UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 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 March 31, 2026

☐ **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 001-38042

ARROWHEAD PHARMACEUTICALS, INC.

(Exact name of registrant as specified in its charter)

Delaware	**46-0408024**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

177 E. Colorado Blvd, Suite 700
Pasadena, California 91105
(626) 304-3400
(Address and telephone number of principal executive offices)

Former name, former address, and former fiscal year, if changed since last report: N/A

Securities registered pursuant to Section 12(b) of the Exchange Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001 per share	**ARWR**	**The Nasdaq Global Select Market**

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 ☒

The number of shares of the registrant's common stock outstanding as of May 1, 2026 was 140,857,021.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Arrowhead Pharmaceuticals, Inc.
Consolidated Balance Sheets
(in thousands, except per share amounts)

	March 31, 2026	September 30, 2025
	(unaudited)	
ASSETS		
Current assets:		
Cash, cash equivalents and restricted cash	$ 147,531	$ 88,706
Cash at variable interest entity	40,986	137,842
Accounts receivable	15,685	6,824
Available-for-sale securities, at fair value and short-term investments	1,595,574	692,818
Prepaid expenses	21,721	10,933
Other current assets	18,254	13,516
Total current assets	1,839,751	950,639
Property, plant and equipment, net	374,822	382,515
Intangible assets, net	6,011	6,861
Right-of-use assets	42,794	43,891
Other assets	4,887	1,389
Total Assets	**$ 2,268,265**	**$ 1,385,295**
LIABILITIES, NONCONTROLLING INTEREST AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	30,747	$ 17,674
Accrued expenses	76,585	90,419
Accrued payroll and benefits	20,366	26,895
Lease liabilities	7,774	7,289
Deferred revenue	108,543	2,399
Credit facility	40,000	40,000
Other liabilities	11,205	10,811
Total current liabilities	295,220	195,487
Long-term liabilities:		
Lease liabilities, net of current portion	100,106	104,112
Deferred revenue, net of current portion	48,615	—
Liability related to the sale of future royalties	383,829	367,397
Credit facility, net of current portion	159,639	214,883
Convertible notes, net	681,940	—
Total long-term liabilities	1,374,129	686,392
Commitments and contingencies (Note 7)		
Noncontrolling interest and stockholders' equity:		
Common stock, $0.001 par value: Authorized 290,000 shares; 143,232 shares issued and 140,571 outstanding as of March 31, 2026 and 138,363 shares issued and 135,702 outstanding as of September 30, 2025	236	231
Additional paid-in capital	2,395,267	2,139,725
Accumulated other comprehensive income	742	6,443
Accumulated deficit	(1,729,075)	(1,627,154)
Treasury stock; at cost; 2,661 shares of common stock at March 31, 2026 and September 30, 2025	(53,193)	(53,193)
Stockholders' equity	613,977	466,052
Noncontrolling interest	(15,061)	37,364
Total noncontrolling interest and stockholders' equity	598,916	503,416
Total Liabilities, Noncontrolling Interest and Stockholders' Equity	**$ 2,268,265**	**$ 1,385,295**

The accompanying notes are an integral part of these unaudited consolidated financial statements.

Arrowhead Pharmaceuticals, Inc.
Consolidated Statements of Operations and Comprehensive (Loss) Income
(in thousands, except per share amounts)
(unaudited)

	Three Months Ended March 31,		Six Months Ended March 31,	
	2026	**2025**	**2026**	**2025**
Revenue	**$ 73,737**	**$ 542,709**	**$ 337,770**	**$ 545,209**
Operating expenses:				
Research and development	173,253	133,102	350,456	270,104
Selling, general and administrative	41,744	28,405	87,765	55,315
Total operating expenses	**214,997**	**161,507**	**438,221**	**325,419**
Operating (loss) income	(141,260)	381,202	(100,451)	219,790
Other income (expense):				
Interest income	16,869	9,615	26,560	17,217
Interest expense	(23,846)	(21,639)	(46,351)	(43,285)
Loss on equity method investment	(6,719)	—	(6,719)	—
Gain on VIE's sale of IPR&D assets	19,000	—	19,000	—
Other, net	(1,609)	438	(1,332)	779
Total other income (expense)	**3,695**	**(11,586)**	**(8,842)**	**(25,289)**
(Loss) income before income tax expense and noncontrolling interest	**(137,565)**	**369,616**	**(109,293)**	**194,501**
Income tax expense	7	1,753	35	1,856
Net (loss) income including noncontrolling interest	**$ (137,572)**	**$ 367,863**	**$ (109,328)**	**$ 192,645**
Net loss attributable to noncontrolling interest, net of tax	(4,840)	(2,582)	(7,409)	(4,715)
Net (loss) income attributable to Arrowhead Pharmaceuticals, Inc.	$ (132,732)	$ 370,445	$ (101,919)	$ 197,360
Net (loss) income per share attributable to Arrowhead Pharmaceuticals, Inc.:				
Basic	$ (0.93)	$ 2.78	$ (0.73)	$ 1.53
Diluted	$ (0.93)	$ 2.75	$ (0.73)	$ 1.52
Weighted-average shares used in calculating				
Basic	142,417	133,363	139,762	129,059
Diluted	142,417	134,484	139,762	130,265
Comprehensive (loss) income:				
Net (loss) income including noncontrolling interest	$ (137,572)	$ 367,863	$ (109,328)	$ 192,645
Other comprehensive (loss) income, net of tax:				
Unrealized (losses) gains on available-for-sale securities	(6,934)	653	(6,788)	146
Foreign currency translation adjustments	990	(400)	1,100	(506)
Total other comprehensive (loss) income	**(5,944)**	**253**	**(5,688)**	**(360)**
Comprehensive (loss) income	(143,516)	368,116	(115,016)	192,285
Comprehensive loss attributable to noncontrolling interest	(4,425)	(2,582)	(6,966)	(4,715)
Comprehensive (loss) income attributable to Arrowhead Pharmaceuticals, Inc.	**$ (139,091)**	**$ 370,698**	**$ (108,050)**	**$ 197,000**

The accompanying notes are an integral part of these unaudited consolidated financial statements.

Arrowhead Pharmaceuticals, Inc.
Consolidated Statements of Stockholders' Equity
(in thousands)
(unaudited)

	Common Stock	Amount ($)	Additional Paid-In Capital	Accumulated Other Comprehensive Income	Accumulated Deficit	Common Stock in Treasury	Treasury Amount ($)	Non-controlling Interest	Total
Balance at September 30, 2025	**138,363**	**$ 231**	**$ 2,139,725**	**$ 6,443**	**$ (1,627,154)**	**(2,661)**	**$ (53,193)**	**$ 37,364**	**$ 503,416**
Stock-based compensation	—	—	19,371	—	—	—	—	—	**19,371**
Exercise of stock options	296	—	5,098	—	—	—	—	—	**5,098**
Common stock - restricted stock units vesting	704	1	1	—	—	—	—	—	**2**
Issuance of common stock under at-the-market offering, net of issuance costs	689	1	46,831	—	—	—	—	—	**46,832**
Foreign currency translation adjustments	—	—	—	110	—	—	—	—	**110**
Unrealized gains on available-for-sale securities, net	—	—	—	146	—	—	—	—	**146**
Dividends declared by variable interest entity to noncontrolling shareholders	—	—	—	—	—	—	—	(40,520)	**(40,520)**
Net income (loss)	—	—	—	—	30,811	—	—	(2,569)	**28,242**
Balance at December 31, 2025	**140,052**	**$ 233**	**$ 2,211,026**	**$ 6,699**	**$ (1,596,343)**	**(2,661)**	**$ (53,193)**	**$ (5,725)**	**$ 562,697**
Stock-based compensation	—	—	16,670	—	—	—	—	—	**16,670**
Exercise of stock options	121	—	1,968	—	—	—	—	—	**1,968**
Common stock - restricted stock units vesting	1,043	1	—	—	—	—	—	—	**1**
Issuance of common stock in follow-on offering, net of issuance costs	2,016	2	116,605	—	—	—	—	—	**116,607**
Issuance of pre-funded warrants	—	—	99,998	—	—	—	—	—	**99,998**
Purchase of Capped Calls related to the 2026 Convertible Note	—	—	(47,880)	—	—	—	—	—	**(47,880)**
Foreign currency translation adjustments	—	—	—	990		—	—	—	**990**
Unrealized losses on available-for-sales securities	—	—	—	(6,934)		—	—	—	**(6,934)**
Change in ownership interest in consolidated VIE	—	—	(3,120)	(13)	—	—	—	3,133	**—**
Gain on VIE's sale of IPR&D assets	—	—	—	—	—	—	—	(7,629)	**(7,629)**
Net loss	—	—	—	—	(132,732)	—	—	(4,840)	**(137,572)**
Balance at March 31, 2026	**143,232**	**$ 236**	**$ 2,395,267**	**$ 742**	**$ (1,729,075)**	**(2,661)**	**$ (53,193)**	**$ (15,061)**	**$ 598,916**

