 negative breast cancer and initiate a window of opportunity study in early breast cancer;
- continue a Phase 1/2 clinical trial of our product candidate ARV-766 in men with mCRPC;
- conduct later stage clinical trials of bavdegalutamide, ARV-471 or ARV-766;
- apply our PROTAC Discovery Engine to advance additional product candidates into preclinical and clinical development;
- expand the capabilities of our PROTAC Discovery Engine;
- seek marketing approvals for any product candidates that successfully complete clinical trials;
- ultimately establish a sales, marketing and distribution infrastructure and scale up external manufacturing capabilities to commercialize any products for which we may obtain marketing approval;
- expand, maintain and protect our intellectual property portfolio;
- hire additional development, including clinical and regulatory, and scientific personnel; and
- add operational, financial and management information systems and personnel to support our research, product development and future commercialization efforts and support our operations as a public company.

We had cash, cash equivalents, restricted cash and marketable securities totaling $1.3 billion as of September 30, 2022. We believe that our cash, cash equivalents, restricted cash and marketable securities as of September 30, 2022 will enable us to fund our planned operating expenses and capital expenditure requirements multiple additional years beyond 2024. We have based this estimate on assumptions that may prove to be wrong, and we could use our capital resources sooner than we currently expect. Our future capital requirements will depend on many factors, including:

- the progress, costs and results of our ongoing clinical trials for bavdegalutamide, ARV-471 and ARV-766 and any future clinical development of bavdegalutamide, ARV-471 and ARV-766;
- the scope, progress, costs and results of preclinical and clinical development for our other product candidates and development programs;
- the number of, and development requirements for, other product candidates that we pursue, including our other oncology and neurodegenerative research programs;
- the success of our collaborations with Pfizer, Genentech and Bayer;
- the costs, timing and outcome of regulatory review of our product candidates;
- the costs and timing of future commercialization activities, including product manufacturing, marketing, sales and distribution, for any of our product candidates for which we receive marketing approval;

- the revenue, if any, received from commercial sales of our product candidates for which we receive marketing approval;
- the costs and timing of preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending any intellectual property-related claims; and
- our ability to establish additional collaboration arrangements with other biotechnology or pharmaceutical companies on favorable terms, if at all, for the development or commercialization of our product candidates.

As a result of these anticipated expenditures, we will need to obtain substantial additional financing in connection with our continuing operations. Until such time, if ever, as we can generate substantial revenue from product sales, we expect to finance our cash needs through a combination of equity offerings, debt financings, collaborations, strategic alliances and marketing, distribution or licensing arrangements. Although we may receive potential future payments under our collaborations with Pfizer, Genentech and Bayer, we do not currently have any committed external source of funds. Adequate additional funds may not be available to us on acceptable terms, or at all. If we are unable to raise capital when needed or on attractive terms, we may be required to delay, limit, reduce or terminate our research, product development programs or any future commercialization efforts or grant rights to develop and market product candidates that we would otherwise prefer to develop and market ourselves.

To the extent that we raise additional capital through the sale of equity or convertible debt securities, the terms of these securities may include liquidation or other preferences that adversely affect the rights of our common stockholders. Debt financing and preferred equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making acquisitions or capital expenditures or declaring dividends.

If we raise additional funds through collaborations, strategic alliances or marketing, distribution or licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies, future revenue streams, research programs or product candidates or grant licenses on terms that may not be favorable to us.

Borrowings

In January 2014, we entered into an Assistance Agreement with the State of Connecticut, or the 2014 Assistance Agreement, under which we borrowed $2.5 million. Borrowings under the 2014 Assistance Agreement were forgivable if we maintained a minimum number of full-time jobs in the State of Connecticut for a minimum period at a minimum annual salary. Effective in March 2016, the full principal amount under the 2014 Assistance Agreement had been forgiven. While borrowings under the 2014 Assistance Agreement have been forgiven, we remain subject to an ongoing covenant to be located in the State of Connecticut through January 2024. Upon violation of this covenant, we would be required to repay the full original funding amount of $2.5 million plus liquidated damages of 7.50%.

