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, 2024

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 October 25, 2024, the registrant had 68,713,098 shares of common stock, $0.001 par value per share, outstanding.

Table of Contents

CAUTIONARY NOTE REGARDING 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 any future clinical trials of vepdegestrant, ARV-102 and ARV-393 and current trials of ARV-766, which we are transitioning to Novartis Pharma AG, and bavdegalutamide (ARV-110), 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 our product candidates and the ability of our product candidates to meet existing or future regulatory standards;
- the potential receipt of payments based on achievement of milestones under our collaborations, including our collaboration with Pfizer Inc. entered into in July 2021;
- potential receipt of payments based on the achievement of milestones related to ARV-766 and future royalties under our license agreement with Novartis Pharma AG;
- our plans to pursue research and development of other product candidates;
- the filing of an investigational new drug application for our kirsten rat sarcoma GD12 program;
- 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 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, 2023, filed on February 27, 2024, 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 differ materially from what we expect. We do not assume any obligation to update any forward-looking statements except as required by applicable law.

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

The Arvinas name and logo are our trademarks. We also own the service mark and the registered U.S. trademark for PROTAC®. 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, except per share amounts)	September 30, 2024	December 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	$ 85.2	$ 311.7
Restricted cash	—	5.5
Marketable securities	1,036.4	949.3
Accounts receivable	7.3	—
Other receivables	7.5	7.2
Prepaid expenses and other current assets	13.1	6.5
Total current assets	1,149.5	1,280.2
Property, equipment and leasehold improvements, net	6.8	11.5
Operating lease right of use assets	1.0	2.5
Collaboration contract asset and other assets	9.8	10.4
Total assets	$ 1,167.1	$ 1,304.6
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable and accrued liabilities	$ 75.9	$ 92.2
Deferred revenue	199.2	163.0
Current portion of operating lease liabilities	0.8	1.9
Total current liabilities	275.9	257.1
Deferred revenue	304.5	386.2
Long-term debt	0.6	0.8
Operating lease liabilities	0.1	0.5
Total liabilities	581.1	644.6
Commitments and Contingencies (Note 13)		
Stockholders' equity:		
Preferred stock, $0.001 par value, zero shares issued and outstanding as of September 30, 2024 and December 31, 2023, respectively	—	—
Common stock, $0.001 par value; 68.7 and 68.0 shares issued and outstanding as of September 30, 2024 and December 31, 2023, respectively	0.1	0.1
Accumulated deficit	(1,486.5)	(1,332.7)
Additional paid-in capital	2,068.3	1,995.7
Accumulated other comprehensive income (loss)	4.1	(3.1)
Total stockholders' equity	586.0	660.0
Total liabilities and stockholders' equity	$ 1,167.1	$ 1,304.6

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,	
Consolidated Statements of Operations	**2024**	**2023**	**2024**	**2023**
Revenue	$ 102.4	$ 34.6	$ 204.2	$ 121.6
Operating expenses:				
Research and development	86.9	85.9	264.9	284.5
General and administrative	75.8	22.6	131.3	73.3
Total operating expenses	162.7	108.5	396.2	357.8
Loss from operations	(60.3)	(73.9)	(192.0)	(236.2)
Other (expense) income				
Other expense, net	(2.6)	—	(2.7)	(1.1)
Interest income, net	14.3	10.0	41.9	26.6
Total other (expense) income	11.7	10.0	39.2	25.5
Net loss before income taxes and loss from equity method investment	(48.6)	(63.9)	(152.8)	(210.7)
Income tax (expense) benefit	(0.6)	—	(1.0)	0.7
Loss from equity method investment	—	(0.1)	—	(2.5)
Net loss	$ (49.2)	$ (64.0)	$ (153.8)	$ (212.5)
Net loss per common share, basic and diluted	$ (0.68)	$ (1.18)	$ (2.14)	$ (3.97)
Weighted average common shares outstanding, basic and diluted	72.1	54.1	71.9	53.6

(dollars in millions)	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
Consolidated Statements of Comprehensive Loss	**2024**	**2023**	**2024**	**2023**
Net loss	$ (49.2)	$ (64.0)	$ (153.8)	$ (212.5)
Other comprehensive loss:				
Unrealized gain on available-for-sale securities	7.9	3.0	7.2	10.0
Comprehensive loss	$ (41.3)	$ (61.0)	$ (146.6)	$ (202.5)

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, 2024 and 2023	**Shares**	**Amount**	**Accumulated Deficit**	**Additional Paid-in Capital**	**Accumulated Other Comprehensive (Loss) Income**	**Total Stockholders' Equity**
Balance as of June 30, 2024	68.6	$ 0.1	$ (1,437.3)	$ 2,041.2	$ (3.8)	$ 600.2
Stock-based compensation	—	—	—	24.7	—	24.7
Net loss	—	—	(49.2)	—	—	(49.2)
Issuance of common stock under equity incentive plans	0.1	—	—	2.4	—	2.4
Unrealized gain on available-for-sale securities	—	—	—	—	7.9	7.9
Balance as of September 30, 2024	68.7	$ 0.1	$ (1,486.5)	$ 2,068.3	$ 4.1	$ 586.0
Balance as of June 30, 2023	53.4	$ 0.1	$ (1,113.9)	$ 1,589.6	$ (12.2)	$ 463.6
Stock-based compensation	—	—	—	16.7	—	16.7
Net loss	—	—	(64.0)	—	—	(64.0)
Issuance of common stock under equity incentive plans	0.1	—	—	1.9	—	1.9
Common stock issued, net of issuance costs of $1.1	1.5	—	—	36.0	—	36.0
Unrealized gain on available-for-sale securities	—	—	—	—	3.0	3.0
Balance as of September 30, 2023	55.0	$ 0.1	$ (1,177.9)	$ 1,644.2	$ (9.2)	$ 457.2

(dollars and shares in millions)	Common					
For the Nine Months Ended September 30, 2024 and 2023	**Shares**	**Amount**	**Accumulated Deficit**	**Additional Paid-in Capital**	**Accumulated Other Comprehensive (Loss) Income**	**Total Stockholders' Equity**
Balance as of December 31, 2023	68.0	$ 0.1	$ (1,332.7)	$ 1,995.7	$ (3.1)	$ 660.0
Stock-based compensation	—	—	—	64.9	—	64.9
Net loss	—	—	(153.8)	—	—	(153.8)
Issuance of common stock under equity incentive plans	0.7	—	—	7.7	—	7.7
Unrealized gain on available-for-sale securities	—	—	—	—	7.2	7.2
Balance as of September 30, 2024	68.7	$ 0.1	$ (1,486.5)	$ 2,068.3	$ 4.1	$ 586.0
Balance as of December 31, 2022	53.2	$ 0.1	$ (965.4)	$ 1,549.4	$ (19.2)	$ 564.9
Stock-based compensation	—	—	—	54.9	—	54.9
Net loss	—	—	(212.5)	—	—	(212.5)
Issuance of common stock under equity incentive plans	0.3	—	—	3.9	—	3.9
Common stock issued, net of issuance costs of $1.1	1.5	—	—	36.0	—	36.0
Unrealized gain on available-for-sale securities	—	—	—	—	10.0	10.0
Balance as of September 30, 2023	55.0	$ 0.1	$ (1,177.9)	$ 1,644.2	$ (9.2)	$ 457.2

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, 2024	2023
Cash flows from operating activities:		
Net loss	$ (153.8)	$ (212.5)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	3.5	3.6
Net accretion of bond discounts/premiums	(17.1)	(11.6)
Loss on sale of marketable securities	—	0.9
Amortization of right-of-use assets	1.5	1.4
Amortization of collaboration contract asset	3.6	2.0
Net loss on disposal of property, plant and equipment	2.6	—
Stock-based compensation	64.9	54.9
Changes in operating assets and liabilities:		
Accounts receivable	(7.3)	(14.7)
Other receivables	(0.3)	2.2
Prepaid expenses and other current assets	(6.4)	12.3
Collaboration contract asset	(3.0)	—
Accounts payable and accrued liabilities	(16.3)	16.0
Operating lease liability	(1.6)	(1.5)
Deferred revenue	(45.5)	(117.7)
Net cash used in operating activities	(175.2)	(264.7)
Cash flows from investing activities:		
Purchases of marketable securities	(600.8)	(665.7)
Maturities of marketable securities	538.0	873.4
Sales of marketable securities	—	52.3
Purchases of property, equipment and leasehold improvements	(1.5)	(2.8)
Proceeds from disposal of property, equipment and leaseholds improvements	0.1	—
Net cash (used in) provided by investing activities	(64.2)	257.2
Cash flows from financing activities:		
Repayments of long-term debt	(0.3)	—
Proceeds from issuance of common stock	—	37.1
Payment of common stock issuance costs	—	(1.1)
Proceeds from exercise of stock options and issuance of ESPP shares	7.7	3.9
Net cash provided by financing activities	7.4	39.9
Net (decrease) increase in cash, cash equivalents and restricted cash	(232.0)	32.4
Cash, cash equivalents and restricted cash, beginning of the period	317.2	86.8
Cash, cash equivalents and restricted cash, end of the period	$ 85.2	$ 119.2
Supplemental disclosure of cash flow information:		
Cash paid for taxes	$ 1.6	$ 9.1

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 biotechnology company dedicated to improving the lives of patients suffering from debilitating and life-threatening diseases.

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 U.S. 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, 2023 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, 2023, forming part of Arvinas’ 2023 Annual Report on Form 10-K filed with the SEC on February 27, 2024.

The preparation of the Company’s unaudited condensed consolidated financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions 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.

Risks and Uncertainties

The Company is subject to a number of risks similar to other biotechnology companies in a similar 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, and the need to successfully commercialize and gain market acceptance of the Company’s products and to protect its proprietary technology. If the Company does not successfully obtain regulatory approval of its product candidates, 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 assets and equity interests, proceeds from collaborations and a licensing arrangement, grant funding and debt financing. The Company had cash, cash equivalents and marketable securities of approximately $1.1 billion as of September 30, 2024.

2. Summary of Accounting Pronouncements and Significant Accounting Policies

Accounting Pronouncements

Recently Adopted Accounting Pronouncements

There have been no recently adopted accounting pronouncements that have had a material impact on the Company's unaudited condensed consolidated financial statements.

Recently Issued Accounting Pronouncements Not Yet Adopted

Segment Reporting (Topic 280) - In November 2023, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2023-07, “*Segment Reporting - Improvements to Reportable Segment Disclosures,*” which requires disclosure of incremental segment information on an annual and interim basis and also requires companies with a single reportable segment to provide all disclosures

required by this ASU and all existing segment disclosures in Accounting Standard Codification (“ASC”) 280, “*Segment Reporting*.” The requirements of the ASU are effective for fiscal years beginning after December 15, 2023 and interim periods beginning after December 15, 2024. The Company is currently evaluating the impact ASU No. 2023-07 will have on its condensed consolidated financial statements.

Income Taxes (Topic 740) - In December 2023, the FASB issued ASU No. 2023-09, "*Improvements to Income Tax Disclosures*," which requires enhanced income tax disclosures, including specific categories and disaggregation of information in the effective tax rate reconciliation, disaggregated information related to income taxes paid, income or loss from continuing operations before income tax expense or benefit and income tax expense or benefit from continuing operations. The requirements of the ASU are effective for annual periods beginning after December 15, 2024, with early adoption permitted. The Company is currently evaluating the impact ASU No. 2023-09 will have on its condensed consolidated financial statements.

Significant Accounting Policies

There were no changes to the Company’s significant accounting policies during the nine months ended September 30, 2024.

Cash, Cash Equivalents and Restricted Cash

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the condensed consolidated balance sheets to the total amounts shown in the condensed consolidated statements of cash flows for the nine months ended September 30, 2024 and 2023:

(dollars in millions)	September 30, 2024	September 30, 2023
Cash and cash equivalents	$ 85.2	$ 113.7
Restricted cash	—	5.5
Cash, cash equivalents and restricted cash	$ 85.2	$ 119.2

Restricted cash represents a letter of credit collateralized by a certificate of deposit in the same amount as was required under the terms of the Terminated Lease, as discussed below in Note 6, *Right-of-Use Assets and Liabilities*.