	Common Stock	Amount ($)	Additional Paid-In Capital	Accumulated Other Comprehensive Income	Accumulated Deficit	Common Stock in Treasury	Treasury Amount ($)	Non-controlling Interest	Total
Balance at September 30, 2024	**124,376**	**$ 217**	**$ 1,806,000**	**$ 4,750**	**$ (1,625,523)**	**—**	**$ —**	**$ 5,619**	**$ 191,063**
Stock-based compensation	—	—	15,209	—	—	—	—	—	**15,209**
Exercise of stock options	70	—	634	—	—	—	—	—	**634**
Common stock - restricted stock units vesting	209	—	—	—	—	—	—	—	**—**
Issuance of pre-funded warrants	—	—	25,000	—	—	—	—	—	**25,000**
Foreign currency translation adjustments	—	—	—	(106)	—	—	—	—	**(106)**
Unrealized losses on available-for-sale securities, net	—	—	—	(507)	—	—	—	—	**(507)**
Net loss	—	—	—	—	(173,085)	—	—	(2,133)	**(175,218)**
Balance at December 31, 2024	**124,655**	**$ 217**	**$ 1,846,843**	**$ 4,137**	**$ (1,798,608)**	**—**	**$ —**	**$ 3,486**	**$ 56,075**
Stock-based compensation	—	—	16,027	—	—	—	—	—	**16,027**
Exercise of stock options	353	—	2,619	—	—	—	—	—	**2,619**
Common stock - restricted stock units vesting	1,128	1	—	—	—	—	—	—	**1**
Common stock issued	11,926	12	241,375	—	—	—	—	—	**241,387**
Foreign currency translation adjustments	—	—	—	(400)	—	—	—	—	**(400)**
Unrealized gains on available-for-sale securities	—	—	—	653	—	—	—	—	**653**
Net income (loss)	—	—	—	—	370,445	—	—	(2,582)	**367,863**
Balance at March 31, 2025	**138,062**	**$ 230**	**$ 2,106,864**	**$ 4,390**	**$ (1,428,163)**	**—**	**$ —**	**$ 904**	**$ 684,225**

The accompanying notes are an integral part of these unaudited consolidated financial statements.

Arrowhead Pharmaceuticals, Inc.
Consolidated Statements of Cash Flows
(in thousands)
(unaudited)

	Six Months Ended March 31,	
	2026	**2025**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net (loss) income	$ (109,328)	$ 192,645
Adjustments to reconcile net (loss) income to net cash flow from operating activities		
Stock-based compensation	36,041	31,236
Depreciation and amortization	12,758	11,319
Accretion of available-for-sale securities premiums/discounts	(2,515)	(2,788)
Amortization of convertible notes issuance costs	657	—
Realized gain on investments	(19)	—
Non-cash interest expense on liability related to the sale of future royalties	16,432	10,915
Non-cash interest expense on credit facility	29,262	32,369
Loss on equity method investment	6,719	—
Gain on VIE's sale of IPR&D assets	(19,000)	—
Non-cash transfer of property and equipment to affiliate	555	—
Changes in operating assets and liabilities:		
Accounts receivable	(8,861)	(2,365)
Prepaid expenses and other current assets	(8,413)	(20,936)
Accounts payable	13,073	(1,717)
Accrued expenses	(22,136)	18,921
Deferred revenue	154,760	43,268
Operating lease, net	(2,423)	(2,255)
Other	361	3,169
Net cash provided by operating activities	97,923	313,781
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property, plant and equipment	(4,713)	(12,813)
Purchases of available-for-sale securities	(1,061,577)	(677,892)
Proceeds from sales of available-for-sale securities	23,748	—
Proceeds from maturities of available-for-sale securities	124,518	347,402
Net cash used in investing activities	(918,024)	(343,303)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from the exercises of stock options	10,146	3,253
Proceeds from issuance of warrants	99,998	25,000
Proceeds from issuance of convertible notes	700,000	—
Payments of debt issuance costs	(18,716)	(5,000)
Purchase of capped calls	(47,880)	—
Proceeds from issuance of common stock related to ATM offering	48,156	241,388
Payments of issuance costs of common stock related to ATM offering	(1,324)	—
Proceeds from issuance of common stock related to follow-on offering	130,000	—
Payments of issuance costs of common stock related to follow-on offering	(13,393)	—
Repayments of credit facility	(84,506)	(151,625)
Dividends paid by variable interest entity to noncontrolling shareholders	(41,514)	—
Net cash provided by financing activities	780,967	113,016
Net (decrease) increase in cash, cash equivalents and restricted cash	(39,134)	83,494
Effect of exchange rate on cash, cash equivalents and restricted cash	1,103	(470)
CASH, CASH EQUIVALENTS AND RESTRICTED CASH:		
BEGINNING OF PERIOD	226,548	102,685
END OF PERIOD	$ 188,517	$ 185,709
Supplemental disclosure of cash flows:		
Interest paid	$ —	$ (19)
Income taxes paid	$ (21,565)	$ (81)
Supplemental disclosure of non-cash investing activities:		
Capital expenditures included in accrued expenses	$ 334	$ 358

The accompanying notes are an integral part of these unaudited consolidated financial statements.

NOTE 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

General and Recent Developments

Arrowhead Pharmaceuticals, Inc. and its subsidiaries (referred to herein collectively as the "Company") are primarily engaged in developing medicines that treat intractable diseases by silencing the genes that cause them. Using a broad portfolio of RNA chemistries and efficient modes of delivery, the Company's therapies trigger the RNA interference mechanism to induce rapid, deep and durable knockdown of target genes. RNA interference ("RNAi") is a mechanism present in living cells that inhibits the expression of a specific gene, thereby affecting the production of a specific protein. The Company's RNAi-based therapeutics may leverage this natural pathway of gene silencing to target and shut down specific disease-causing genes.

Approved Products

REDEMPLO® (plozasiran) is approved by the U.S. Food and Drug Administration ("FDA") as an adjunct to diet to reduce triglycerides for adults with Familial Chylomicronemia Syndrome ("FCS"). REDEMPLO is also approved by the Chinese National Medical Products Administration ("NMPA"), Health Canada, and the Australian Therapeutic Goods Administration (TGA) for the same indication. REDEMPLO also received a positive Committee for Medicinal Products for Human Use ("CHMP") opinion recommending approval to reduce triglycerides in adults with FCS in Europe. The European Commission is expected to issue a decision on REDEMPLO's Marketing Authorization in the second calendar quarter of 2026.

REDEMPLO is a small interfering RNA ("siRNA") therapeutic designed to suppress the production of apolipoprotein C-III (APOC3), a protein produced in the liver that raises triglyceride levels by slowing their breakdown and clearance. By targeting the APOC3 gene with sustained silencing, REDEMPLO delivers significant reductions in triglyceride levels. REDEMPLO is the first and only FDA-approved siRNA treatment studied in both genetically confirmed and clinically diagnosed patients living with FCS.