In June 2018, we entered into an additional Assistance Agreement with the State of Connecticut, or the 2018 Assistance Agreement, to provide funding for the expansion and renovation of laboratory and office space. We borrowed $2.0 million under the 2018 Assistance Agreement in September 2018, of which $1.0 million was forgiven upon meeting certain employment conditions. Borrowings under the agreement bear an interest rate of 3.25% per annum, with interest only payments required for the first 60 months, and mature in September 2028. The 2018 Assistance Agreement requires that we be located in the State of Connecticut through 2028 with a default penalty of repayment of the full original funding amount of $2.0 million plus liquidated damages of 7.5% of the total amount of funding received. As of September 30, 2022, $1.0 million remains outstanding under the 2018 Assistance Agreement.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to market risks in the ordinary course of our business. These risks primarily include interest rate sensitivities. Our interest-earning assets consist of cash, cash equivalents, restricted cash and

marketable securities. Interest income earned on these assets totaled $6.3 million and $1.2 million for the nine months ended September 30, 2022 and 2021, respectively. Our interest income is sensitive to changes in the general level of interest rates, primarily U.S. interest rates. As of September 30, 2022, our cash equivalents consisted of bank deposits and money market funds, and our marketable securities included interest-earning securities. Our outstanding debt totaled $1.0 million as of each of September 30, 2022 and December 31, 2021. Our outstanding debt as of September 30, 2022 carries a fixed interest rate of 3.25% per annum.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer (our principal executive officer and principal financial officer, respectively), evaluated the effectiveness of our disclosure controls and procedures as of September 30, 2022. The term “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, or the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by the company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company’s management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Our management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and our management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of September 30, 2022, our Chief Executive Officer and Chief Financial Officer concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the fiscal quarter ended September 30, 2022 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting. We have not experienced any material impact to our internal control over financial reporting due to the COVID-19 pandemic. We are continually monitoring and assessing the COVID-19 pandemic on our internal controls to minimize the impact on their design and operating effectiveness.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

We are not currently a party to any material legal proceedings. In the future, we may be involved in various claims and legal proceedings relating to claims arising out of our operations. The outcome of litigation cannot be predicted with certainty and some lawsuits, claims or proceedings may be disposed of unfavorably to us, which could materially affect our financial condition or results of operations.

Item 1A. Risk Factors.

Investing in our common stock involves a high degree of risk. You should carefully consider the those risks and uncertainties discussed in "Part I, Item 1A, Risk Factors," in our Annual Report on Form 10-K for the year ended December 31, 2021 filed with the SEC on February 28, 2022 together with all of the other information contained in this Quarterly Report on Form 10-Q, including our unaudited condensed consolidated financial statements and the related notes appearing elsewhere in this Quarterly Report on Form 10-Q. The risk factor disclosure in our Annual Report on Form 10-K for the year ended December 31, 2021 is qualified by the information that is described in this Quarterly Report on Form 10-Q. If any of the risks described in our Annual Report on Form 10-K for the year ended December 31, 2021 actually occur, our business, prospects, operating results and financial condition could suffer materially. In such event, the trading price of our common stock could decline and you might lose all or part of your investment.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Recent Sales of Unregistered Securities

We did not issue any securities that were not registered under the Securities Act during the three and nine months ended September 30, 2022.

Item 6. Exhibits.

Exhibit Number	Description
3.1	Restated Certificate of Incorporation of the Registrant (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K (File No. 001-38672) filed with the SEC on October 1, 2018).
3.2	Amended and Restated Bylaws of the Registrant (incorporated by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K (File No. 001-38672) filed with the SEC on October 1, 2018).
10.1*	First Amendment to Lease between 101 College Street, LLC and Arvinas Operations, Inc., dated August 5, 2022.
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of Principal 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 Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104.00	Cover Page Interactive Date File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith.

** Furnished herewith.

† Portions of this exhibit have been omitted pursuant to Item 601(b)(10)(iv) of Regulation S-K.

SIGNATURES

Pursuant to the requirements 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.

Arvinas, Inc.

Date: November 9, 2022

By: /s/ John Houston, Ph.D.

John Houston, Ph.D.
President and Chief Executive Officer
(Principal Executive Officer)

Date: November 9, 2022

By: /s/ Sean Cassidy

Sean Cassidy
Chief Financial Officer and Treasurer
(Principal Financial and Accounting Officer)

Exhibit 10.1

FIRST AMENDMENT

First Amendment (this "First Amendment"), dated as of August 10, 2022 (the "Effective Date"), between 101 COLLEGE STREET, LLC ("Landlord") and ARVINAS OPERATIONS, INC. ("Tenant").