3. Research Collaboration and License Agreements

Novartis License and Asset Agreements

In April 2024, the Company entered into a transaction (the "Novartis Transaction"), including both a license agreement (the "Novartis License Agreement") and an asset purchase agreement (the "Novartis Asset Agreement") with Novartis Pharma AG ("Novartis") for the worldwide development, manufacture and commercialization of ARV-766, the Company's second generation PROTAC® androgen receptor (AR) degrader for patients with prostate cancer and for the sale of the Company's preclinical AR-V7 program. Under the terms of the agreements, Novartis is responsible for worldwide clinical development and commercialization of ARV-766 and has all research, development, manufacturing, and commercialization rights with respect to the Company’s PROTAC® protein degrader targeting AR-V7, a splice variant of the AR.

In May 2024, the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, expired with respect to the Novartis Transaction (the “HSR Termination”). As a result of the HSR Termination and satisfaction of other closing conditions, Novartis paid to the Company a one-time, upfront payment in the aggregate amount of $150.0 million in accordance with the terms of the Novartis License Agreement and the Novartis Asset Agreement. Under the terms of the Novartis License Agreement, the Company is eligible to receive up to an additional $1.01 billion as contingent payments based on specified development, regulatory and commercial milestones for ARV-766 being met, as well as tiered royalties based on worldwide net sales of ARV-766, subject to reduction under certain circumstances as provided in the

Novartis License Agreement. There were no development, regulatory or commercial milestone payments, or sales-based royalties received through September 30, 2024.

The Novartis License Agreement will expire on a country-by-country basis (or, in certain cases, a region-by-region basis) until the expiration of the applicable royalty term for such country (or region, as applicable). The Novartis License Agreement contains customary termination provisions, including that either party may terminate the Novartis License Agreement (a) upon the material breach of the other party or (b) in the event the other party experiences an insolvency event. Additionally, Novartis may terminate the Novartis License Agreement for convenience or upon a safety or regulatory issue.

The Company determined that the Novartis License Agreement and the Novartis Asset Agreement entered into with Novartis concurrently should be evaluated as a combined contract in accordance with ASC 606, *Revenue from Contracts with Customers*. The Company determined the fair value of the assets sold under the Novartis Asset Agreement to be $20.0 million, which was recognized at the time of sale as revenue, and the fair value of the Novartis License Agreement to be $130.0 million, which is being recognized as revenue over the total estimated period of performance during the technology transfer period, as defined in the agreement, based on the cost incurred input method. Under the Novartis License Agreement, Novartis will also reimburse the Company for development costs incurred during the technology transfer period, which will be recognized as revenue as costs are incurred.

As a direct result of the Company's entry into the Novartis Transaction, the Company incurred direct and incremental costs to obtain the contract, paid to a financial advisor, totaling $3.0 million. In accordance with ASC 340, *Other Assets and Deferred Costs*, the Company recognized an asset of $3.0 million in collaboration contract asset and other assets in the condensed consolidated balance sheet at inception of the Novartis License Agreement and the Novartis Asset Agreement, which is being amortized as general and administrative expense over the total estimated period of performance under the Novartis License Agreement and the Novartis Asset Agreement.

Vepdegestrant (ARV-471) Collaboration Agreement

In July 2021, the Company entered into a Collaboration Agreement with Pfizer Inc. ("Pfizer") (the "Vepdegestrant (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 vepdegestrant (the "Licensed Products"). Under the Vepdegestrant (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. There were no regulatory or sales-based milestone payments received through September 30, 2024.

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 Vepdegestrant (ARV-471) Collaboration Agreement, the Company incurred direct and incremental costs to obtain the contract, paid to a financial advisor, 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 in the condensed consolidated balance sheet at inception of the Vepdegestrant (ARV-471) Collaboration Agreement, which is being amortized as general and administrative expense over the total estimated period of performance under the Vepdegestrant (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. The Company also received an additional $12.0 million from Bayer AG from inception through 2023, including $1.5 million received during the nine months ended September 30, 2023. These payments are being recognized over the total estimated period of performance.

The Company was 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 target proteins. In addition, the Company was eligible to receive, on net sales of PROTAC targeted protein degrader-related products, mid-single digit to low-double digit tiered royalties, which were subject to reductions. There were no development or sales-based milestone payments or royalties received through September 30, 2024.

Pursuant to notice from Bayer AG in accordance with the terms of the Bayer Collaboration Agreement, the Bayer Collaboration Agreement was terminated effective August 12, 2024.

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 target proteins 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 target proteins under the Pfizer Research Collaboration Agreement, as well as tiered royalties based on sales. During the nine months ended September 30, 2023, the Company received payments totaling $1.0 million for additional target proteins and services which are being recognized as revenue over the total period of performance. There were no sales-based milestone payments or royalties received through September 30, 2024.

Restated Genentech Agreement

In November 2017, the Company entered into an Amended and Restated Option, License, and Collaboration Agreement (the “Restated Genentech Agreement”) with Genentech, Inc. and F. Hoffman-La Roche Ltd. (together "Genentech"), amending a previous Genentech agreement entered into in September 2015. Under the Restated Genentech Agreement, the Company received additional upfront, non-refundable payments of $34.5 million (in addition to $11.0 million received under the previous agreement in 2015) to fund Genentech-related research. Upfront non-refundable payments were recognized as revenue over the performance period.

The Company is eligible to receive up to $44.0 million per target protein 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 through September 30, 2024.

Changes in the Company's contract balances for the nine months ended September 30, 2024 and 2023 were as follows:

(dollars in millions)	September 30, 2024	September 30, 2023
Accounts receivable related to collaborations		
Beginning balance	$ —	$ 1.0
Additions	8.7	21.7
Payments received	(1.4)	(7.0)
Ending balance	$ 7.3	$ 15.7
Accounts payable related to collaborations		
Beginning balance	$ 13.1	$ 5.0
Additions	43.5	31.0
Payments made	(42.3)	(6.7)
Ending balance	$ 14.3	$ 29.3
Contract assets: Collaboration contract asset		
Beginning balance	$ 9.4	$ 10.7
Additions	3.0	—
Amortization	(3.6)	(2.0)
Ending balance	$ 8.8	$ 8.7
Contract liabilities: Deferred revenue		
Beginning balance	$ 549.2	$ 623.7
Additions to collaboration agreements	130.0	1.5
Revenue recognized from balances held at the beginning of the period	(82.0)	(119.1)
Revenue recognized from new collaborations	(93.5)	—
Ending balance	$ 503.7	$ 506.1

During the nine months ended September 30, 2023, the Company changed its estimate of the duration of the performance period under the Bayer Collaboration Agreement and Pfizer Research Collaboration Agreement as a result of updated research timelines. The changes in accounting estimate resulted in a decrease in revenue and net income of $8.2 million and a decrease in net loss per share of $0.15 for the nine months ended September 30, 2023. The reversed revenue related to the Bayer Collaboration Agreement was fully recognized through September 30, 2024. The reversed revenue related to the Pfizer Research Collaboration Agreement will continue to be recognized in future periods as the Company continues to advance on the performance obligation under the updated collaboration timeline. During each of the three months ended September 30, 2024 and 2023 and the nine months ended September 30, 2024, no changes in accounting estimates related to the Company's collaborations were recorded.

The aggregate amount of the transaction price allocated to performance obligations that were unsatisfied as of September 30, 2024 totaled $503.7 million, which is expected to be recognized in the following periods:

(dollars in millions)	
Remainder of 2024	$ 84.1
2025	153.4
2026	105.0
2027	57.6
2028	59.8
2029	43.8
Total	$ 503.7

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, 2024			
(dollars in millions)	**Valuation Hierarchy**	**Amortized Cost**	**Gross Unrealized Gains**	**Gross Unrealized Losses**	**Fair Value**
Corporate bonds	Level 2	$ 1,028.8	$ 4.4	$ (0.3)	$ 1,032.9
Government securities	Level 2	3.5	—	—	3.5
Total		$ 1,032.3	$ 4.4	$ (0.3)	$ 1,036.4

		December 31, 2023			
(dollars in millions)	**Valuation Hierarchy**	**Amortized Cost**	**Gross Unrealized Gains**	**Gross Unrealized Losses**	**Fair Value**
Corporate bonds	Level 2	$ 934.4	$ 1.5	$ (4.6)	$ 931.3
Government securities	Level 2	18.0	—	—	18.0
Total		$ 952.4	$ 1.5	$ (4.6)	$ 949.3

The Company generally does not intend to sell any investments prior to recovery of their amortized cost basis for any investment in an unrealized loss position. As such, the Company has classified these losses as temporary in nature.

The carrying values of accounts receivable and 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:

(dollars in millions)	**September 30, 2024**	**December 31, 2023**
Laboratory equipment	$ 19.4	$ 18.5
Leasehold improvements	9.3	11.5
Office equipment	2.6	2.6
Total property, equipment and leasehold improvements	31.3	32.6
Less: accumulated depreciation and amortization	(24.5)	(21.1)
Property, equipment and leasehold improvements, net	$ 6.8	$ 11.5

During the three and nine months ended September 30, 2024, the Company wrote-off leasehold improvements totaling $2.4 million resulting from the termination of the lease for its laboratory and office space at 101 College Street, as discussed below in Note 6, *Right-of-Use Assets and Liabilities.*

During the three months ended September 30, 2024 and 2023, the Company recognized depreciation and amortization expense of $1.1 million and $1.2 million, respectively. During the nine months ended September 30, 2024 and 2023, the Company recognized depreciation and amortization expense of $3.5 million and $3.6 million, 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, which ranges from 3.0% - 7.5%. Lease expense is recognized on a straight-line basis over the lease term. The Company considers options to extend or terminate leases in recognizing ROU assets and lease liabilities when it is reasonably certain that such options will be exercised.

In August 2024, the Company entered into a Lease Termination Agreement with 101 College Street LLC (the "Landlord"). Under the terms of the Lease Termination Agreement, the lease, by and between the Company and the Landlord, dated May 4, 2021 (as amended, the "Terminated Lease"), for certain leased premises of approximately 160,000 square feet of laboratory and office space, was terminated in full, effective August 15, 2024. The leased premises were expected to be occupied by the Company in 2025. In connection with the Lease Termination Agreement and as consideration for the Landlord’s agreement to terminate the lease for its laboratory and office space at 101 College Street in full, the Company agreed to pay to the Landlord a one-time cash termination fee in the amount of $41.5 million and wrote-off $1.9 million of prepaid rent, both of which are recognized in "Lease termination costs" on the condensed consolidated statements of operations. The Company also cancelled its previously issued letter of credit in the amount of $5.5 million.

The Company has operating leases for its corporate office, laboratories and certain equipment, which expire no later than October 2025. The leases have a weighted average remaining term of approximately nine months.

The components of lease expense were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(dollars in millions)	**2024**	**2023**	**2024**	**2023**
Operating lease cost	$ 0.5	$ 0.5	$ 1.5	$ 1.5

Supplemental cash flow information related to leases was as follows:

	Nine Months Ended September 30,	
(dollars in millions)	**2024**	**2023**
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$ 1.6	$ 1.5

Maturities of operating lease liabilities as of September 30, 2024, were as follows:

(dollars in millions)	
Remainder of 2024	$ 0.4
2025	0.5
Total lease payments	0.9
Less: imputed interest	—
Total	$ 0.9

7. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities consisted of the following:

(dollars in millions)	September 30, 2024	December 31, 2023
Accounts payable	$ 17.7	$ 17.8
Accrued liabilities		
Research and development expenses	29.1	43.1
Employee expenses	19.9	25.7
Income taxes	4.1	0.7
General and administrative and commercial expenses	2.7	2.4
Professional fees	2.4	2.5
Total accounts payable and accrued liabilities	$ 75.9	$ 92.2

8. Long-Term Debt

Debt obligations consisted of the following:

(dollars in millions)	Maturity Date	Interest Rate	September 30, 2024	December 31, 2023
2018 Assistance Agreement Debt	09/28	3.25%	$ 0.8	$ 1.0
Less: current installments			(0.2)	(0.2)
Total long-term debt			$ 0.6	$ 0.8

In June 2018, the Company entered into an 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 September 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.