Consolidation and Basis of Presentation

The interim Consolidated Financial Statements include the accounts of Arrowhead Pharmaceuticals, Inc. and its subsidiaries (wholly-owned subsidiaries and a variable interest entity for which the Company is the primary beneficiary). Wholly-owned subsidiaries refer to Arrowhead Madison, Inc., Arrowhead Australia Pty Ltd., Arrowhead Pharmaceuticals Ireland Limited, Arrowhead Pharmaceuticals NZ Limited. The Company's variable interest entity is Visirna Therapeutics, Inc. ("Visirna"). For subsidiaries in which the Company owns or is exposed to less than 100% of the economics, the Company records net loss attributable to noncontrolling interests in its consolidated statements of operations equal to the percentage of the economic or ownership interests retained in such entity by the respective noncontrolling party.

The interim Consolidated Financial Statements have been prepared in conformity with U.S. generally accepted accounting principles ("GAAP"). The financial data of the Company included herein are unaudited. In the opinion of management, all material adjustments of a normal recurring nature have been made to present fairly the Company's financial position as of March 31, 2026 and the results of operations and cash flows for the periods presented. All intercompany transactions and balances have been eliminated. Certain prior period amounts have been reclassified to conform with the current period presentation.

Certain financial information that is normally included in annual financial statements prepared in accordance with GAAP, but that is not required for interim reporting purposes, has been omitted from the accompanying interim consolidated financial statements and related notes. Readers are urged to review the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2025 for more complete descriptions and discussions. Operating results and cash flows for the six months ended March 31, 2026 are not necessarily indicative of the results that may be expected for the fiscal year ending September 30, 2026.

The Company operates as a single segment as the chief operating decision maker ("CODM"), reviews operating results on an aggregate basis and manages the operations as a single operating segment. Refer to Note 16, Segment Information, for further details on the segment information.

Liquidity

The Company's primary sources of financing have been through the sale of its equity securities, credit facility, revenue from its licensing and collaboration agreements, the sale of certain future royalties and issuance of convertible debt. Research and development activities have required significant investment since the Company's inception and are expected to continue to require significant cash expenditure in the future, particularly as the Company's pipeline of drug candidates and its headcount have both expanded. Additionally, significant investment will be required as a growing commercial-stage Company and as the Company's pipeline matures into later stage clinical trials.

As of March 31, 2026, the Company had $188.5 million in cash, cash equivalents and restricted cash ($1.9 million in restricted cash) and $1,595.6 million in available-for-sale securities to fund operations.

In total, the Company is eligible to receive up to $15.2 billion in additional developmental, regulatory and sales milestones based on programs that have been partnered, and may receive various royalties on net sales from its licensing and collaboration agreements, subject to the terms and conditions of those agreements.

Summary of Significant Accounting Policies

There have been no changes to the significant accounting policies disclosed in the Company's most recent Annual Report on Form 10-K for the fiscal year ended September 30, 2025, other than below:

Equity method investment

The Company accounts for investments over which it has significant influence but not control under the equity method. The investment is initially recorded at cost and subsequently adjusted for the Company's proportionate share of the investee's net income or loss and are included in other assets in the accompanying consolidated balance sheets. The Company presents income or losses from equity investments as loss on equity method investment on the consolidated statements of operations and comprehensive (loss) income. If the share of losses exceeds the carrying value of the Company's investment, the Company will suspend recognizing additional losses and will continue to do so unless it commits to providing additional funding or commits to guarantee investee liabilities. As of March 31, 2026, the Company had an equity method investment in Bisirna Therapeutics, Inc. ("Bisirna"). Refer to Note 8, Equity Method Investment, for further details.

Convertible debt

The Company accounts for its convertible debt instrument as a single unit of accounting, classified as a liability, as the conversion features do not require bifurcation as a derivative under ASC 815-15 and the convertible debt instrument was not issued at a substantial premium. The Company records debt issuance costs as contra-liabilities in the consolidated balance sheets at issuance, and amortizes them over the contractual term of the convertible debt instrument based on the effective interest method.

The balance of the convertible notes presented in the consolidated balance sheets represents the principal balance of the convertible debt instrument less the unamortized portion of the debt issuance costs.

As of March 31, 2026, the Company had outstanding convertible notes, which mature on January 15, 2032. Refer to Note 14, Convertible Notes, for further details.

Recent Accounting Pronouncements

In July 2025, the Financial Accounting Standards Board ("FASB") issued Accounting Standard Update ("ASU") 2025-05, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable
and Contract Asset. This ASU allows companies to elect a practical expedient to assume that conditions as of the balance sheet date will remain unchanged for the remaining life of the asset when estimating the expected credit losses of the asset. The ASU will become effective for the Company beginning October 1, 2026, and the Company is currently evaluating the impact on its consolidated financial statements and related disclosures.

In January 2025, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses,* in November 2024, and ASU 2025-01, *Clarifying the Effective Date*. These updates require entities to provide disaggregated disclosures of income statement expenses. The ASUs do not affect the expense captions presented on the face of the income statement but instead require the disaggregation of certain expense captions into specified categories within the footnotes to the financial statements. The ASUs will become effective for the Company beginning October 1, 2027, and the Company is currently evaluating the impact on its consolidated financial statements and related disclosures.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, to improve its income tax disclosure requirements. Under the guidance, entities must annually (1) disclose specific categories in the rate reconciliation and (2) provide additional information for reconciling items that meet a quantitative threshold. This guidance became effective for the Company beginning on October 1, 2025. The Company is currently evaluating the impact of this new ASU on its financial statements and plans to adopt ASU 2023-09 on a prospective basis during this fiscal year.

NOTE 2. COLLABORATION AND LICENSE AGREEMENTS

The following table provides a summary of revenue recognized from our collaboration and license agreements:

	Three Months Ended March 31,		Sixth Months Ended March 31,	
	2026	2025	2026	2025
	(in thousands)			
GSK	$ —	$ 3	$ —	$ 2,503
Sarepta	41,735	542,706	271,199	542,706
Novartis	20,471	—	54,713	—
Sanofi	10,533	—	10,742	—
Total	$ 72,739	$ 542,709	$ 336,654	$ 545,209

The following table summarizes the balance of receivables, contract assets and contract liabilities related to the Company's collaboration and license agreements, which, as of March 31, 2026, relate solely to the Company's agreements with Sarepta, Novartis and Sanofi:

	March 31, 2026	September 30, 2025
	(in thousands)	
Receivables included in accounts receivable	$ 14,512	$ 6,824
Contract assets included in other current assets	$ —	$ —
Contract liabilities included in deferred revenue, current	$ 108,543	$ 2,399
Contract liabilities included in deferred revenue, non-current	$ 48,615	$ —

Deferred revenue consisted of the following:

	Three Months Ended March 31,		Six Months Ended March 31,	
	2026	2025	2026	2025
	(in thousands)			
Balance at beginning of period	$ 155,931	$ —	$ 2,399	$ —
Deferred revenue additions	63,434	585,974	480,672	585,974
Revenue recognized	(62,207)	(542,706)	(325,913)	(542,706)
Balance at end of period	157,158	43,268	157,158	43,268
Plus contract assets included in other current assets	—	—	—	—
Less deferred revenue, current	(108,543)	(43,268)	(108,543)	(43,268)
Deferred revenue, non-current	$ 48,615	$ —	$ 48,615	$ —

GlaxoSmithKline Intellectual Property (No. 3) Limited ("GSK")

GSK-HSD License Agreement

On November 22, 2021, GSK and the Company entered into an Exclusive License Agreement (the "GSK-HSD License Agreement"). Under the GSK-HSD License Agreement, GSK has received an exclusive license for GSK-4532990 (formerly ARO-HSD). The exclusive license is worldwide with the exception of greater China. GSK is wholly responsible for all clinical development and commercialization of GSK-4532990 in its territory.

The Company has completed its performance obligation related to the upfront payment under the GSK-HSD License Agreement, and accordingly the $120.0 million upfront payment was fully recognized in the year ended September 30, 2022. Further, GSK dosed the first patient in a Phase 2b trial in March 2023 and paid a $30.0 million milestone payment to the Company in the third quarter of fiscal 2023.