W I T N E S S E T H :

WHEREAS, by lease (the "Lease"), dated as of May 4, 2021, between Landlord and Tenant, certain premises (the "Premises") more particularly described in the Lease, consisting of approximately 161,815 rentable square feet and constituting the 3rd, 4th and 5th floors of a building (the "Building") to be constructed at property to be commonly known as 101 College Street, New Haven, Connecticut, are now leased and demised by Landlord to Tenant;

WHEREAS, the parties hereto desire to amend the Lease (the Lease, as amended by this First Amendment, is hereafter referred to as the "Amended Lease") so as, among other things, to (i) modify the Premises to be leased and (ii) provide Tenant with an additional right to increase Landlord's Contribution (as defined in the Lease) on the terms and conditions hereinafter set forth, and have executed and delivered this First Amendment for such purpose.

NOW, THEREFORE, in consideration of the foregoing and the covenants, agreements, terms, provisions and conditions herein contained, Landlord and Tenant hereby amend the Lease as follows:

1. Capitalized Terms. All terms not otherwise defined herein shall have the meanings ascribed to them in the Lease.

2. Modification of Premises.

(a) Effective as of the Effective Date, the definition of "Premises" set forth in Section 2.1 of the Lease is hereby amended by deleting the first sentence of Section 2.1 of the Lease in its entirety and replacing it with the following:

> "Landlord hereby leases to Tenant, and Tenant hereby hires from Landlord, the premises hereinafter described (the "**Premises**"), consisting of approximately 162,577 rentable square feet consisting of the 4th, 5th and 6th floors of a building, associated below grade parking garage, and associated subsurface improvements to be constructed at property to be known as 101 College Street, New Haven, Connecticut (the "**Building**"), as such Premises are shown on the plans attached hereto as **Exhibit 2.1** (the "**Premises Plans**"), together with the non-exclusive right to use the common areas for their intended purposes, for the Term hereinafter stated, for the rents hereinafter reserved, and upon and subject to the terms, restrictions and reservations hereinafter provided in this Lease and those matters of record set forth on **Exhibit 2.1(a)**, all of which Tenant shall conform to (Landlord represents that none of such matters of record prohibit use of the Premises for the Permitted Use)."

(b) Effective as of the Effective Date, **Exhibit 2.1** to the Lease is hereby deleted in its entirety and replaced with **Exhibit 2.1** attached to this First Amendment.

(c) Effective as of the Effective Date, **Exhibit 4.1** to the Lease is hereby deleted in its entirety and replaced with **Exhibit 4.1** attached to this First Amendment.

3. Modification of Expansion Space. Effective as of the Effective Date, the definition of "Expansion Space" set forth in Section 36.1 of the Lease is hereby amended by deleting the first two sentences of Section 36.1 in their entirety and replacing them with the following sentence:

> "Provided that Tenant is not in default (beyond applicable notice or cure period(s)) of its obligations under this Lease at the time Tenant makes such election or at the time that the Expansion Space (as defined below) is added to this Lease, Tenant shall have the one-time right to expand the Premises (the "**Expansion Option**") to include the third (3rd) floor of the Building consisting of approximately 53,521 rentable square feet (the "**Expansion Space**") effective during the first Lease Year by providing prior written notice (the "**Expansion Notice**") to Landlord at least six (6) months prior to the date (the "**Expansion Delivery Date**") within the first Lease Year that Tenant seeks to add the Expansion Space to the Premises."

4. Increase to Landlord's Contribution. Subject to, and conditioned upon, timely receipt of the Increased Letter of Credit, as defined below, Landlord's Contribution is hereby increased by an additional amount equal to $50.00 per rentable square foot (the "**Additional Contribution**") of the Premises for a total amount of Landlord's Contribution (inclusive of the amount previously elected under Section 11(e) of the Work Letter by letter from Tenant to Landlord dated May 12, 2021) of $250.00 per rentable square foot of the Premises. In consideration for such increase, the amount of the Initial Security Deposit has been increased to $5,500,000 on account of the foregoing increases in Landlord's Contribution and Tenant shall, within 30 days following the Effective Date (time being of the essence), provide Landlord with a Letter of Credit in the amount of $5,500,000 (the "**Increased Letter of Credit**"). The Section 11(e) Increased Security Amount plus the additional increase in Security Deposit amount pursuant to this paragraph is referred to collectively herein as the "First Amendment Increased Security Amount". If the Increased Letter of Credit is not timely delivered as set forth above, the First Amendment Increased Security Amount and the Additional Contribution shall each be deemed to be zero ($0) dollars, Tenant's prior election under Section 11(e) of the Work Letter shall be null and void (and Tenant's right to make such election shall terminate), and the Landlord's Contribution shall remain $150.00 per rentable square foot.