Minimum future principal payments on long-term debt are as follows:

(dollars in millions)	
Remainder of 2024	$ —
2025	0.2
2026	0.2
2027	0.2
2028	0.2
Total	$ 0.8

During the three and nine months ended September 30, 2024 and 2023, interest expense was immaterial.

9. Equity

Equity Distribution Agreements

In November 2023, the Company amended and restated the 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 approximately $262.8 million of the common stock registered under a universal shelf registration statement pursuant to one or more "at-the-market" offerings. During the nine months ended September 30, 2024, no shares were issued under this agreement.

Stock-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 increased, 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, 2024, 3,035,594 shares remained available for purchase. During the nine months ended September 30, 2024 and 2023, the Company issued 85,119 and 78,528 shares of common stock, respectively, under the 2018 ESPP.

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 shares of common stock 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 shares) issued in respect of incentive units granted under the Fourth Amendment to the Company's Incentive Share Plan, which was terminated in September 2018, that were subject to vesting immediately prior to the effectiveness of the registration statement that expire, terminate or are 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, 2024, 3,434,422 shares remained available for issuance under the 2018 Plan. Shares of common stock 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, 2024 and 2023, the Company recognized compensation expense of $24.7 million and $16.7 million, respectively, related to the issuance of incentive awards, including $0.1 million and $0.2 million, respectively, related to the 2018 ESPP. During the nine months ended September 30, 2024 and 2023, the Company recognized compensation expense of $64.9 million and $54.9 million, respectively, relating to the issuance of incentive awards, including $0.6 million and $0.7 million, respectively, related to the 2018 ESPP.

As of September 30, 2024, there was $75.1 million of total unrecognized compensation expense that is expected to be amortized over a weighted average period of approximately 1.2 years.

Stock Options

The fair value of the stock options granted during the nine months ended September 30, 2024 and 2023 was determined using the Black-Scholes option pricing model with the following assumptions:

	September 30, 2024	September 30, 2023
Expected volatility [1]	72.8 - 75.6%	71.5 - 74.2%
Expected term (years) [2]	5.4 - 5.5	5.5 - 7.0
Risk free interest rate [3]	3.5% - 4.6%	3.4% - 4.3%
Expected dividend yield	0 %	0 %
Exercise price	$24.85 - $47.00	$23.23 - $36.27

(1) Expected volatility is calculated by utilizing the Company's historical volatility of its stock price over a period equal to the expected term.
(2) Expected term is calculated based on the Company's historical experience.
(3) Risk free interest rate is based on an interpolation of U.S. Treasury rates to reflect the expected term at the date of grant.

A summary of the stock option activity during the nine months ended September 30, 2024 is presented below. Included in the table are stock options granted to employees and directors under the 2018 Plan, as well as options to purchase 255,611 shares of common stock granted to certain employees pursuant to the Nasdaq inducement grant exception in accordance with Nasdaq Listing Rule 5635(c)(4).

(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, 2023	7,933,794	$ 45.22	7.2	$ 62.6
Granted	1,145,629	$ 41.74		
Exercised	(269,028)	$ 21.53		
Forfeited	(855,007)	$ 56.63		
Outstanding as of September 30, 2024	7,955,388	$ 44.32	6.9	$ 12.2
Vested and exercisable as of September 30, 2024	5,219,887	$ 44.42	6.0	$ 11.8
Vested and expected to vest as of September 30, 2024	7,724,552	$ 44.45	6.9	$ 12.2

The weighted-average grant date fair value per share of options granted during the nine months ended September 30, 2024 and 2023 was $27.69 and $22.51, respectively. The total intrinsic value of options exercised during the nine months ended September 30, 2024 and 2023 was $3.6 million and $0.9 million, respectively.

Restricted Stock Units ("RSUs")

A summary of RSU activity during the nine months ended September 30, 2024 is presented below. Included in the table are RSUs granted to employees and directors under the 2018 Plan, as well as RSUs representing 170,365 shares of common stock granted to certain employees pursuant to the Nasdaq inducement grant exception in accordance with Nasdaq Listing Rule 5635(c)(4).

	Shares		Weighted Average Grant Date Fair Value Per Share
Unvested RSUs as of December 31, 2023	1,151,856	$	38.16
Granted	1,722,239	$	44.69
Vested	(316,065)	$	39.01
Forfeited	(201,028)	$	42.62
Unvested RSUs as of September 30, 2024	2,357,002	$	42.43

The total fair value of RSUs vested during the nine months ended September 30, 2024 and 2023 was $12.3 million and $6.2 million, respectively.

10. Income Taxes

For the three months ended September 30, 2024, the Company recognized income tax expense of $0.6 million, resulting in an effective tax rate of (1.3)%, as compared to no income tax expense or benefit recognized in the same period for 2023, resulting in an effective tax rate of 0.0%. The primary reconciling items between the federal statutory rate of 21.0% for the three months ended September 30, 2024 and the Company's overall effective tax rate of (1.3)% was the effect of equity compensation 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, 2023 and the Company's overall effective tax rate of 0.0% was the effect of expected benefits from state net operating loss carryback claims offset by equity compensation and the valuation allowance recorded against the full amount of its net deferred tax assets.

For the nine months ended September 30, 2024, the Company recognized income tax expense of $1.0 million resulting in an effective tax rate of (0.6)%, as compared to income tax benefit of $0.7 million resulting in an effective tax rate of 0.3% in the same period for 2023. The primary reconciling items between the federal statutory rate of 21.0% for the nine months ended September 30, 2024 and the Company's overall effective tax rate of (0.6)% was the effect of equity compensation 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 nine months ended September 30, 2023 and the Company's overall effective tax rate of 0.3% was the effect of expected benefits from state net operating loss carryback claims offset by 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 continues to establish a valuation allowance against the full amount of its 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 share amounts)	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
Net loss	$ (49.2)	$ (64.0)	$ (153.8)	$ (212.5)
Weighted average number of common shares outstanding - basic and diluted	72.1	54.1	71.9	53.6
Net loss per common share - basic and diluted	$ (0.68)	$ (1.18)	$ (2.14)	$ (3.97)

The weighted average number of common shares included in the computation of basic and diluted net loss per common share for the three and nine months ended September 30, 2024 gives effect to pre-funded warrants issued in November 2023 which allow holders to acquire up 3,422,380 shares of common stock at a nominal exercise price of $0.001 per share and are classified as equity. The shares underlying the pre-funded warrants are exercisable for little or no consideration and therefore the underlying shares are considered outstanding at the issuance of the pre-funded warrants for purposes of calculating the weighted average number of common shares outstanding in basic and diluted net loss per share for common share.

The Company reported net losses for each of the three and nine months ended September 30, 2024 and 2023, and therefore excluded all stock options and RSUs from the calculation of diluted net loss per common share as their inclusion would have had an anti-dilutive effect, as summarized below:

	For the Three and Nine Months Ended September 30,	
	2024	2023
Stock options	8.0	8.0
RSUs	2.4	1.1
	10.4	9.1

12. Equity Method Investments

In July 2019, the Company and Bayer CropScience LP (“Bayer LP”) formed Oerth Bio LLC ("Oerth Bio"), a joint venture to research, develop and commercialize PROTAC targeted protein degraders for applications in the field of agriculture. The Company and Bayer LP each held an initial ownership interest in Oerth Bio of 50%. A 15% ownership interest of Oerth Bio was reserved for the future grants of incentive units to employees and service providers and, as a result, the Company's ownership interest totaled 44.3% and 45.2% as of September 30, 2024 and 2023, respectively, as a result of vested incentive units.

Net loss of Oerth Bio for the three months ended September 30, 2024 and 2023 totaled $1.2 million and $3.2 million, respectively. The Company recognized equity method losses of zero and $0.1 million for the three months ended September 30, 2024 and 2023, respectively. Net loss of Oerth Bio for the nine months ended September 30, 2024 and 2023 totaled $2.7 million and $8.5 million, respectively. The Company recognized equity method losses of zero and $2.5 million for the nine months ended September 30, 2024 and 2023, respectively.

As of September 30, 2024 and 2023, the Company’s carrying value of the investment was zero.

The Company also provides Oerth Bio with compensated research, development and administrative services through a separate agreement. The services rendered by the Company during the three and nine months ended September 30, 2024 and 2023 were immaterial.

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, which could differ materially. Legal fees and other costs associated with such actions are expensed as incurred. The Company's accrual for such matters totaled $5.0 million and $10.0 million as of September 30, 2024 and 2023, respectively, related to the Amended License Agreement with Yale University ("Yale"), as further described below.

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 the Company is a party, the Company 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.

Yale University License Agreement

In June 2024, the Company entered into an Amended and Restated License Agreement (the “Amended License Agreement”) with Yale pursuant to which the parties amended and restated the license agreement dated July 5, 2013, as amended to date (the "Original Agreement"). In connection with the signing of the Amended License Agreement, the Company made a payment of $14.95 million to Yale, comprising both an upfront payment connected to the Amended License Agreement and an amount related to the collaboration income under the Novartis License Agreement and Novartis Asset Agreement (see Note 3, *Research Collaboration and License Agreements,* for a description of the agreements*)*. The Company will make another $5.0 million payment on the first anniversary of signing. Thereafter, the Company will also pay to Yale (1) up to $15.0 million if it secures approval of the first and second royalty products (as defined in the Amended License Agreement), (2) a low single digit percentage royalty on certain, more narrowly defined “collaboration products,” and (3) a lower single digit royalty on its aggregate worldwide net sales of certain newly defined “meaningfully involved products.”

The Company’s obligations under the Original Agreement to pay Yale minimum annual royalties and certain other annual fees have been eliminated and Yale has agreed to release all claims arising previously under the Original Agreement. Other provisions of the Original Agreement remain materially unchanged under the Amended License Agreement, including the requirement to pay to Yale a minimum license maintenance royalty totaling $0.1 million per year until the first sale to a third party of any licensed product, followed by success-based milestones for the first two licensed products for the development of the protein degradation technologies totaling approximately $3.0 million for the first licensed product and approximately $1.5 million for the second licensed product, certain of which milestones have already been satisfied, and low single-digit royalties on aggregate worldwide net sales of certain licensed products, which may be subject to reductions, and subject to minimum royalty payments that range from $0.2 million to $0.5 million.

FMI Agreement

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

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, Inc., 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, Inc. may terminate the FMI

Agreement with respect to an applicable program, (a) if a reasonably necessary third party license is not secured by Foundation Medicine, Inc. or if the Company does not consent to payments for such license, (b) if Foundation Medicine, Inc. 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 licensing and other rights and certain obligations of Foundation Medicine, Inc. 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, Inc. and may also be required to pay a termination fee, if applicable.

ARV-766

In exchange for the development of FoundationOne® Liquid CDx as a companion diagnostic for use with ARV-766 for androgen receptor ("AR") metastatic castration-resistant prostate cancer 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.

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, 2023 filed on February 27, 2024. 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, 2023, filed on February 27, 2024 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 biotechnology company dedicated to improving the lives of patients suffering from debilitating and life-threatening diseases. Through our PROTAC Discovery Engine, our proprietary technology platform to engineer proteolysis targeting chimeras, or PROTAC targeted protein degraders, we are pioneering the development of protein degradation therapies designed to harness the body's own natural protein disposal system to selectively and efficiently degrade and 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. We are currently progressing multiple product candidates through clinical development programs, including vepdegestrant, targeting the estrogen receptor, or ER, for the treatment of locally advanced or metastatic ER positive / human epidermal growth factor receptor 2, or HER2, negative, or ER+/HER2-, breast cancer; ARV-102, targeting the leucine-rich repeat kinase 2, or LRRK2, protein for the treatment of neurodegenerative disorders; and ARV-393, targeting the B-cell lymphoma 6, or BCL6 protein for the treatment of relapsed/refractory non-Hodgkin Lymphoma. In addition to the programs above and our early-stage collaborations, including with Pfizer, Inc., or Pfizer, and Genentech, Inc. and F. Hoffman-La Roche Ltd., or Genentech, we are conducting exploratory research and development work on multiple other undisclosed targets.