The Company is eligible for an additional payment of $100.0 million upon achieving the first patient dosed in a Phase 3 trial. Furthermore, should the Phase 3 trial read out positively, and the potential new medicine receives regulatory approval in major markets, the deal provides for commercial milestone payments to the Company of up to $190.0 million at first commercial sale, and up to $590.0 million in sales-related milestone payments. The Company is further eligible to receive tiered royalties on net product sales in a range of mid-teens to twenty percent.

As of March 31, 2026, the Company had no contract assets and liabilities recorded.

GSK-HBV Agreement

On December 11, 2023, the Company entered into an Amended and Restated License Agreement with GSK (the "GSK-HBV Agreement") pursuant to which GSK received a worldwide, exclusive license to develop and commercialize daplusiran/tomligisiran (GSK5637608, formerly JNJ-3989), the Company's third-generation subcutaneously administered RNAi therapeutic candidate being developed as a potential therapy for patients with chronic hepatitis B virus infection.

Under the terms of the GSK-HBV Agreement, the Company received $2.7 million in December 2023 upon signing the amended GSK-HBV Agreement. Further, GSK dosed the fifth patient in a Phase 2 trial in December 2024, triggering a $2.5 million milestone payment to the Company which was paid in the second quarter of fiscal 2025. The Company is eligible to receive up to $830.0 million in development and sales milestone payments under the GSK-HBV Agreement.

As of March 31, 2026, the Company had no contract assets and liabilities recorded.

Takeda Pharmaceutical Company Limited ("Takeda")

In October 2020, Takeda and the Company entered into an Exclusive License and Co-Funding Agreement (the "Takeda License Agreement"). Under the Takeda License Agreement, Takeda and the Company will co-develop the Company's fazirsiran program (formerly TAK-999 and ARO-AAT), the Company's second-generation subcutaneously administered RNAi therapeutic candidate being developed as a treatment for liver disease associated with alpha-1 antitrypsin deficiency. Within the United States, fazirsiran, if approved, will be co-commercialized under a 50/50 profit sharing structure. Outside the United States, Takeda received an exclusive license to commercialize fazirsiran and will lead the global commercialization strategy, while the Company will be eligible to receive tiered royalties of 20% to 25% on net sales.

The Company determined that the key deliverables included the license and certain research and development services including the Company's responsibilities to complete the initial portion of the SEQUOIA study, to complete the ongoing Phase 2 AROAAT2002 study, and to ensure certain manufacturing of fazirsiran drug product is completed and delivered to Takeda (the "Takeda R&D Services"). Due to the specialized and unique nature of these Takeda R&D Services and their direct relationship with the license, the Company determined that these deliverables represent one distinct bundle and, thus, one performance obligation. Takeda is responsible for managing clinical development and commercialization outside the United States. Within the United States, the Company and Takeda are responsible in the co-development and co-commercialization efforts. The Company considers the collaborative activities, including the co-development and co-commercialization, to be a separate unit of account within Topic 808, and as such, these co-funding amounts are recorded as research and development expenses or selling, general and administrative expenses, as appropriate.

Under the terms of the Takeda License Agreement, the Company received $300.0 million as an upfront payment in January 2021 and an additional $40.0 million upon Takeda's initiation of a Phase 3 REDWOOD clinical study of fazirsiran in March 2023, and is eligible to receive up to $527.5 million in additional potential development, regulatory and commercial milestones.

The Company allocated the total $300.0 million initial transaction price to its one distinct performance obligation for the fazirsiran license and the associated Takeda R&D Services. The Company has substantially completed its performance obligation under the Takeda License Agreement by December 31, 2023. As such, all revenue has been fully recognized as of December 31, 2023. There were no further deferred revenue and contract liabilities as of March 31, 2026.

As of March 31, 2026, the accrued expense balance is $32.7 million that was primarily driven by co-development and co-commercialization activities.

Amgen Inc. ("Amgen")

In September 2016, Amgen and the Company entered into two collaboration and license agreements and a common stock purchase agreement. Under the Second Collaboration and License Agreement (the "Olpasiran Agreement"), Amgen received a worldwide, exclusive license to the Company's novel RNAi olpasiran (previously referred to as AMG- 890 or ARO-LPA) program. These RNAi molecules are designed to reduce elevated lipoprotein(a), which is a genetically validated, independent risk factor for atherosclerotic cardiovascular disease. Under the Olpasiran Agreement, Amgen is wholly responsible for clinical development and commercialization.

The Company has substantially completed its performance obligations under the Olpasiran Agreement. There were no contract assets and liabilities recorded as of March 31, 2026.

In November 2022, Royalty Pharma Investments 2019 ICAV ("Royalty Pharma") and the Company entered into a Royalty Purchase Agreement with Royalty Pharma (the "Royalty Pharma Agreement"). In consideration for the payments

under the Royalty Pharma Agreement, Royalty Pharma is entitled to receive all royalties otherwise payable by Amgen to the Company under the Olpasiran Agreement. The Company remains eligible to receive up to an additional $485.0 million in remaining development, regulatory and sales milestone payments payable from Amgen and Royalty Pharma. See Note 12.

Sarepta Therapeutics, Inc.

On November 25, 2024, the Company entered into an Exclusive License and Collaboration Agreement (the "Sarepta Collaboration Agreement") with Sarepta for the development and commercialization of multiple clinical and preclinical programs in rare, genetic diseases of the muscle, central nervous system, and lungs. The Company concurrently entered into a Stock Purchase Agreement (the "Stock Purchase Agreement") with Sarepta (see Note 6).

Under the Sarepta Collaboration Agreement, Sarepta received an exclusive sublicensable worldwide license to SRP-1001 (formerly ARO-DUX4), SRP-1003 (formerly ARO-DM1), SRP-1002 (formerly ARO-MMP7), and SRP-1004 (formerly ARO-ATXN2) clinical stage programs (the "C1" programs). Sarepta also received an exclusive sublicensable worldwide license to the Company's ARO-HTT, ARO-ATXN1, and ARO-ATXN3 preclinical stage programs (the "C2" programs). The Company will perform certain research and development activities for the C1 and C2 programs.

Further, Sarepta may select up to six gene targets for which the Company will perform discovery, optimization and preclinical development activities to identify RNAi compounds against each selected target (the "C3" programs). Upon target acceptance, Sarepta will receive an exclusive license to the Company's intellectual property rights to exploit compounds directed to those targets and is wholly responsible for clinical development and commercialization of each compound after the Company delivers a Clinical Trial Application ready data package (the "CTA package").

The Company identified 17 performance obligations under the Sarepta Collaboration Agreement. The four C1 licenses are distinct performance obligations from the four C1 research and development performance obligations since the customer can use and benefit from the licenses separately. The performance obligations for the licenses were satisfied in the second quarter of fiscal 2025 upon delivery and the research and development performance obligations will be satisfied as the work is performed. The remaining nine performance obligations include three C2 preclinical stage program licenses and research and development activities, and six C3 discovery target licenses and research and development activities. Each of the three C2 programs and the six C3 programs were determined to represent one performance obligation, as the customer cannot benefit from the use of the product license at the point of transfer until the specified research and development activities are performed. As such, each of the C2 and C3 product licenses and respective research and development work will be combined to form one performance obligation. For these nine performance obligations, revenue is recognized over time as the work is performed.

For performance obligations recognized over time, the estimated performance period over which revenue will be recognized is determined to be the period over which the Company estimates it will perform the research and development activities. The Company determined that the most appropriate method of measuring progress for these performance obligations is an input method based on research and development costs in the program budget. Accordingly, the Company has estimated the total cost required to complete its obligation and recognized an amount of revenue equal to the proportion of services performed, which is reassessed on an ongoing basis as the program progresses. In the period an agreement expires or is terminated, remaining deferred revenue, if any, is recognized as revenue.