5. Section 9(a)(i) of the Work Letter is hereby amended by deleting the third sentence thereof in its entirety and inserting the following in its place:

> "Notwithstanding anything herein to the contrary, in no event shall any of the following be considered a change that requires Tenant's consent for the purposes of this Work Letter: (A) minor changes in the nature of field adjustments that do not require the approval of Landlord as owner under its construction contract; (B) changes that increase the useable or rentable square footage of the Premises by less than 2% or decrease the usable or rentable square footage of the Premises by less than 1% (e.g., meaning the resulting rentable square footage would not be less than 160,951 nor more than 165,829); (C) changes to the lobby and entrances that do not adversely affect access to the Premises and do not vary in any material respect from first class standards for Comparable Buildings; (D) changes to other tenant premises in the Building; (E) changes to the common areas or any Building structure or systems that do not have an adverse effect on

the Premises or prohibit Landlord from meeting its express obligations under this Lease; (F) expansions of the Building that do not affect the Premises or access to the Premises; and (G) changes consistent with previously approved BBW Plans or reasonably inferable therefrom, provided, however, in no event shall any change or series of changes qualify under clauses (B) through (G) if such change, together with any and all other changes, is reasonably expected to result in a net increase to Tenant's costs, expenses, or financial obligations under the Lease by more than five percent (5%) per annum in the first year of the Term above the amount of Tenant's costs, expenses or financial obligations under the Lease that would have been incurred in the first year of the Term in the absence of such change (excluding any increases resulting solely from an increase in the useable or rentable square footage of the Premises by less than 1% to the extent permitted pursuant to clause (B), above)."

6. Additional Amendments to Lease. Effective as of the Effective Date, Landlord and Tenant hereby agree to further amend the Lease, as follows:

(a) The phrase "and additional allowance obtained pursuant to Section 4 of the First Amendment" shall be added after the phrase "**Exhibit 3.2**" on the eighth line of the second paragraph of Section 36.1 of the Lease.

(b) The word "initial" on the second line of Section 37.1 of the Lease is hereby deleted and replaced with the words "initial (after taking into account the modification of the Premises set forth in Section 2 of the First Amendment)".

(c) Section 40.1 of the Lease is hereby amended by deleting the words "Section 11(e) Increased Security Amount" wherever they appear in the second full paragraph (beginning with "If Tenant fails to provide the Letter of Credit…") and inserting the words "First Amendment Increased Security Amount" in their place.

(d) All of the references to the number "160,197" in Article 39 of the Lease are hereby deleted and replaced with the number "160,951".

(e) All of the references to the number "161,815" in Article 39 of the Lease are hereby deleted and replaced with the number "162,577".

(f) The phrase "and additional allowance obtained pursuant to Section 4 of the First Amendment" shall be added after the phrase "**Exhibit 3.2**" on the thirty-third and thirty-seventh lines of the first paragraph of Section 39.1 of the Lease.

(g) The number "160,197" on the fifth line of Section 12(a) of the Work Letter is hereby deleted and replaced with the number "160,951".

(h) Section 9(a)(ii) of the Work Letter and all references to the "Bridge" in the Lease are hereby deleted in their entirety.

7. Form of Notice of Amended Lease. Landlord and Tenant are, contemporaneously herewith, executing, acknowledging and delivering a Notice of Amended Lease in the form of **Exhibit 29.2** attached to this First Amendment to reflect the terms of this First Amendment. Tenant, at its cost and expense, shall have the right to record such executed Notice of Amended Lease on the City of New Haven, Connecticut land records.

8. Miscellaneous:

(a) Tenant acknowledges that Landlord has obtained the pollution limited liability policy required pursuant to Section 7.4(4) of the Lease and provided Tenant with evidence of the same and that Landlord has delivered to Tenant the Letter of Credit required pursuant to Section 17 of the Work Letter.