Estrogen Receptor Program: Vepdegestrant

Vepdegestrant is an investigational orally bioavailable PROTAC protein degrader designed to target and degrade the ER for the treatment of locally advanced or metastatic ER+/HER2- breast cancer. We are co-developing vepdegestrant with Pfizer, pursuant to a collaboration agreement entered into in July 2021. We granted Pfizer worldwide co-exclusive rights to develop and commercialize vepdegestrant.

In preclinical studies, vepdegestrant demonstrated near-complete ER degradation in tumor cells, induced robust tumor shrinkage when dosed as a single agent in multiple ER-driven xenograft models and showed superior anti-tumor activity when compared to a standard of care agent, fulvestrant, both as a single agent and in combination with a cyclin-dependent kinase, or CDK, 4/6 inhibitor.

We, along with Pfizer, have several ongoing clinical trials of vepdegestrant, designed to potentially position vepdegestrant as a backbone ER-targeting therapy in breast cancer, including:

- Study lead-in of VERITAC-3, a Phase 3 first-line clinical trial of vepdegestrant in combination with IBRANCE® (palbociclib), targeting metastatic breast cancer, for which we completed enrollment of patients in the second quarter of 2024;
- VERITAC-2, a Phase 3 second-line clinical trial of vepdegestrant as a monotherapy, targeting metastatic breast cancer, for which we are currently enrolling patients;
- VERITAC, a Phase 2 second-line dose expansion clinical trial of vepdegestrant as a monotherapy, targeting metastatic breast cancer, for which enrollment of patients is complete;

- TACTIVE-N, a Phase 2 clinical trial of vepdegestrant as a monotherapy in the neoadjuvant setting, to inform a potential adjuvant trial, for which we completed enrollment of patients in the first quarter of 2024;
- TACTIVE-U, a Phase 1b/2 clinical trial of vepdegestrant in combination with multiple targeted therapies including abemaciclib, ribociclib or Carrick Therapeutics, Inc.'s, or Carrick, cyclin-dependent kinase 7, or CDK7, inhibitor, samuraciclib, for which we are currently enrolling patients globally;
- TACTIVE-E, a Phase 1 clinical trial of vepdegestrant in combination with everolimus, for which enrollment of patients is complete; and
- TACTIVE-K, a Phase 1b/2 clinical trial of vepdegestrant in combination with Pfizer's cyclin-dependent kinase 4, or CDK4, inhibitor, atirmociclib (PF-07220060), for which we are currently enrolling patients globally.

In the first quarter of 2024, we initiated an additional arm of TACTIVE-U, the Phase 1b combination umbrella trial with Carrick's CDK7 inhibitor and initiated dosing for TACTIVE-K. In addition, in the first quarter of 2024, the U.S. Food and Drug Administration, or the FDA, granted Fast Track designation for the investigation of vepdegestrant as a monotherapy in the treatment of adults with ER+/HER- locally advanced or metastatic breast cancer previously treated with endocrine based therapy, and we announced the inclusion of an additional arm in the I-SPY-2 Endocrine Optimization Platform (EOP) study that will evaluate vepdegestrant in combination with abemaciclib. Vepdegestrant is also being evaluated in a monotherapy arm and in combination with letrozole arm in the ongoing I-SPY TRIAL endocrine optimization program sponsored by Quantum Leap.

In the second quarter of 2024, we, along with Pfizer, evaluated enrollment and blinded event rates in the ongoing VERITAC-2 Phase 3 monotherapy clinical trial in patients with metastatic breast cancer. We expect to complete enrollment for this clinical trial in the fourth quarter of 2024 and provide top-line data in the fourth quarter of 2024 or the first quarter of 2025.

Additionally, in the second quarter of 2024, we, along with Pfizer, presented updated clinical data from a Phase 1b clinical trial combination cohort evaluating vepdegestrant in combination with palbociclib (IBRANCE®) at the 2024 European Society for Medical Oncology, or ESMO, Breast Cancer Annual Congress. After six months of additional follow-up (data cutoff of December 18, 2023), these data were consistent with data presented at the 2023 San Antonio Breast Cancer Symposium, or SABCS, in the fourth quarter of 2023 (data cutoff of June 6, 2023), and show that vepdegestrant in combination with palbociclib continued to demonstrate encouraging clinical activity in heavily pre-treated patients with a median of four lines of prior therapy with locally advanced or metastatic ER+/HER2- breast cancer.

Specifically, after six months of additional follow-up, updated data from the trial continued to demonstrate an encouraging clinical benefit rate (63% across all dose levels (n=46)), objective response rate (42% in evaluable patients with measurable disease at baseline (n=31)) and median progression-free survival (11.2 months (95% CI; 8.2 - 16.5) based on 27 (59%) events across all dose levels), and consistent safety profile of vepdegestrant in combination with palbociclib as previously reported at SABCS in December 2023. In addition, at the recommended Phase 3 dose, or RP3D, of 200 mg vepdegestrant in combination with 125 mg palbociclib, patients (n=21) achieved a median progression-free survival of 13.9 months (95% CI: 8.1-NR). Further, across all vepdegestrant dose groups, circulating tumor DNA analyses showed marked reduction in tumor fraction after one treatment cycle, regardless of ESR1 gene mutation status, and at the 200 mg vepdegestrant dose, robust on-treatment decreases in mutant ESR1 circulating tumor DNA were sustained through multiple treatment cycles.

The Phase 1b cohort of the ARV-471-mBC-101 is designed to assess the safety, tolerability, and anti-tumor activity of vepdegestrant in combination with palbociclib among 46 patients with heavily pre-treated locally advanced or metastatic ER+/HER2- breast cancer. Patients in the study received a median of four prior therapies (median of three in the metastatic setting); 87% were previously treated with a cyclin-dependent kinase 4 and 6 (CDK4/6) inhibitor; 80% were previously treated with fulvestrant; and 78% were previously treated with chemotherapy, including 48% in the metastatic setting. Patients were treated once daily with oral doses of vepdegestrant at 180 mg (n=2), the RP3D of 200 mg (n=21), 400 mg (n=3) or 500 mg (n=20), plus 125 mg of palbociclib given orally once daily for 21 days, followed by seven days off treatment in 28-day cycles. Detailed data presented at the 2024 ESMO Breast Cancer Annual Congress included:

Clinical Benefit Rate, or CBR:

- CBR, defined as the rate of confirmed complete response, partial response, or stable disease ≥24 weeks across all dose levels (n = 46) was 63% (95% CI: 47.5 - 76.8), with a CBR of 72% in patients with mutant ESR1 (n=29; 95% CI: 52.8 - 87.3) and a CBR of 53% in patients with wild-type ESR1 (n=15; 95% CI: 26.6 – 78.7).
- CBR in patients dosed at the RP3D of 200 mg (n=21) was 67% (95% CI: 43.0 - 85.4) with a CBR of 79% in patients with mutant ESR1 (n=14; 95% CI: 49.2 - 95.3) and a CBR of 43% in patients with wild-type ESR1 (n=7; 95% CI: 9.9 - 81.6).

Objective Response Rate, or ORR, and Duration of Response, or DOR:

- The ORR in evaluable patients with measurable disease at baseline (n=31) was 42% (95% CI: 24.5 - 60.9) with a median DOR in 13 responders of 14.6 months (95% CI: 9.5 – not reached). At the RP3D of 200 mg (n=15), the ORR was 53% (95% CI: 25.6 – 78.7).
- ORR in patients with mutant ESR1 (n=17): 47% (95% CI: 23.0 - 72.2).
    - ORR at the RP3D of 200 mg (n=10): 60% (95% CI: 26.2 - 87.8).
- ORR in patients with wild-type ESR1 (n=12): 42% (95% CI: 15.2 - 72.3).
    - ORR at the RP3D of 200 mg (n=5): 40% (95% CI: 5.3 - 85.3).

Progression-free Survival, or PFS:

- Median PFS, or mPFS, based on 27 (59%) events across all dose levels was 11.2 months (95% CI: 8.2 – 16.5) with a mPFS of 13.7 months (95% CI: 8.2 - NR) in patients with ESR1 mutation (n=29) and mPFS of 11.1 months (95% CI: 2.8 - 19.3) in patients with wild-type ESR1 (n=15).
- mPFS in patients dosed at the RP3D of 200 mg (n=21) based on 12 events (57%) was 13.9 months (95% CI: 8.1 - NR) with a mPFS of 13.9 months (95% CI: 8.1 - NR) in patients with ESR1 mutation (n=14) and mPFS of 11.2 months (95% CI: 1.8 - NR) in patients with wild-type ESR1 (n=7).

Circulating Tumor DNA, or ctDNA:

- Exploratory ctDNA analyses found marked reduction (median change, −98.9%) in tumor fraction after one treatment cycle (all dose groups) regardless of ESR1 mutant status and robust on-treatment decreases in mutant ESR1 ctDNA levels sustained through cycle 7 (evaluated in patients in 200 mg dose cohort), as presented in the poster session.

Safety Profile:

- The safety profile of vepdegestrant in combination with palbociclib was consistent with what was previously reported with Grade 3/4 treatment-related adverse events, or TRAEs, ≥10% of neutropenia (91%) and decreased white blood cell count (15%); no grade 5 TRAEs or febrile neutropenia were reported.
- The majority of Grade 4 neutropenia events occurred in the first cycle of treatment and occurrences of Grade 3/4 neutropenia decreased following palbociclib dose reductions as described in the prescribing label.
- The safety profile of vepdegestrant in combination with palbociclib was otherwise consistent with the profile of palbociclib and what has been observed in other clinical trials for vepdegestrant. Three of 46 patients discontinued palbociclib due to neutropenia including one out of 21 patients treated with the RP3D of vepdegestrant (200 mg) plus palbociclib 125 mg.

As part of our global collaboration with Pfizer, in the second half of 2024, we and Pfizer plan to evaluate data from the study-lead in of the VERITAC-3 Phase 3 clinical trial of vepdegestrant in combination with palbociclib. We also expect to continue enrollment and evaluate preliminary data from the ongoing TACTIVE-K clinical trial and, pending emerging data and regulatory feedback, in 2025, we plan to initiate, with Pfizer, Phase 3 combination trials in the first- and second-line settings: the first-line setting with vepdegestrant plus atirmociclib or palbociclib, and the second-line setting with vepdegestrant plus palbociclib and/or another CDK4/6 inhibitor.

In addition, in the fourth quarter of 2024, we and Pfizer expect to present initial safety and pharmacokinetic data from the TACTIVE-U sub-study of abemaciclib at the 2024 SABCS and we expect to otherwise continue enrollment in TACTIVE-U, the ongoing Phase 1b/2 combination umbrella trial evaluating combinations of vepdegestrant with abemaciclib, ribociclib, or samuraciclib. We also expect to present data from the Phase 1 pharmacokinetic trial of vepdegestrant in combination with midazolam to assess potential for drug-drug interaction at the 2024 SABCS in the fourth quarter of 2024.

Neuroscience Program: ARV-102

ARV-102 is our first oral PROTAC protein degrader in development to treat neurodegenerative diseases. In preclinical studies, ARV-102 has been shown to cross the blood-brain barrier and degrade LRRK2, which is a large multidomain scaffolding kinase. In human genetics, increased activity and expression of LRRK2 are genetically involved in the pathogenesis of neurological diseases including Parkinson's Disease and progressive supranuclear palsy.