Under the terms of the Sarepta Collaboration Agreement, the Company received an upfront payment of $500.0 million on February 14, 2025. In addition, on February 7, 2025, the Company received $325.0 million in the form of an equity investment under the Stock Purchase Agreement. Based upon the Company's share price on February 7, 2025, (the "Closing Date"), the difference between the $325.0 million and the fair value of the shares on the Closing date resulted in a premium of $83.6 million. The premium is included as part of the total consideration of the Sarepta Collaboration Agreement for revenue recognition purposes. The Company is entitled to receive $250.0 million to be paid in annual installments of $50.0 million over the first five years of the agreement. The Company is also eligible to receive reimbursement of certain costs related to carrying out the research and development activities for the C1 programs. At contract inception, the transaction price was determined to be $904.9 million, consisting of fixed consideration of $833.6 million and estimated variable consideration of $71.2 million. The fixed consideration was allocated to all performance obligations based on their relative standalone selling price. The variable consideration was allocated to the performance obligation to which it is determined to be related, which is the respective development work that is being reimbursed. Standalone selling prices for the product licenses were determined using an adjusted market-based approach through the net present value of the expected future cash flows for each program. Standalone selling prices for the research and development work were determined based on an expected cost plus margin approach. During the fourth quarter of fiscal 2025, the Company earned the first of two ARO-DM1 development milestone payment of $100.0 million, of which $50.0 million was settled in cash and the remaining $50.0 million was settled through the repurchase of Company's common stock. In November 2025, the Company earned the second of two $200.0 million ARO-DM1 development

milestone payments and received the milestone payment in January 2026. In February 2026, the Company earned and received the first installment of the annual fee payment of $50.0 million.

The Company estimates the stand-alone selling price for each distinct performance obligation, which involves assumptions that may require significant judgment. The Company's estimates of the stand-alone selling price for license-related performance obligations includes forecasted revenues and expenses, phase dates, probability of success, development timelines, and the discount rate. The estimates of the stand-alone selling price for research and development performance obligations generally include forecasting the expected costs of satisfying a performance obligation at market rates. The Company identified a discount based on the difference between the aggregate stand-alone selling price and the transaction price for accounting revenue recognition purposes. The Company allocated the discount proportionally to each of the performance obligations based upon their standalone selling price.

For each of the 13 programs, the Company is also eligible to receive regulatory milestone payments between $110.0 million and $180.0 million per program. Variable consideration associated with the milestones that may be achieved will be allocated to the performance obligation to which it is determined to be related, which will be the respective programs to which the milestones relate. The Company will recognize the regulatory milestones as revenue in the periods the underlying milestone events are achieved as achievement of the milestone events are highly susceptible to factors outside of the entity's influence and therefore there is a possibility that the milestone event will not be achieved.

The Company is also eligible to receive sales milestone payments between $500.0 million and $700.0 million per program as well as tiered royalties on net sales of licensed products of up to the low double digits, subject to the terms and conditions of the Sarepta Collaboration Agreement. The Company has applied the sales-based scope exception to the sales milestones and the royalty-based payments.

The Sarepta Collaboration Agreement commenced in February 2025 and may be terminated by either party in the event of a material breach as defined therein. In addition, Sarepta may voluntarily terminate the Sarepta Collaboration Agreement with 30 days' written notice to the Company if terminated prior to any regulatory approval of a licensed product. Unless earlier terminated, the Sarepta Collaboration Agreement expires on a product-by-product and country-by-country basis, upon the date of expiration of the relevant royalty term for such product in such country.

In August 2025, the Company repurchased 2,660,989 shares of its common stock from Sarepta in connection with the $100.0 million DM1 first development milestone under the Sarepta Collaboration Agreement. The repurchase satisfied $50.0 million of the milestone payment through delivery of the Company's common stock, with the remaining $50.0 million settled in cash. The shares were recorded as treasury stock at their fair value of $53.2 million, resulting in a $3.2 million gain on settlement. The repurchased shares are presented as a reduction to total stockholders' equity in accordance with ASC 505-30.

For the three months ended March 31, 2026, Sarepta exercised its contractual step-in right under the Sarepta Collaboration Agreement with respect to certain C1 programs, pursuant to which Sarepta will assume responsibility for ongoing clinical trials for such programs on mutually agreed transition dates. Sarepta's exercise of the step-in right represents a contract modification under ASC 606, as it reduces both the scope of the Company's remaining obligations and the amount of variable consideration related to reimbursable research and development costs for the affected C1 programs. The Company evaluated the modification and determined that the remaining research and development activities to be performed after the modification are not distinct from those performed prior to the modification and, accordingly, the modification is accounted for as part of the original performance obligation through a cumulative catch-up adjustment. For the three months ended March 31, 2026, the Company did not record a cumulative catch-up adjustment to revenue, as the revised C1 reimbursement budgets remain subject to mutual agreement between Sarepta and the Company. As a result, the associated variable consideration is constrained until the uncertainty is resolved. Any cumulative catch-up adjustment will be recognized in future periods when the uncertainty related to the variable consideration is subsequently resolved. The contract modification did not impact revenue previously recognized related to the four C1 licenses, which were delivered as distinct performance obligations.

In December 2025, pursuant to the Sarepta Collaboration Agreement, the Company entered into a clinical supply agreement with Sarepta (the "Sarepta Clinical Supply Agreement"), whereby the Company is responsible for manufacturing and supplying certain materials to Sarepta for specified activities. For the three months ended March 31, 2026, the Company recorded $37.4 million and $4.3 million in revenue under the Sarepta Collaboration Agreement and the Sarepta Clinical Supply Agreement, respectively. As of March 31, 2026, the Company held $14.0 million in accounts receivable and $11.1 million in current deferred revenue, relating to the Sarepta Collaboration Agreement and the Sarepta Clinical Supply Agreement. The recognition of the remaining revenue for the performance obligations is dependent upon the time it takes to complete the respective research and development activities and in consideration of the timing of the selection of the rest of the targets within the C3 programs.

Novartis Pharma AG

On August 29, 2025, the Company entered into an Exclusive License and Collaboration Agreement (the “Novartis Collaboration Agreement”) with Novartis for the development and commercialization of multiple preclinical programs in rare, genetic diseases of the central nervous system.

Under the Novartis Collaboration Agreement, Novartis received an exclusive sublicensable worldwide license to the Company’s ARO-SNCA preclinical stage program. The Company will perform certain research and development activities for the program.

Further, Novartis has selected additional gene targets ("Collaboration Target") for which the Company has accepted and will perform discovery, optimization and preclinical development activities to identify RNAi compounds against each selected target. Novartis has received an exclusive license to the Company’s intellectual property rights to exploit compounds directed to those targets (the "CT" programs) and is wholly responsible for clinical development and commercialization of each compound after the Company delivers a Clinical Trial Application ready data package (the "CTA package").

The Company identified multiple performance obligations under the Novartis Collaboration Agreement. They include the ARO-SNCA preclinical stage program licenses and research and development activities, and CT programs licenses and research and development activities. Each of the programs were determined to represent one performance obligation, as the customer cannot benefit from the use of the product license at the point of transfer until the specified research and development activities are performed. As such, each of the product licenses and respective research and development work will be combined to form one performance obligation. For these performance obligations, revenue is recognized over time as the work is performed.

For performance obligations recognized over time, the estimated performance period over which revenue will be recognized is determined to be the period over which the Company estimates it will perform the research and development activities. The Company determined that the most appropriate method of measuring progress for these performance obligations is an input method based on research and development costs in the program budget. Accordingly, the Company has estimated the total cost required to complete its obligation and recognized an amount of revenue equal to the proportion of services performed, which is reassessed on an ongoing basis as the program progresses. In the period an agreement expires or is terminated, remaining deferred revenue, if any, is recognized as revenue.

Under the terms of the Novartis Collaboration Agreement, the Company received an upfront payment of $200.0 million on October 23, 2025. The Company is also eligible to receive research milestone payments of up to $30.0 million and reimbursement of certain costs related to carrying out the research, development and manufacturing activities for the programs. The fixed consideration of $200.0 million and an estimated variable consideration of $32.0 million for a total of $232.0 million were allocated to all performance obligations based on their relative standalone selling price. Standalone selling prices for the product licenses were determined using an adjusted market-based approach through the net present value of the expected future cash flows for each program. The standalone selling prices for the research and development work were determined based on an expected cost plus margin approach.