(b) **Exhibit 2.1(a)** to the Lease is hereby deleted in its entirety and replaced by **Exhibit 2.1(a)**, attached.

9. Landlord Confirmation. Landlord hereby confirms that as of July 12, 2022, to Landlord's knowledge (without waiving any of its rights under the Lease with respect to matters of which Landlord did not have actual knowledge as of such date) there has been no Tenant Delay and/or Construction Force Majeure.

10. Lender Consent. Landlord represents to Tenant that, as of the Effective Date, Landlord has obtained from the holder of its existing mortgage consent to this First Amendment.

11. Brokerage. Each of Landlord and Tenant represents that in the negotiation of this First Amendment it dealt with no real estate broker or salesman. Each party shall indemnify and hold harmless the other party from any and all losses, damages and expenses arising out of any inaccuracy or alleged inaccuracy of the above representation. The foregoing indemnity shall also cover all fees, costs and expenses, including attorneys' fees, which the claiming party incurs to defend against any such claim (which the indemnifying party shall pay upon demand). The provisions of this Section 9 shall survive the expiration or earlier termination of the Amended Lease.

12. Ratification of the Lease. As modified by this First Amendment, the Lease and all of the covenants, agreements, terms, provisions and conditions thereof are hereby ratified and confirmed by Tenant and Landlord in all respects.

13. Counterparts. This First Amendment may be executed in one or more counterparts (including by fax, pdf or other electronic means) and each of such counterparts shall, for all purposes, be deemed to be an original, but all such counterparts shall, when taken together, constitute one and the same instrument. The delivery of an unexecuted counterpart of this First Amendment to Tenant shall not be deemed an offer by Landlord and this First Amendment shall not be binding on Landlord unless and until Landlord shall deliver to Tenant a fully executed counterpart hereof.

[Balance of Page Intentionally Left Blank – Signature Page to Follow]

IN WITNESS WHEREOF, Landlord and Tenant have executed this First Amendment as of the day and year first written above.

LANDLORD:
101 COLLEGE STREET, LLC

Witness: By: HRSE- Winstanley I, LLC, its Sole Member

/s/ Martha T. Billig
Martha T. Billig

/s/ Barbara A. Green By: /s/ Adam D. Winstanley
Barbara A. Green Name: Adam Winstanley
Title: Authorized Signatory

TENANT:
Witness: ARVINAS OPERATIONS, INC.

/s/ Melissa Conners
Melissa Conners

/s/ Sandra Carlino
Sandra Carlino By: /s/ Sean Cassidy
Name: Sean Cassidy
Title: CFO and Treasurer

Guarantor hereby confirms its obligation as Guarantor as set forth in the Guaranty dated as of May 4, 2021 in connection with the Lease and specifically confirms that such Guaranty extends to and applies with respect to the Amended Lease:

GUARANTOR:

ARVINAS, INC.

BY:/s/ Sean Cassidy
Name: Sean Cassidy
Title: CFO and Treasurer

STATE OF Massachusetts)
: ss. Concord
COUNTY OF Middlesex) City/Town

On this the 3rd day of August, 2022, before me, personally appeared Adam D. Winstanley, an Authorized Signatory of **101 COLLEGE STREET, LLC,** signer and sealer of the foregoing instrument, and who acknowledged the same to be the free act and deed of said **101 COLLEGE STREET, LLC**, and his/her free act and deed as such Authorized Signatory thereof.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

/s/ Pamela M. D'Ambrosio
Commissioner of the Superior Court
Notary Public
My Commission Expires:

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, John Houston, Ph.D., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Arvinas, Inc.;

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: November 9, 2022

By: /s/ John Houston, Ph.D.

John Houston, Ph.D.
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Sean Cassidy, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Arvinas, Inc.;

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: November 9, 2022

By: /s/ Sean Cassidy

Sean Cassidy
Chief Financial Officer and Treasurer
(Principal Financial and Accounting 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 Quarterly Report of Arvinas, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: November 9, 2022

By: /s/ John Houston, Ph.D.

John Houston, Ph.D.
President and 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 Quarterly Report of Arvinas, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: November 9, 2022

By: /s/ Sean Cassidy

Sean Cassidy
Chief Financial Officer and Treasurer
(Principal Financial and Accounting Officer)