In the second quarter of 2024, we presented preclinical data at the Biennial International LRRK2 Meeting, which further supported the potential of PROTAC®-induced LRRK2 degradation as a potential treatment for neurodegenerative diseases. The preclinical data presented at the Biennial International LRRK2 Meeting highlighted, with our PROTAC LRRK2 degrader, near complete LRRK2 target engagement, as well as LRRK2 degradation, in mouse and non-human primate lung and brain. The preclinical data also showed differing effects of the LRRK2 PROTAC degraders in the lungs compared to kinase inhibitors, suggesting reduced pulmonary function risk, including:

- substantially less Type II pneumocyte enlargement compared to MLi-2, an experimental LRRK2 kinase inhibitor;
- surfactant protein accumulation in mouse lung was observed after treatment with the LRRK2 kinase inhibitor MLi-2, but not after treatment with the PROTAC LRRK2 degrader; and
- no evidence of collagen deposition in lung to date with PROTAC LRRK2 degraders in non-human primates, or NHPs.

In October 2024, we presented preclinical data at the 2024 Michael J. Fox Foundation Parkinson's Disease Conference further supporting the potential of PROTAC-induced LRRK2 degradation as a potential treatment for patients with neurodegenerative diseases. New findings presented included data demonstrating:

- orally delivered ARV-102 crosses the blood-brain barriers and degrades LRRK2 in the cerebrospinal fluid, or CSF, of NHPs;
- degradation of LRRK2 by ARV-102 induces changes in pathway (lysosomal and inflammation) biomarkers in the CSF of NHPs, which has not previously been demonstrated by kinase inhibitors of LRRK2; and
- in murine tauopathy models, oral PROTAC LRRK2 degrader treatment led to ~50% pathologic tau reduction.

The European Medicines Agency cleared our clinical trial application for ARV-102 in the fourth quarter of 2023. We initiated the first-in-human Phase 1 clinical trial for ARV-102 in the first quarter of 2024. The trial is evaluating the safety, tolerability, pharmacokinetics, and pharmacodynamics of ARV-102, including the evaluation of LRRK2 degradation and exploratory LRRK2 pathway biomarkers. We completed enrollment in the single ascending dose portion of the Phase 1 clinical trial in healthy volunteers with the PROTAC LRRK2 degrader ARV-102 at the Centre for Human Drug Research in Leiden, the Netherlands. In the second quarter of 2024, we received health authority approval to initiate the multiple ascending dose portion of the ongoing Phase 1 clinical trial in healthy volunteers with the PROTAC LRRK2 degrader ARV-102, and we initiated the multiple ascending dose portion of this clinical trial in the third quarter of 2024. Going forward, we expect to complete enrollment in this ongoing clinical trial, and expect to present data from the Phase 1 clinical trial in 2025.

Hematology Program: ARV-393

ARV-393 is an investigational PROTAC designed to degrade BCL6, a transcriptional repressor and major driver of B-cell lymphomas. The BCL6 protein facilitates B cell tolerance of rapid proliferation and somatic gene recombination via repressing cell cycle checkpoints, terminal differentiation, apoptosis, and the DNA

damage response. We believe that PROTAC-mediated degradation has the potential to address the traditional undruggable nature of BCL6.

In the second quarter of 2024, we presented preclinical data for ARV-393 at the European Hematology Association 2024 Annual Congress, which showed anti-tumor activity in preclinical models of B-cell lymphoma. In these preclinical models, ARV-393 potently and rapidly degraded the BCL6 protein and inhibited cell growth in diffuse large B-cell lymphoma, or DLBCL, and Burkitt cell lines. ARV-393 showed tumor growth inhibition, including tumor regression, in various DLBCL cell line-derived xenograft models and in multiple patient-derived xenograft models of non-Hodgkin lymphoma, or NHL, including germinal center B-cell-like, or GCB, activated B-cell, or ABC, GCB/ABC, and BCL not otherwise specified subtypes of DLBCL, and Burkitt lymphoma.

In the first quarter of 2024, we announced that the FDA cleared our investigational new drug application, or IND, for ARV-393. We initiated our first-in-human Phase 1 clinical trial in patients with B-cell lymphomas with PROTAC BCL6 degrader ARV-393 in the second quarter of 2024 and we continued recruiting patients for this clinical trial in the third quarter of 2024. Going forward, we expect to continue recruiting patients for this clinical trial.

Other Programs: KRAS G12D, ARV-766 and bavdegalutamide (ARV-110)

Kirsten rat sarcoma, or KRAS, is a driver oncogene in several major tumor types and is associated with poor prognosis and resistance to standards of care. Our KRAS G12D program is currently in preclinical development and we anticipate filing an IND application for our KRAS G12D program in 2025.

ARV-766 is an investigational orally bioavailable PROTAC protein degrader designed to target AR with a different profile than bavdegalutamide (ARV-110), as a potential treatment for men with metastatic castration resistant prostate cancer, or mCRPC, and metastatic castration-sensitive prostate cancer. Bavdegalutamide is an investigational orally bioavailable PROTAC protein degrader designed to target and degrade the AR for the treatment of men with mCRPC.

Based on signs of superior tolerability and efficacy of ARV-766 in clinical settings to date as compared to bavdegalutamide (ARV-110), early in the fourth quarter of 2023, we prioritized the initiation of a Phase 3 clinical trial with ARV-766 in mCRPC instead of the previously planned Phase 3 clinical trial for bavdegalutamide. While we expect to continue ongoing trial activities with bavdegalutamide (ARV-110-101 and ARV-110-103), we will not be enrolling new patients in these clinical trials and expect to wind down our bavdegalutamide program after completion of these clinical trials.

In the second quarter of 2024, we entered into and closed a transaction, or the Novartis Transaction, including both a license agreement, or the Novartis License Agreement, and an asset purchase agreement, or the Novartis Asset Agreement, with Novartis. The Novartis Transaction closed in the second quarter of 2024.

Pursuant to the Novartis License Agreement, we granted Novartis an exclusive worldwide license for the development, manufacture and commercialization of ARV-766, our second generation PROTAC® AR degrader for patients with prostate cancer and are currently in the process of transitioning our ongoing and planned clinical trials of ARV-766 to Novartis, including:

- a Phase 2 dose expansion clinical trial in the post-novel hormonal agent, or NHA setting;
- a Phase 1 dose escalation clinical trial in the post-NHA setting; and
- a Phase 1/2 clinical trial in combination with abiraterone in the pre-NHA setting.

Our Operations

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 and a licensing arrangement, grant funding and debt financing. Since inception through September 30, 2024, we raised approximately $1.7 billion in

gross proceeds from the sale of assets and equity interests and the exercise of stock options and had received an aggregate of $913.0 million in payments primarily from collaboration partners and a licensing arrangement.

We are a clinical-stage company, with product candidates in clinical development and other drug discovery activities in 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 and expect to incur increasing operating losses for at least the next several years due to costs associated with our ongoing and anticipated preclinical and clinical activities, development activities, 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, including general and administrative, sales and commercial as we move towards potential commercialization, increased expenses incurred with CMOs to supply us with product for our preclinical and clinical studies and expenses incurred with contract research organizations, or 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 any revenue from product sales in the near future, 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 to 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 near future. Our revenues to date have been generated through research collaborations, a licensing arrangement and an asset sale. Revenue is recognized ratably over our expected performance period under each agreement. We expect that any revenue recognized in the near term will be derived from our current collaboration agreements and licensing arrangement and any additional arrangements that we may enter into in the future. To date, we have not received any development, regulatory and commercial milestone payments or royalties under any of the collaboration agreements or licensing arrangement.

Novartis Transaction

In April 2024, we entered into the Novartis Transaction, including both the Novartis License Agreement and the Novartis Asset Agreement, with Novartis. The Novartis Transaction closed in May 2024 upon the expiration of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, at which time the Novartis License Agreement and the Novartis Asset Agreement became effective.

Pursuant to the Novartis License Agreement, we granted Novartis an exclusive worldwide license for the development, manufacture and commercialization of ARV-766, our second generation PROTAC® AR degrader for patients with prostate cancer. Pursuant to the Novartis Asset Agreement, we sold to Novartis all of our rights, title and interest in our PROTAC® protein degrader targeting AR-V7, a splice variant of the AR.

Under the terms of and as consideration for entering into the Novartis Transaction, we received a one-time, upfront payment in the aggregate amount of $150.0 million from Novartis. Under the Novartis License Agreement, we are also eligible to receive up to an additional $1.01 billion as contingent payments based on specified development, regulatory, and commercial milestones for ARV-766 being met, as well as tiered royalties based upon worldwide net sales of ARV-766, subject to reduction under certain circumstances as provided in the Novartis License Agreement

The Novartis License Agreement will expire on a country-by-country basis (or, in certain cases, a region-by-region basis) until the expiration of the applicable royalty term for such country (or region, as applicable). The Novartis License Agreement contains customary termination provisions, including that either party may terminate the Novartis License Agreement (a) upon the material breach of the other party or (b) in the

event the other party experiences an insolvency event. Additionally, Novartis may terminate the Novartis License Agreement for convenience or upon a safety or regulatory issue.

Genentech License Agreement

In September 2015, we entered into an Option and License Agreement with Genentech focused on PROTAC targeted protein degrader discovery and research for target proteins based on our proprietary platform technology, other than excluded target proteins 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 target proteins 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 protein from the collaboration and substitute a different target protein that is not an excluded target protein at any time prior to us commencing research on such target protein 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 payments aggregating up to $44.0 million per target protein upon the achievement of specified development milestones; payments aggregating up to $52.5 million per target protein (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 protein, 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 target proteins, 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 target proteins. For each identified target protein, we and Pfizer will conduct a separate research program pursuant to a research plan. Pfizer may make substitutions for any of the initial target proteins candidates, subject to the stage of research for such target protein.

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 target proteins 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 target proteins 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.

Bayer Collaboration Agreement

In June 2019, we entered into a Collaboration and License Agreement, or the Bayer Collaboration Agreement, with Bayer, setting forth our collaboration to identify or optimize PROTAC targeted protein degraders that mediate for degradation of target proteins, 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 conducted a research program pursuant to separate research plans mutually agreed to by us and Bayer and tailored to each target protein selected by Bayer. During the term of the Bayer Collaboration Agreement, we were 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 protein 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 and an additional $12.0 million in aggregate from inception through 2023. We were 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 target proteins. In addition, we were a eligible to receive, on net sales of PROTAC targeted protein degrader-related products, mid-single digit to low-double digit tiered royalties, which were subject to reductions.

Pursuant to notice from Bayer AG in accordance with the terms of the Bayer Collaboration Agreement, the Bayer Collaboration Agreement was terminated, effective August 12, 2024.

Pfizer Vepdegestrant (ARV-471) Collaboration Agreement

In July 2021, we entered into a Collaboration Agreement with Pfizer, or the Vepdegestrant (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 Vepdegestrant (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 Vepdegestrant (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 Vepdegestrant (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 Vepdegestrant (ARV-471) Collaboration Agreement for the other party's uncured material breach or insolvency. Subject to applicable terms of the Vepdegestrant (ARV-471) Collaboration Agreement, including certain payments to Pfizer upon termination for our uncured material breach, effective upon termination of the Vepdegestrant (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 Vepdegestrant (ARV-471) Collaboration Agreement anywhere in the world during the term of the Vepdegestrant (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 the three and nine months ended September 30, 2024 and 2023:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
(in millions)	2024	2023	2024	2023
Program-specific external expenses:				
ARV-471 (*)	$ 19.6	$ 20.0	$ 63.8	$ 78.1
ARV-766	4.7	8.5	17.9	16.4
ARV-102	4.5	2.0	7.5	2.2
ARV-110	2.7	4.3	6.8	22.3
ARV-393	1.7	0.3	4.6	0.4
Other programs	0.8	—	1.1	—
Total program-specific external expenses	34.0	35.1	101.7	119.4
Non-program specific external expenses	13.7	14.8	43.4	57.3
Unallocated internal expenses				
Compensation and personnel expenses (including stock-based compensation)	35.8	33.0	110.4	98.7
Other expenses	3.4	3.0	9.4	9.1
Total unallocated internal expenses	39.2	36.0	119.8	107.8
Total research and development expenses	$ 86.9	$ 85.9	$ 264.9	$ 284.5

(*) Includes net reimbursement to and from Pfizer pursuant to the Vepdegestrant (ARV-471) Collaboration Agreement.