The Company estimates the stand-alone selling price for each distinct performance obligation, which involves assumptions that may require significant judgment. The Company’s estimates of the stand-alone selling price for license-related performance obligations includes forecasted revenues, phase dates, probability of success, development timelines, and the discount rate. The estimates of the stand-alone selling price for research and development performance obligations generally include forecasting the expected costs of satisfying a performance obligation at market rates. The Company identified a premium based on the difference between the aggregate stand-alone selling price and the transaction price for accounting revenue recognition purposes. The Company allocated the premium proportionally to each of the performance obligations based upon their standalone selling price.

Further, for each of the programs, the Company is eligible to receive regulatory milestone payments between $175.0 million and $245.0 million per program. Variable consideration associated with the milestones that may be achieved will be allocated to the performance obligation to which it is determined to be related, which will be the respective programs to which the milestones relate. The Company will recognize the regulatory milestones as revenue in the periods the underlying milestone events are achieved as achievement of the milestone events are highly susceptible to factors outside of the entity's influence and therefore there is a possibility that the milestone event will not be achieved.

The Company is also eligible to receive sales milestone payments between $285.0 million and $370.0 million per program as well as tiered royalties on net sales of licensed products of up to the low double digits, subject to the terms and conditions of the Novartis Collaboration Agreement. The Company has applied the sales-based scope exception to the sales milestones and the royalty-based payments.

The Novartis Collaboration Agreement commenced in October 2025 and may be terminated by either party in the event of a material breach as defined therein. In addition, Novartis may voluntarily terminate the Novartis Collaboration Agreement with 30 days' written notice to the Company if terminated prior to any regulatory approval of a licensed product, or with 180 days' written notice to the Company if terminated after any regulatory approval of a licensed product. Unless earlier terminated, the Novartis Collaboration Agreement expires on a product-by-product and country-by-country basis, upon the date of expiration of the relevant royalty term for such product in such country.

For the three months ended March 31, 2026, the Company recorded $20.5 million in revenue from Novartis. As of March 31, 2026, the Company recorded $97.4 million in current deferred revenue and $48.6 million in non-current deferred revenue, related to the Novartis Collaboration Agreement. The recognition of the remaining revenue for the performance obligations is dependent upon the time it takes to complete the respective research and development activities.

Visirna Therapeutics Inc. ("Visirna") and Genzyme Corporation ("Sanofi")

On August 1, 2025, Visirna Therapeutics HK Limited ("Visirna HK"), a wholly owned subsidiary of Visirna Therapeutics, Inc, a majority owned subsidiary of the Company, entered into an Asset Purchase Agreement (the "Asset Purchase Agreement") with Genzyme Corporation ("Sanofi"), a wholly owned subsidiary of Sanofi S.A., pursuant to which Visirna HK sold all of its assets and rights in investigational plozasiran to Sanofi, which included an assignment of Visirna HK's rights (as successor by assignment from Visirna) to develop and commercialize investigational plozasiran in Greater China pursuant to that certain License Agreement by and between the Company and Visirna dated, April 25, 2022 (the "Visirna License Agreement").

In connection with the Asset Purchase Agreement, the Company consented to the partial assignment of the Visirna License Agreement by Visirna HK to Sanofi (as so assigned, the "Sanofi License Agreement"), amongst other agreements between the Company and Visirna, effective as of the closing of the Asset Purchase Agreement. This agreement was not deemed a legal sale of intellectual property from the consolidated perspective of the Company. After giving effect to the Asset Purchase Agreement, Visirna HK retains rights to develop and commercialize in Greater China other cardiometabolic drugs licensed to it pursuant to the Visirna License Agreement.

Upon closing of the Asset Purchase Agreement, Visirna received an upfront payment of $130.0 million from Sanofi and is eligible to receive further development milestone payments of up to $265.0 million upon approval of plozasiran across various indications in mainland China.

Visirna identified the licenses as defined in the agreement as the performance obligations under the Asset Purchase Agreement. The performance obligations for the licenses was satisfied in the fourth quarter of fiscal 2025 upon delivery. The fixed consideration of $130.0 million was allocated to the performance obligations. The Company recognizes approval milestones as revenue in the periods the underlying milestone events are achieved as achievement of the milestone events are highly susceptible to factors outside of the entity's influence and therefore there is a possibility that the milestone events will not be achieved. The Company has also applied the sales-based scope exception to the royalty-based payments.

In January 2026, the NMPA approved REDEMPLO in Greater China, which triggered a $10.0 million milestone payment to Visirna. The Company is also eligible to receive royalties from Sanofi on net commercial product sales in Greater China under the Sanofi License Agreement. For the three months ended March 31, 2026, the Company recorded $10.5 million in revenue and $0.5 million in accounts receivable as of March 31, 2026 under the Sanofi License Agreement. The Sanofi License Agreement may be terminated by either party in the event of a material breach as defined therein. Unless earlier terminated, the Sanofi License Agreement expires on a product-by-product basis, upon the date of expiration of the relevant royalty term for such product in Greater China.

NOTE 3. BALANCE SHEET ACCOUNTS

Property, Plant and Equipment

The following table summarizes the Company's major classes of property, plant and equipment:

	March 31, 2026	September 30, 2025
	(in thousands)	
Land	$ 2,996	$ 2,996
Buildings	252,932	251,317
Research equipment	62,685	62,758
Manufacturing equipment	24,726	18,588
Furniture	5,594	5,594
Computers and software	970	1,064
Leasehold improvements	104,448	104,425
Construction in progress	11,756	15,942
	466,107	462,684
Less: Accumulated depreciation and amortization	(91,285)	(80,169)
Property, plant and equipment, net	$ 374,822	$ 382,515

Depreciation and amortization expense for property, plant and equipment for the three months ended March 31, 2026 and 2025 was $5.9 million and $5.6 million, respectively. Depreciation and amortization expense for property, plant and equipment for the six months ended March 31, 2026 and 2025 was $11.9 million and $10.4 million, respectively.

Accrued Expenses

Accrued expenses consisted of the following as of:

	March 31, 2026	September 30, 2025
	(in thousands)	
Accrued research and development expenses	$ 32,926	$ 30,330
Accrued research and development expenses; co-development	32,676	31,296
Accrued capital expenditures	334	277
Accrued income taxes	—	20,799
Dividends declared by variable interest entity to noncontrolling shareholders	2,110	—
Other	8,539	7,717
Total accrued expenses	$ 76,585	$ 90,419

As of March 31, 2026, the Company's accrued research and development expenses were primarily attributable to ongoing clinical trial operations, preclinical animal studies, and associated toxicology assessments. Research and development expenses related to co-development and co-commercialization activities per the Takeda License Agreement are reported as accrued research and development expenses; co-development in the table above. (see Note 2).

NOTE 4. INVESTMENTS

The Company's investments consisted of the following:

	As of March 31, 2026 (in thousands)			
	Adjusted Basis	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Available-for-sale securities	$ 1,598,704	$ 1,091	$ (4,943)	$ 1,594,852
Short-term investments	722	—	—	722
Total current investments	$ 1,599,426	$ 1,091	$ (4,943)	$ 1,595,574

	As of September 30, 2025 (in thousands)			
	Adjusted Basis	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Available-for-sale securities	$ 689,882	$ 2,956	$ (20)	$ 692,818
Total current investments	$ 689,882	$ 2,956	$ (20)	$ 692,818

The following table summarizes the contract maturity of the available-for-sale securities and short-term investments as of:

	March 31, 2026	September 30, 2025
	(in thousands)	
Within one year	$ 579,223	$ 224,32
After one to two years	566,425	468,49
After two to three years	449,926	–
Total	$ 1,595,574	$ 692,81

As of March 31, 2026 and September 30, 2025, the gross unrealized losses were immaterial. The Company has determined that the available-for-sale securities that were in an unrealized loss position did not have any credit loss impairment as of March 31, 2026 and 2025.