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 continue to conduct our ongoing clinical trials of vepdegestrant and ARV-102, initiate clinical trials of ARV-393, and continue to discover and develop additional product candidates. Research and development expenses related to vepdegestrant are shared equally with Pfizer since July 22, 2021, the effective date of the Vepdegestrant (ARV-471) Collaboration Agreement. We may receive reimbursement from, or make payments to, Pfizer to satisfy the cost sharing requirements. These payments are accounted for pursuant to ASC 808, which are recorded as an offset or an increase to research and development expenses.

We cannot determine with certainty the duration and costs of future clinical trials of vepdegestrant, ARV-102, ARV-393, or unexpected costs of ongoing clinical trials of bavdegalutamide and ARV-766, prior to the transition of such trials and their associated expenses to Novartis, 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 and 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, market access 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 and develop our commercial operations. 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, 2023, we had $235.9 million of federal net operating loss carryforwards which may be carried forward indefinitely, but the deductibility of such carryforwards is limited to 80% of our taxable income in the year in which carryforwards are used, $250.0 million of state and local net operating loss carryforwards which expire at various dates beginning in 2035, $29.1 million of federal tax credit carryforwards and $18.7 million of state tax credit carryforwards as of December 31, 2023 which expire at various dates beginning in 2040. We expect to generate federal and state net operating losses and credit carryforwards in 2024 and future periods. 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, 2024, 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.

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 unaudited 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 unaudited 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, 2023, filed with the Securities and Exchange Commission on February 27, 2024.

Results of Operations

Comparison of the Three and Nine Months Ended September 30, 2024 and 2023

(dollars in millions)	For the Three Months Ended September 30, 2024	2023	$ change	For the Nine Months Ended September 30, 2024	2023	$ change
Revenue	$ 102.4	$ 34.6	$ 67.8	$ 204.2	$ 121.6	$ 82.6
Research and development expenses	(86.9)	(85.9)	(1.0)	(264.9)	(284.5)	19.6
General and administrative expenses	(75.8)	(22.6)	(53.2)	(131.3)	(73.3)	(58.0)
Other income	11.7	10.0	1.7	39.2	25.5	13.7
Income tax (expense) benefit	(0.6)	—	(0.6)	(1.0)	0.7	(1.7)
Loss from equity method investments	—	(0.1)	0.1	—	(2.5)	2.5
Net loss	$ (49.2)	$ (64.0)	$ 14.8	$ (153.8)	$ (212.5)	$ 58.7

Revenue

Revenue for the three months ended September 30, 2024 totaled $102.4 million, compared to $34.6 million for the three months ended September 30, 2023. The increase of $67.8 million was primarily due to revenue from the Novartis License Agreement, which was entered into during the second quarter of 2024, of $76.7 million, offset by a decrease in revenue from the Vepdegestrant (ARV-471) Collaboration Agreement with Pfizer totaling $7.6 million related to timing differences in clinical trials and program expenses and a decrease in revenue from Bayer of $1.1 million related to the termination of the Bayer Collaboration Agreement in August 2024.

Revenue for the nine months ended September 30, 2024 totaled $204.2 million, compared to $121.6 million for the nine months ended September 30, 2023. The increase of $82.6 million was primarily due to revenue from the Novartis License Agreement and the Novartis Asset Agreement of $122.1 million and year over year increases in revenue of $4.5 million and $2.4 million from the Bayer Collaboration Agreement and the Pfizer Research Collaboration Agreement, respectively, primarily due to changes in estimates in 2023 of the performance period duration under the agreements resulting from updated research timelines, offset by a decrease in revenue from the Vepdegestrant (ARV-471) Collaboration Agreement with Pfizer totaling $42.2 million related to timing differences in clinical trials and program expenses, a decrease of $2.5 million of previously constrained deferred revenue related to our Oerth Bio joint venture, and a decrease of $1.8 million of revenue under the Genentech Amended and Restated Option, License, and Collaboration Agreement as the performance period has concluded.

Research and Development Expenses

Research and development expenses for the three months ended September 30, 2024 totaled $86.9 million, compared to $85.9 million for the three months ended September 30, 2023. The increase of $1.0 million was primarily due to an increase in compensation and related personnel expenses of $2.8 million, which are not allocated by program, partially offset by a decrease in external expenses of $2.2 million. External expenses include program-specific expenses, which decreased by $1.1 million, primarily driven by decreases in our ARV-766 and ARV-110 programs of $3.8 million and $1.6 million, respectively, partially offset by increases in our ARV-102 and ARV-393 programs of $2.5 million and $1.4 million, respectively, and our non-program specific expenses, which decreased by $1.1 million.

Research and development expenses for the nine months ended September 30, 2024 totaled $264.9 million, compared to $284.5 million for the nine months ended September 30, 2023. The decrease of $19.6 million was primarily due to a decrease in external expenses of $31.6 million, partially offset by an increase in compensation and related personnel expenses of $11.7 million, which are not allocated by program. External expenses include program-specific expenses, which decreased by $17.7 million, driven by decreases

in our ARV-110 and ARV-471 programs of $15.5 million and $14.3 million, respectively, partially offset by increases in our ARV-102 and ARV-393 programs of $5.3 million and $4.1 million, respectively, and our non-program specific expenses, which decreased by $13.9 million.

General and Administrative Expenses

General and administrative expenses totaled $75.8 million for the three months ended September 30, 2024, compared to $22.6 million for the three months ended September 30, 2023. The increase of $53.2 million was primarily due to a loss on the termination of our laboratory and office space lease with 101 College Street LLC in August 2024 of $43.4 million as well as increases in personnel and infrastructure related costs of $5.0 million, professional fees of $3.4 million and costs related to developing our commercial operations of $1.2 million.

General and administrative expenses totaled $131.3 million for the nine months ended September 30, 2024, compared to $73.3 million for the nine months ended September 30, 2023. The increase of $58.0 million was primarily due to a loss on the termination of our laboratory and office space lease with 101 College Street LLC in August 2024 of $43.4 million as well as increased spending in personnel and infrastructure related costs of $6.8 million, professional fees of $6.3 million and costs related to developing our commercial operations of $1.4 million.

Other Income

Other income totaled $11.7 million for the three months ended September 30, 2024, compared to $10.0 million for the three months ended September 30, 2023. The increase of $1.7 million was primarily due to an increase in interest income of $4.3 million, partially offset by a loss on the disposal of fixed assets of $2.4 million related to the termination of our laboratory and office space lease with 101 College Street LLC in August 2024.

Other income totaled $39.2 million for the nine months ended September 30, 2024, compared to $25.5 million for the nine months ended September 30, 2023. The increase of $13.7 million was primarily due to an increase in interest income of $15.3 million and realized losses on the sale of our marketable securities in 2023 of $0.9 million which did not recur in 2024, partially offset by a loss on the disposal of fixed assets of $2.4 million related to the termination of our laboratory and office space lease with 101 College Street LLC in August 2024.

Income Tax (Expense) Benefit

Income tax expense totaled $0.6 million for the three months ended September 30, 2024, compared to no income tax expense or benefit for the three months ended September 30, 2023. The current year tax expense was driven by the effect of equity compensation and the valuation allowance recorded against the full amount of our net deferred tax assets. Prior year tax expense was driven by expected benefits from state net operating loss carryback claims.

Income tax expense totaled $1.0 million for the nine months ended September 30, 2024, compared to an income tax benefit of $0.7 million for the nine months ended September 30, 2023. The current year tax expense was driven by the effect of equity compensation and the valuation allowance recorded against the full amount of our net deferred tax assets. Prior year tax expense was driven by expected benefits from state net operating loss carryback claims.

Loss from Equity Method Investment

Loss from equity method investment totaled zero for the three months ended September 30, 2024, compared to $0.1 million for the three months ended September 30, 2023. The decrease of $0.1 million was due to fully recognizing the remaining constrained revenue and the equity method losses during 2023.

Loss from equity method investment totaled zero for the nine months ended September 30, 2024, compared to $2.5 million for the nine months ended September 30, 2023. The decrease of $2.5 million was due to fully recognizing the remaining constrained revenue and the equity method losses during 2023.

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 our equity interests, proceeds from our collaborations and a license arrangement, grant funding and debt financing. Since inception through September 30, 2024, we had received an aggregate of $913.0 million in payments from collaboration partners and a licensing arrangement, grant funding and forgivable and partially forgivable loans from the State of Connecticut, and raised approximately $1.7 billion in gross proceeds from the sale of assets and equity interests, and the exercise of stock options, including:

- October 2018: completion of our initial public offering in which we issued and sold an aggregate of 7,700,482 shares of common stock, for aggregate gross proceeds of $123.2 million before fees and expenses;
- July 2019: 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 and sold 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 and sold 6,571,428 shares of common stock for aggregate gross proceeds of $460.0 million before fees and expenses;
- September 2021: issuance of 3,457,815 shares of common stock to Pfizer for aggregate gross proceeds of $350.0 million;
- July - September 2023: sale of 1,449,275 shares of common stock in an “at-the-market offering” for aggregate gross proceeds of $37.2 million before fees and expenses;
- November 2023: sale of 12,963,542 shares of common stock and pre-funded warrants to purchase 3,422,380 shares of common stock in a private placement for aggregate gross proceeds of $350.0 million before fees and expenses; and
- April 2024: sale of AR-V7 to Novartis under the Novartis Asset Agreement for $20.0 million.

In November 2023, we amended and restated the Equity Distribution Agreement with Piper Sandler & Company and Cantor Fitzgerald & Co., pursuant to which we may offer and sell from time to time, through the agents, up to approximately $262.8 million of the common stock registered under our universal shelf registration statement pursuant to one or more “at-the-market" offering. During the nine months ended September 30, 2024, no shares were issued under the amended and restated agreement.

Cash Flows

Our cash, cash equivalents, restricted cash and marketable securities totaled $1.1 billion and $1.3 billion as of September 30, 2024 and December 31, 2023, respectively. We had an outstanding loan balance of $0.8 million and $1.0 million as of September 30, 2024 and December 31, 2023, respectively.

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

(dollars in millions)	For the Nine Months Ended September 30, 2024	2023	$ change
Net cash used in operating activities	$ (175.2)	$ (264.7)	$ 89.5
Net cash (used in) provided by investing activities	(64.2)	257.2	(321.4)
Net cash provided by financing activities	7.4	39.9	(32.5)
Net (decrease) increase in cash, cash equivalents and restricted cash	$ (232.0)	$ 32.4	$ (264.4)

Operating Activities

Net cash used in operating activities for the nine months ended September 30, 2024 decreased by $89.5 million, compared with the nine months ended September 30, 2023, primarily due to changes in deferred revenue of $72.2 million, accounts receivable of $7.4 million, and non-cash charges of $7.8 million, as well as a decrease in our net loss of $58.7 million, inclusive of a one-time cash termination fee in the amount of $41.5 million related to the termination of our laboratory and office space lease with 101 College Street LLC in August 2024, partially offset by changes in accounts payable and accrued liabilities of $32.3 million, prepaid expenses and other current assets of $18.7 million, collaboration contract asset of $3.0 million related to the Novartis License Agreement and other receivables of $2.5 million. The change in non-cash charges was primarily due to an increase in stock-based compensation of $10.0 million, partially offset by net accretion of bond discounts/premiums of $5.5 million.

Investing Activities

Net cash from investing activities for the nine months ended September 30, 2024 decreased by $321.4 million, compared with the nine months ended September 30, 2023, primarily due to a net decrease in maturities and net sales of marketable securities and increase in purchases of $322.8 million, partially offset by a decrease in purchases of property and equipment of $1.3 million.

Financing Activities

Net cash provided by financing activities for the nine months ended September 30, 2024 decreased by $32.5 million, compared with the nine months ended September 30, 2023, due to net proceeds from the issuance of common stock under our "at the market" offering program in 2023 of $36.0 million, offset by increased proceeds from the exercise of stock options of $3.8 million.

Funding Requirements

Since our inception, we have incurred significant operating losses. We expect to continue to incur significant expenses and increasing operating losses in the foreseeable future as we advance the preclinical and clinical development of our product candidates.