NOTE 5. INTANGIBLE ASSETS

Intangible assets subject to amortization include patents and a license agreement capitalized as part of the Novartis RNAi asset acquisition in March 2015. The following table presents the components of intangible assets:

	Gross Carrying Amount	Accumulated Amortization	Impairment	Net Carrying Amount	Useful Lives
		(in thousands)			(in years)
As of March 31, 2026					
Patents	$ 21,728	$ 17,201	$ —	$ 4,527	14
License	3,129	1,645	—	1,484	21
Total intangible assets, net	$ 24,857	$ 18,846	$ —	$ 6,011	
As of September 30, 2025					
Patents	$ 21,728	$ 16,426	$ —	$ 5,302	14
License	3,129	1,570	—	1,559	21
Total intangible assets, net	$ 24,857	$ 17,996	$ —	$ 6,861	

Intangible assets are reviewed annually for impairment and more frequently if potential impairment indicators exist. No impairment indicators were identified during the six months ended March 31, 2026 and 2025.

Intangible assets with definite useful lives are amortized on a straight-line basis over their useful lives. Intangible assets amortization expense was $0.4 million for the three months ended March 31, 2026 and 2025, and $0.9 million for each of the six months ended March 31, 2026 and 2025. None of the intangible assets with definite useful lives are anticipated to have a residual value.

The following table presents the estimated future amortization expense related to intangible assets as of March 31, 2026:

Year Ending September 30,	Amortization Expense (in thousands)
2026 (remainder)	$ 850
2027	1,700
2028	1,700
2029	795
2030	149
Thereafter	817
Total	$ 6,011

NOTE 6. STOCKHOLDERS' EQUITY

The following table summarizes the Company's shares of common stock and preferred stock:

			Shares		
	Par Value		Authorized	Issued	Outstanding
				(in thousands)	
As of March 31, 2026					
Common stock [(1)]	$	0.001	290,000	143,232	140,571
Preferred stock	$	0.001	5,000	—	—
As of September 30, 2025					
Common stock [(1)]	$	0.001	290,000	138,363	135,702
Preferred stock	$	0.001	5,000	—	—

(1) Does not include shares of common stock into which the 2024 and 2026 Avoro Pre-Funded Warrants may be exercised.

As of March 31, 2026 and September 30, 2025, respectively, 18,192,429 and 9,851,400 shares of common stock were reserved for issuance upon exercise of options and vesting of restricted stock units granted or available for grant under the Company's 2013 and 2021 Incentive Plans, as well as for other inducement grants made to new employees under Rule 5635(c)(4) of the Nasdaq Listing Rules.

On November 25, 2024, the Company entered into a Securities Purchase Agreement (the "Securities Purchase Agreement") with an institutional and accredited investor for a private placement of pre-funded warrants to purchase shares of common stock with an exercise price of $0.001 per share ("2024 Avoro Pre-Funded Warrants"). Pursuant to the Securities Purchase Agreement, the Company sold pre-funded warrants to purchase up to 917,441 shares of common stock at a purchase price of $27.25 per pre-funded warrant, for an aggregate value of approximately $25.0 million. The outstanding 2024 Avoro Pre-Funded Warrants are exercisable at any time and do not have an expiration date.

The Company concluded that the 2024 Avoro Pre-funded Warrants are both indexed to its own stock and meet all other conditions for equity classification. Accordingly, the Company has classified the 2024 Avoro Pre-funded Warrants as equity and recorded within additional paid-in capital. As of March 31, 2026, no shares underlying the 2024 Avoro Pre-Funded Warrants had been exercised.

In connection with the Sarepta Collaboration Agreement, on November 25, 2024, the Company entered into the Stock Purchase Agreement with an affiliate of Sarepta for a private placement of shares of common stock of the Company (the "Private Placement"). Pursuant to the Stock Purchase Agreement, the Company sold 11,926,301 shares of common stock, at a price per share of $27.25, for an aggregate value of approximately $325.0 million. The Private Placement closed on February 7, 2025. On August 13, 2025, the Company subsequently entered into an agreement with Sarepta to repurchase 2,660,989 common stock of the Company from Sarepta at a price per share of $18.79 for an aggregate value of approximately $50.0 million and approximately $50.0 million in cash to partially satisfy the milestone payment of $100.0 million due from Sarepta. The shares were recorded as treasury stock at their fair value of $53.2 million, resulting in a $3.2 million gain on settlement. As of the end of fiscal 2025, Sarepta no longer holds an equity position in the Company.

On December 2, 2022, the Company entered into an open market sale agreement (the "Open Market Sale Agreement") with Jefferies LLC ("Jefferies"). On December 10, 2025, the Company entered into an Amended and Restated Open Market Sale Agreement (the "Amended and Restated Sale Agreement") with Jefferies, which amended and restated the Open Market Sale Agreement in its entirety. Under the Amended and Restated Sale Agreement, the Company may, from time to time, sell up to $500.0 million in shares of the Company's common stock through Jefferies, acting as the sales agent and/or principal, in an at-the-market offering ("ATM Offering"). The Amended and Restated Sale Agreement continues to provide for the sale, from time to time, of shares of the Company's common stock up to the maximum program amount permitted under the Company's shelf registration statement and subject to continued compliance with the terms of the Amended and Restated Sale Agreement, including the delivery of issuance notices, prospectus supplements, and periodically updated representations, warranties, and deliverables. The Company pays Jefferies a commission of up to 3.0% of the aggregate gross proceeds received from all sales of the common stock under the ATM Offering. The Amended and Restated Sale Agreement may be terminated by either party upon written notice.

During the first quarter of fiscal 2026, the Company sold approximately 689,000 shares of common stock under the ATM Offering, generating gross proceeds of $48.2 million and net proceeds of $46.8 million, after deducting underwriting commissions and offering costs. The Company did not make any sales under the ATM Offering during the second quarter

of fiscal 2026.

On January 7, 2026, the Company entered into an underwriting agreement with Jefferies and J.P. Morgan Securities, LLC ("J.P. Morgan") for an underwritten public offering (the "2026 Offering") of: (i) 2,015,505 shares of common stock with $0.001 par value per share, at a public offering price of $64.50 per share, and (ii) pre-funded warrants ("2026 Avoro Pre-Funded Warrants") to purchase 1,550,387 shares of common stock, at a public offering price of $64.499 per share, which represents the per share public offering price for the common stock less the $0.001 per share exercise price for each pre-funded warrant. The 2026 Offering closed on January 9, 2026, generating gross proceeds of $230 million and net proceeds of $216.6 million after deducting the underwriting discounts and commissions and other offering expenses. The Company concluded that the 2026 Avoro Pre-funded Warrants are both indexed to its own stock and meet all other conditions for equity classification. Accordingly, the Company has classified the 2026 Avoro Pre-funded Warrants as equity and recorded within additional paid-in capital. As of March 31, 2026, no shares underlying the 2026 Avoro Pre-Funded Warrants had been exercised.

On January 2, 2026, option holders of Visirna, the Company's consolidated variable interest entity, exercised 14,000,000 stock options. As a result, the Company's ownership interest in Visirna decreased from 66.25% to 56.38%. Because the Company retained its controlling financial interest in Visirna, the change in ownership was accounted for as an equity transaction in accordance with ASC 810-10-45-22 through 45-24.

The noncontrolling interest was increased by $3.1 million to reflect the change in ownership resulting from exercise of 14,000,000 stock options by Visirna option holders. The decrease of $3.1 million was recorded to additional paid-in capital attributable to Arrowhead.

During the first quarter of fiscal 2026, Visirna declared a cash dividend of $100.0 million to its shareholders. As of December 31, 2025, the portion of the dividend declared payable to the Company's noncontrolling shareholders totaled $40.5 million and was included in the accompanying consolidated statements of equity. In March 2026, Visirna paid cash dividends totaling $94.8 million, consisting of $56.4 million paid to the Company and $38.4 million paid to the Company's noncontrolling shareholders. The remaining $3.1 million of the declared dividend represents exercise prices paid by certain noncontrolling shareholders in connection with the exercise of their stock options, which were netted against the dividend otherwise payable to those shareholders. As of March 31, 2026, Visirna had a remaining dividend payable of $2.1 million to the Company's noncontrolling shareholder, which was included in accrued expenses in the accompanying consolidated balance sheets.

NOTE 7. COMMITMENTS AND CONTINGENCIES

Litigation

From time to time, the Company may be subject to various claims and legal proceedings in the ordinary course of business. If the potential loss from any claim, asserted or unasserted, or legal proceeding is considered probable and the amount is reasonably estimable, the Company will accrue a liability for the estimated loss. There were no contingent liabilities recorded as of March 31, 2026.