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

- continue our ongoing and planned clinical trials of our product candidates, including vepdegestrant, for the treatment of locally advanced or metastatic ER+/HER2- breast cancer, ARV-102, our PROTAC degrader designed to target the LRRK2 protein, and ARV-393, our PROTAC protein degrader designed to target the BCL6 protein;
- continue to transition our ongoing clinical trials of ARV-766 for the treatment of men with mCRPC to Novartis, and continue our ongoing current clinical trials of bavdegalutamide (ARV-110) for the treatment of men with mCRPC;
- progress additional PROTAC protein degrader programs into IND- or CTA-enabling studies, including our KRAS G12D program;
- 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 continue to support our operations as a public company.

We had cash, cash equivalents and marketable securities totaling approximately $1.1 billion as of September 30, 2024. We believe that our cash, cash equivalents and marketable securities as of September 30, 2024 will enable us to fund our planned operating expenses and capital expenditure requirements into 2027. 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 and planned clinical trials of vepdegestrant ARV-102 and ARV-393, and our ongoing clinical trials of bavdegalutamide;
- the scope, progress, costs and results of preclinical and clinical development for our other product candidates and development programs, including our KRAS G12D program;
- 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, including with Pfizer and Genentech;
- 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, or enter into license, marketing and royalty arrangements, and similar transactions 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, including with Pfizer and Genentech, 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 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 September 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, 2024, $0.8 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 and marketable securities. Interest income earned on these assets totaled $41.9 million and $26.6 million for the nine months ended September 30, 2024 and 2023, respectively. Our interest income is sensitive to changes in the general level of interest rates, primarily U.S. interest rates. As of September 30, 2024, our cash equivalents consisted of bank deposits and money market funds, and our marketable securities included interest-earning securities. Our outstanding debt totaled $0.8 million and $1.0 million as of September 30, 2024 and December 31, 2023, respectively, and 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, 2024. 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, 2024, 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, 2024 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

From time to time, we may become involved in litigation or other legal proceedings arising in the ordinary course of business and regardless of outcome, litigation can have an adverse impact on our business, financial condition, results of operations and prospects because of defense and settlement costs, diversion of management resources and other factors. We are not currently a party to any material litigation or legal proceedings.

Item 1A. Risk Factors.

Investing in our common stock involves a high degree of risk. You should carefully consider the 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, 2023 filed with the SEC on February 27, 2024, 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. New or revised risk factors can emerge from time to time, and it is not possible to predict the impact that any factor or combination of factors may have on our business, prospects, financial condition and results of operations. The risk factor disclosures in our Annual Report on Form 10-K for the year ended December 31, 2023 are qualified by the information that is described in this Quarterly Report on Form 10-Q. If any of the risks in our Annual Report on Form 10-K for the year ended December 31, 2023 actually occur, our business, prospects, operating results and financial condition could suffer materially. In such an event, the trading price of our common stock could decline and you might lose all or part of your investment. The revised risk described below and the risks described in our Annual Report on Form 10-K for the year ended December 31, 2023 are not our only risks. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition or future results.

The risk factor included in our Annual Report on Form 10-K for the year ended December 31, 2023 "***We rely and expect to continue to rely on third parties to conduct our clinical trials, and those third parties may not perform satisfactorily, including failing to meet deadlines for the completion of such trials.***" is replaced in its entirety by the risk factor below.

We rely and expect to continue to rely on third parties to conduct our clinical trials, and those third parties may not perform satisfactorily, including failing to meet deadlines for the completion of such trials.

We currently rely and expect to continue to rely on third-party CROs to conduct our ongoing and planned clinical trials. We currently do not plan to independently conduct any clinical trials of vepdegestrant, and ARV-766 or of our other product candidates, including ARV-393 and ARV-102 and have not independently conducted any clinical trials of our product candidates, including bavdegalutamide, to date. Agreements with these third parties might terminate for a variety of reasons, including a failure to perform by the third parties. If we need to enter into alternative arrangements, that would delay our product development activities.

Our reliance on these third parties for research and development activities reduces our control over these activities but does not relieve us of our responsibilities. For example, we will remain responsible for ensuring that each of our clinical trials is conducted in accordance with the general investigational plan and protocols in the applicable IND. Moreover, the FDA requires compliance with standards, commonly referred to as good clinical practices, or GCPs, for conducting, recording and reporting the results of clinical trials to assure that data and reported results are credible and accurate and that the rights, integrity and confidentiality of trial participants are protected.

Furthermore, these third parties may have relationships with other entities, some of which may be our competitors. If these third parties do not successfully carry out their contractual duties, meet expected deadlines or conduct our clinical trials in accordance with regulatory requirements or our stated protocols, we will not be able to obtain, or may be delayed in obtaining, marketing approvals for our product candidates and will not be able to, or may be delayed in our efforts to, successfully commercialize our product candidates.

In addition, we currently rely on foreign CROs, CMOs and vendors, including Wuxi AppTec, and will likely continue to rely on foreign CROs and CMOs in the future. Foreign CMOs may be subject to U.S. legislation, including the proposed BIOSECURE Act, sanctions, trade restrictions and other foreign regulatory requirements which could increase the cost or reduce the supply of material available to us, delay the procurement or supply of such material or have an adverse effect on our ability to secure significant commitments from governments to purchase our potential therapies.

For example, the biopharmaceutical industry in China is strictly regulated by the Chinese government. Changes to Chinese regulations or government policies affecting biopharmaceutical companies are unpredictable and may have a material adverse effect on our collaborators in China which could have an adverse effect on our business, financial condition, results of operations and prospects. Evolving changes in China's public health, economic, political, and social conditions and the uncertainty around China's relationship with other governments, such as the United States and the U.K., could also negatively impact our ability to manufacture our product candidates for our planned clinical trials or have an adverse effect on our ability to secure government funding, which could adversely affect our financial condition and cause us to delay our clinical development programs.

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

Sales of Unregistered Securities

We did not issue any securities that were not registered under the Securities Act during the three months ended September 30, 2024.

Item 5. Other Information

Director and Officer Trading Arrangements

None of our directors or officers adopted or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement (as defined in Item 408(c) of Regulation S-K) during the quarterly period covered by this Quarterly Report on Form 10-Q.

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	Second Amended and Restated Bylaws 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 June 21, 2023).
10.1+	Promotion Letter for Angela Cacace, Ph.D., dated July 8, 2024 (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 10-Q (File No. 001-38672) filed with the SEC on July 30, 2024).
10.2*†	Lease Termination Agreement, dated August 15, 2024, by and among Arvinas Operations, Inc. and 101 College Street, LLC.
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.
+ Management contract or compensatory plan or arrangement.

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: October 30, 2024

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

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

Date: October 30, 2024

By: /s/ Andrew Saik

Andrew Saik
Chief Financial Officer and Treasurer
(Principal Financial Officer)

Date: October 30, 2024

By: /s/ David K. Loomis

David K. Loomis
Vice President and Chief Accounting Officer
(Principal Accounting Officer)

Exhibit 10.1

Certain identified information has been excluded from the exhibit because it is both (i) not material and (ii) is the type of information that the registrant treats as private or confidential. Double asterisks denote omissions.

LEASE TERMINATION AGREEMENT

This Lease Termination Agreement (this "Agreement") dated as of August 15, 2024 (the "Effective Date") is entered into between **101 COLLEGE STREET, LLC**, a Delaware limited liability company ("Landlord"), and **ARVINAS OPERATIONS, INC.,** a Delaware corporation ("Tenant").

Background

A. Landlord and Tenant are parties to that certain Lease dated as of May 4, 2021, as amended by that certain First Amendment dated as of August 10, 2022 and that certain Second Amendment to Lease dated as of December 20, 2023 (collectively, the "Lease"), for certain premises (the "Premises") located in the building known as 101 College Street, New Haven, Connecticut. Capitalized terms and phrases used and not defined herein shall have the definitions ascribed to them in the Lease.

B. The term of the Lease is scheduled to expire on May 31, 2034 (the "Term Expiration Date"), but Tenant desires to terminate the Lease effective as of the Early Termination Date (as hereinafter defined).

C. Landlord has agreed to terminate the Lease prior to its scheduled expiration date pursuant to the terms, and subject to the conditions, set forth below.

Agreement

NOW, THEREFORE, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord and Tenant confirm and agree as follows:

1. Termination. Notwithstanding anything to the contrary contained in the Lease, Landlord and Tenant agree that the expiration date of the term of the Lease (as defined in the Lease, the "Term"), is 11:59 p.m. Eastern time on August 15, 2024 (the "Early Termination Date"); provided, however, that if Tenant fails to satisfy the Termination Conditions as set forth below, this Agreement may, in Landlord's sole discretion exercisable by written notice to Tenant given on or before the Early Termination Date, be revoked, withdrawn and in all respects deemed null and void and the Lease shall continue in full force and effect.

(a) Compliance with Lease Obligations. For the period following the Early Termination Date, all rights and obligations of Landlord and Tenant under the Lease shall terminate, expire and be of no force and effect, in each case as set forth in the Lease in connection with the expiration of the Term; provided however, that (i) the obligations under the Lease that arise prior to or are attributable to the period ending on the Early Termination Date, (ii) the obligations that are specified in the Lease to expressly survive the expiration date of the

Term Expiration Date, and (iii) the obligations that are to be performed under this Agreement before the Early Termination Date, shall not terminate.

(b) Continuing Performance. Each of Landlord and Tenant have been obligated to continue to perform their respective obligations under the Lease through the Early Termination Date including, specifically, Tenant's obligation to remit the Fixed Rent, Additional Rent and all other charges imposed on Tenant under the Lease accruing prior to the Early Termination Date to Landlord.

(c) Surrender of the Premises. Tenant is obligated to vacate and surrender the Premises to Landlord on or before the Early Termination Date. On or before the Early Termination Date, Tenant shall (i) remove all of Tenant's P roperty in the Premises, if any; and (ii) surrender possession of the Premises to Landlord in its "as-is" condition as of the date hereof, broom-clean and with all of Tenant's Property removed from the Premises. Tenant acknowledges and agrees that, in connection with this Agreement, Tenant is relinquishing its rights to the Dunnage (as hereinafter defined) and to the condensers previously installed by Tenant on a portion of the roof of the Building (the "Condensers") and Landlord acknowledges and agrees the Tenant shall have no obligation to remove the Dunnage or the Condensers from the Building. If Tenant fails to comply with the foregoing requirements by the Early Termination Date, and such failure is not cured within two (2) days after written notice from Landlord specifying in reasonable detail the reason for such failure, then such failure shall be deemed a holdover of the Premises by Tenant entitling Landlord to exercise all of its rights and remedies at law, in equity and under the Lease, including, without limitation, the rights set forth in Section 18.3 of the Lease (e.g., Tenant shall continue to pay Fixed Rent with respect to the Surrendered Space at the rate referenced in Section 18.3). Tenant shall be liable to Landlord for the reasonable actual out of pocket costs incurred by Landlord as a result of Tenant's failure to perform any of the foregoing, which liability shall survive the Early Termination Date.

2. Termination Conditions. Landlord has agreed to terminate the Lease as of the Early Termination Date in exchange for Tenant's satisfaction of the following (collectively, the "Termination Conditions") on or before the Early Termination Date:

a. Tenant's peaceful surrender of the Premises in the condition set forth in Section 1(c) above; and

b. Tenant shall remit to Landlord the sum of $[**] (representing a termination payment of Forty-One Million Five Hundred Thousand and 00/100 ($41,500,000.00) Dollars less (i) the Dunnage Reimbursement Amount (as hereinafter defined) and (ii) the Prorated August Rent Reimbursement Amount (as hereinafter defined).

3. Reimbursement of Certain Expenses. Landlord shall reimburse Tenant (as provided above) for the following expenses: (a) $[**] (the "Dunnage Reimbursement Amount") for the costs incurred by Tenant to date in designing and installing the dunnage previously installed on a portion of the roof of the Building (the "Dunnage") and (b) $[**] (the "Prorated

August Rent Reimbursement Amount"), representing reimbursement for prepaid August rent previously paid by Tenant and calculated as follows: $[**] = $[**] per day x [**] days. Landlord and Tenant hereby agree and confirm that there shall be no further reimbursement or true-up under either the Lease or this Agreement for Operating Expenses and Real Estate Taxes paid in 2024. The provisions of this Section 3 shall survive the Early Termination Date.

4. Return of Security Deposit. Landlord hereby confirms that Landlord is currently holding a security deposit pursuant to, and in accordance with, Section 40 of the Lease (as amended) in the form of a Letter of Credit in the amount of $5,500,000.00 (the "Letter of Credit"). Provided that Tenant complies with the terms and conditions in this Agreement, Landlord shall return to Tenant the original Letter of Credit on or before August 31, 2024.

5. Certifications. Tenant hereby certifies, with respect to Tenant's rights in and occupancy of the Premises, that the following statements are true as of the date hereof and will be true on the Early Termination Date:

(a) Tenant owns and holds the entire interest of Tenant under the Lease;

(b) There exist no subleases or other rights of occupancy created by, through or under Tenant affecting the Premises or any part thereof;

(c) Tenant has not done or suffered any act or omission and will not do or suffer any act or omission whereby the Premises or any part thereof is or may be in any way charged, assessed or encumbered;

(d) Tenant has no knowledge of any fact or circumstance which would give rise to any claim, demand, action or cause of action arising out of or in connection with Tenant's occupancy of the Premises. No contracts for the furnishing of any labor or materials with respect to improvements or alterations in or about the Premises have been executed by Tenant or are outstanding that have not been performed and satisfied; and

(e) Tenant has full authority to execute and deliver this Agreement.

Tenant agrees to defend, indemnify and save Landlord harmless from and against all actual and direct loss, cost, damage and expense incurred by Landlord (including, without limitation, all actual and reasonable expenses, costs and reasonable attorneys' fees of Landlord in any action or defense undertaken by Landlord to protect itself from such loss or damage) resulting from (i) any breach by Tenant of the certifications made in this Section 4, (ii) any lien, charge, encumbrance or claim against the Premises relating to any work or action caused or undertaken by or on behalf of Tenant prior to the Early Termination Date, and (iii) any failure of Tenant to surrender possession of the Premises prior to the Early Termination Date in the manner required hereunder, which obligation shall survive the Early Termination Date.

6. Termination of Certain Rights. Notwithstanding anything to the contrary contained in the Lease, any rights that Tenant may have to extend the term of the Lease are hereby deemed terminated, void and without further force or effect.

7. Lender Consent. Landlord represents to Tenant that, as of the Effective Date, Landlord has (a) full authority to execute and deliver this Agreement and (b) obtained from the holder of its existing mortgage consent to this Agreement.

8. Final Agreement. This Agreement may not be orally changed or terminated, nor any of its provisions waived, except by an agreement in writing signed by the party against whom enforcement of any changes, termination or waiver is sought. Except as modified herein, the Lease and all of the terms and provisions thereof shall remain unmodified and in full force and effect as originally written. In the event of any conflict or inconsistency between the provisions of the Lease and the provisions of this Agreement, the provisions of this Agreement shall control.

9. Brokerage. Each of Landlord and Tenant represents that in the negotiation of this Agreement 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 8 shall survive the expiration or earlier termination of the Lease.

10. Form of Discharge of Notice of Amended Lease. Landlord and Tenant are, contemporaneously herewith, executing, acknowledging and delivering a Discharge of Notice of Amended Lease in the form of **Exhibit 10** attached to this Agreement to reflect the terms of this Agreement. Landlord, at its cost and expense, shall record such executed Discharge of Notice of Amended Lease on the City of New Haven, Connecticut land records after satisfaction of all of the Termination Conditions.

11. Effectiveness. Submission of this Agreement for examination does not constitute an offer to terminate the Lease, and it is not effective as an offer to terminate the Lease or otherwise until this Agreement has been executed by both Landlord and Tenant and a fully executed copy has been delivered to each.

12. Binding upon Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of the parties hereto, their respective legal representatives, successors, and assigns.

13. Connecticut Law; Illegality. This Agreement shall be governed by the laws of the State of Connecticut. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall

be construed as if such invalid, illegal or unenforceable provisions had not been contained herein.

14. Counterparts. This Agreement 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 Agreement to Tenant shall not be deemed an offer by Landlord and this Agreement shall not be binding on Landlord unless and until Landlord shall deliver to Tenant a fully executed counterpart hereof. The parties hereby acknowledge and agree that facsimile signatures or signatures transmitted by electronic mail in so-called "pdf" format shall be legal and binding and shall have the same full force and effect as if an original of this Agreement had been delivered. Landlord and Tenant (a) intend to be bound by the signatures on any document sent by facsimile or electronic mail, (b) are aware that the other party will rely on such signatures, and (c) hereby waive any defenses to the enforcement of the terms of this Agreement based on the foregoing forms of signature.

[Remainder of Page Intentionally Left Blank; Signature Page Follows]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Agreement as of the date first written above.

Witness:

Keenan Gage

Hung Ming Chen

101 COLLEGE STREET LLC,
a Delaware limited liability company

By: HRSE- Winstanley I, LLC,
Its Sole Member

By: _____
Name: Carter J. Winstanley
Title: Authorized Signatory

Witness:

_____

_____

TENANT:

ARVINAS OPERATIONS, INC., a Delaware corporation

By: _____
Name:
Title:

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 Lease, as affected by this Agreement:

GUARANTOR:

ARVINAS, INC.

By: _____
Name:
Title:

STATE OF Massachusetts)

: ss. Concord

COUNTY OF Middlesex City/Town

On this the 14th day of August, 2024, before me, personally appeared Carter J. 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.

Pamela M. D'Ambrosio

Commissioner of the Superior Court
Notary Public
My Commission Expires:

STATE OF _____)

: ss. _____

COUNTY OF _____) City/Town

On this the _____ day of _____, 2024, before me, personally appeared _____, an _____ of **ARVINAS OPERATIONS, INC.**, signer and sealer of the foregoing instrument, and who acknowledged the same to be the free act and deed of said **ARVINAS OPERATIONS, INC.**, and his/her free act and deed as such _____ thereof.

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

_____

Commissioner of the Superior Court
Notary Public
My Commission Expires:

IN WITNESS WHEREOF, Landlord and Tenant have executed this Agreement as of the date first written above.

Witness:

_____

_____

101 COLLEGE STREET LLC,
a Delaware limited liability company

By: HRSE- Winstanley I, LLC,
Its Sole Member

By:_____
Name:
Title:

Witness:

Judy Koepff

TENANT:

ARVINAS OPERATIONS, INC., a Delaware corporation

By:
Name: Andrew Saik
Title: CFO

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 Lease, as affected by this Agreement:

GUARANTOR:

ARVINAS, INC.

By:
Name: Andrew Saik
Title: CFO

STATE OF _____)

: ss. _____

COUNTY OF _____) City/Town

On this the _____ day of _____, 2024, before me, personally appeared _____, an _____ 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 _____ thereof.

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

_____

Commissioner of the Superior Court
Notary Public
My Commission Expires:

STATE OF New Jersey

: ss. _____

COUNTY OF Morris) City/Town Chatham

On this the 15th day of August, 2024, before me, personally appeared Andrew R Saik, an CFO of **ARVINAS OPERATIONS, INC.**, signer and sealer of the foregoing instrument, and who acknowledged the same to be the free act and deed of said **ARVINAS OPERATIONS, INC.**, and his/her free act and deed as such CFO thereof.

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

JUNGKIL HAN
ID # 2353073
NOTARY PUBLIC
STATE OF NEW JERSEY
My Commission Expires December 1, 2026

_____

Commissioner of the Superior Court
Notary Public
My Commission Expires: 12/01/2026

Exhibit 10

Notice of Termination of Lease

[see attached]

Upon Recording Return To:

Geoffrey A. Howell, Esq.
DLA Piper LLP (US)
33 Arch Street, 26th Floor
Boston, MA 02110

NOTICE OF TERMINATION OF LEASE

This NOTICE OF TERMINATION LEASE is made and entered into as of August , 2024, by and between **101 COLLEGE STREET, LLC**, a Delaware limited liability company ("**Landlord**"), and **ARVINAS OPERATIONS, INC.**, a Delaware corporation ("**Tenant**").

Reference is made to that certain Lease, dated as of May 4, 2021, by and between Landlord and Tenant (as it may have been amended the "**Lease**"), pertaining to space within that certain building and associated subsurface improvements located at 101 College Street, New Haven, Connecticut, said premises being more specifically described on Exhibit A, attached hereto and made a part hereof (the "**Premises**").

Further reference is made to a Notice of Lease dated as of May 4, 2021, and recorded in the Clerk's Office of the City of New Haven, in Volume 10189, Page 264, as amended and restated by a Notice of Amended Lease, dated as of August 10, 2022, and recorded in the Clerk's Office of the City of New Haven, in Volume 10429, Page 193.

Notice is hereby given that the Lease terminated as of August , 2024 and that Tenant has no further interest in the premises under the Lease.

[Signatures are located on the following page.]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Notice of Termination of Lease as an instrument under seal as of the date first written above.

Witness:

_____

_____

101 COLLEGE STREET LLC,
a Delaware limited liability company

By: HRSE- Winstanley I, LLC,
Its Sole Member

By:_____
Name:
Title:

Witness:

_____

_____

TENANT:

ARVINAS OPERATIONS, INC.,
a Delaware corporation

By:_____
Name:
Title:

STATE OF _____)

: ss. _____

COUNTY OF _____) City/Town

On this the _____ day of _____, 2024, before me, personally appeared _____, an _____ 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 _____ thereof.

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

_____
Commissioner of the Superior Court
Notary Public
My Commission Expires:

STATE OF _____)

: ss. _____

COUNTY OF _____) City/Town

On this the _____ day of _____, 2024, before me, personally appeared _____, an _____ of **ARVINAS OPERATIONS, INC.,** signer and sealer of the foregoing instrument, and who acknowledged the same to be the free act and deed of said **ARVINAS OPERATIONS, INC.**, and his/her free act and deed as such _____ thereof.

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

_____
Commissioner of the Superior Court
Notary Public
My Commission Expires:

Exhibit A

All that certain piece or parcel of land situated in the City of New Haven, County of New Haven and State of Connecticut, bounded as follows:

Beginning at a point on the north side of South Frontage Road at the intersection with the Proposed Temple Street Extension;

thence running N 53°44'36" W a distance of 363.59 feet along the north side of South Frontage Road to a point at the intersection with College Street;

thence running on a curve to the right having a delta angle of 83°07'00" a radius of 15.00 feet and an arc length of 21.76 feet to a point;

thence running N 29°21'26" E a distance of 153.50 feet along the east side of College Street to a point at the intersection with Rev. Dr. Martin Luther King Jr. Boulevard;

thence running on a curve to the right having a delta angle of 92°04'55" a radius of 15.00 feet and an arc length of 24.11 feet to a point;

thence running S 54°21'46" E a distance of 416.94 feet along the south side of Rev. Dr. Martin Luther King Jr. Boulevard to a point at the intersection with the Proposed Temple Street Extension;

thence running on a curve to the right having a delta angle of 98°28'34" a radius of 10.00 feet and an arc length of 17.19 feet to a point;

thence running on a curve to the right having a delta angle of 12°43'40" a radius of 808.78 feet and an arc length of 179.66 feet to a point along the west side of the Proposed Temple Street Extension;

thence running on a curve to the right having a delta angle of 69°29'38" a radius of 1.00 feet and an arc length of 1.21 feet to the point and place of beginning;

Proposed Property Area = 76,085 S.F. (1.75 Acres)

1611767475.6

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: October 30, 2024

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, Andrew Saik, 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: October 30, 2024

By: /s/ Andrew Saik

Andrew Saik
Chief Financial Officer and Treasurer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Arvinas, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2024 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: October 30, 2024

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, 2024 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: October 30, 2024

By: /s/ Andrew Saik

Andrew Saik
Chief Financial Officer and Treasurer
(Principal Financial Officer)