On September 10, 2025, the Company filed a Complaint for Declaratory Judgment in the United States District Court for the District of Delaware against Ionis Pharmaceuticals, Inc. ("Ionis") to declare that United States Patent No. 9,593,333 ("the '333 patent") is invalid and not infringed by the Company's planned commercialization of investigational plozasiran (the "Delaware DJ action"). On December 23, 2025, the court granted Ionis's motion to dismiss the Delaware DJ action. On September 11, 2025, Ionis filed a Complaint for Patent Infringement against the Company in the United States District Court for the Central District of California alleging patent infringement of the '333 patent by the Company's planned commercialization of investigational plozasiran and seeking damages. The Company disputes the allegations of wrongdoing and intends to vigorously defend itself.

Commitments

As of March 31, 2026, the Company did not have any material commitments.

NOTE 8. EQUITY METHOD INVESTMENT

On January 15, 2026, the Company, through its consolidated variable interest entity, Visirna, entered into and closed an Asset Transfer Agreement (the "Asset Transfer Agreement") with Bisirna, pursuant to which the Company received 26,500,000 ordinary shares and 6,625,000 Series A preferred shares in exchange for in-process research and development ("IPR&D") assets transferred from Visirna to Bisirna. As a result of the asset transfer, the Company recognized a gain of $19.0 million in other income in the accompanying consolidated statements of operations and comprehensive (loss) income

for the three months ended March 31, 2026.

The Company evaluated whether there was a basis difference between the carrying value and fair value of its proportionate share of Bisirna's underlying net assets. As Bisirna was not deemed a business as defined in ASC 805, *Business Combinations*, the Company immediately expensed the basis difference to the extent it related to acquired IPR&D assets.

As of March 31, 2026, the Company held a 25.29% voting interest in Bisirna and one seat on Bisirna's board of directors. The Company accounts its ownership in Bisirna under the equity method. As of March 31, 2026, the carrying value of the Company's investment in Bisirna was $4.7 million, which was included in other assets in the accompanying consolidated balance sheets.

NOTE 9. LEASES

Pasadena, California: The Company leases 49,000 square feet of office space located at 177 East Colorado Blvd. for its corporate headquarters from 177 Colorado Owner, LLC. The lease expires on April 30, 2027, and contains an option to renew for one additional five-year term. As of March 31, 2026, the Company had not exercised the renewal option and therefore it is not included in right-of-use assets and liabilities. Subsequent to March 31, 2026, the Company entered into a lease amendment with 177 Colorado Owner, LLC. See Note 17, Subsequent Events.

San Diego, California: The Company leases 144,000 square feet of office and research and development laboratory space located at 10102 Hoyt Park from 11404 & 11408 Sorrento Valley Owner, LLC, which lease expires on April 30, 2038. Pursuant to the lease, within twelve months of the expiration of the initial 15-year term, the Company has the option to extend the lease for up to one additional ten-year term, with certain annual increases in base rent. The Company is not reasonably certain that it will exercise this option to renew and therefore it is not included in right-of-use assets and liabilities as of March 31, 2026.

The lease agreement, as amended, granted the Company the right to receive an Additional Tenant Improvement Allowance ("ATIA") funded by the lessor. The Company received $30.8 million in ATIA, including a final payment of $3.1 million during the first quarter of fiscal 2024. As a result, the Company remeasured its lease liability and right-of-use assets to reflect these additional allowances and the related increased lease payments. The Company has further concluded that these ATIAs have no effects on the classification of the lease.

Madison, Wisconsin: The Company leases 110,956 square feet space, which it increased from 107,000 square feet on June 30, 2025, located at 502 South Rosa Road for its office and laboratory facilities, which lease expires on September 30, 2031. The lease contains options to renew for two terms of five years. The Company is not reasonably certain that it will exercise this option and therefore it is not included in right-of-use assets and liabilities as of March 31, 2026.

The components of lease assets and liabilities along with their classification on the Company's consolidated balance sheets were as follows:

Lease Assets and Liabilities	Classification	March 31, 2026	September 30, 2025
		(in thousands)	
Operating lease assets	Right-of-use assets	$ 42,794	$ 43,891
Current operating lease liabilities	Lease liabilities	7,774	7,289
Non-current operating lease liabilities	Lease liabilities, net of current portion	100,106	104,112

Lease Cost	Classification	Three Months Ended March 31,		Six Months Ended March 31,	
		2026	2025	2026	2025
		(in thousands)			
Operating lease cost	Research and development	$ 2,789	$ 2,709	$ 5,518	$ 5,520
	Selling, general and administrative	497	500	1,008	993
Variable lease cost [1]	Research and development	1,138	951	2,090	1,937
	Selling, general and administrative	—	—	—	—
Total		$ 4,424	$ 4,160	$ 8,616	$ 8,450

(1) Variable lease cost is primarily related to operating expenses associated with the Company's operating leases.

There was no short-term lease cost during the three and six months ended March 31, 2026 and 2025, respectively.

The following table presents maturities of operating lease liabilities on an undiscounted basis as of March 31, 2026:

Year	Amounts
	(in thousands)
2026 (remainder)	$ 7,986
2027	15,050
2028	13,696
2029	13,985
2030	14,282
2031 and thereafter	100,672
Total	$ 165,671
Less imputed interest	(57,791)
Total operating lease liabilities (includes current portion)	$ 107,880

Supplemental cash flow and other information related to leases was as follows:

	Three Months Ended March 31,		Six Months Ended March 31,	
	2026	2025	2026	2025
			(in thousands)	
Operating cash flows from operating leases	$ 3,944	$ 3,840	$ 7,887	$ 7,680

	March 31,	
	2026	2025
Weighted-average remaining lease term (in years)	11.3	12.1
Weighted-average discount rate	8.0 %	8.0 %

NOTE 10. STOCK-BASED COMPENSATION

The Company has three plans that provide for equity-based compensation.

Under the 2013 Incentive Plan (the "2013 Plan"), 1,657,364 awards are granted and outstanding, relating to stock options and restricted stock awards to employees and directors as of March 31, 2026.

Under the 2021 Incentive Plan (the "2021 Plan"), 18,500,000 shares (subject to certain adjustments) of the Company's common stock are authorized for grants of stock options, stock appreciation rights, restricted and unrestricted stock, performance awards, cash awards and other awards convertible into or otherwise based on shares of the Company's common stock. The maximum number of shares authorized under the 2021 Plan will be (i) reduced by any shares subject to awards made under the 2013 Plan after January 1, 2021, and (ii) increased by any shares subject to outstanding awards under the 2013 Plan as of January 1, 2021 that, after January 1, 2021, are canceled, expired, forfeited or otherwise not issued under such awards (other than as a result of being tendered or withheld to pay the exercise price or withholding taxes in connection with any such awards) or settled in cash. As of March 31, 2026, 7,940,708 shares have been granted under the 2021 Plan, the total number of shares available for issuance was 11,354,663 shares, which includes 170,898 and 624,473 shares that were forfeited under the 2013 and 2021 Plans, respectively. This reflects an amendment and restatement of the 2021 Plan approved by the Company's stockholders on March 19, 2026 to increase the total number of authorized shares by 10,500,000 shares and extend the term of the plan to January 21, 2036.

Under the Company's Inducement Plan (the "Inducement Plan"), 832,950 shares of the Company's common stock are authorized for issuance pursuant to grants of stock options, stock appreciation rights, restricted and unrestricted stock, stock units (including restricted stock units), performance awards, cash awards, and other awards convertible into or otherwise based on shares of the Company's common stock. Awards under the Inducement Plan may only be granted to new employees of the Company in accordance with the provisions of Rule 5635(c)(4) of the Nasdaq Listing Rules. As of March 31, 2026, 807,012 shares have been granted, net of cancellations, under the Inducement Plan. The total number of shares remaining available for issuance was 25,938 shares.

In addition, prior to adoption of the Inducement Plan, the Company previously granted stand-alone inducement awards in the form of stock options and restricted stock units outside of the Company's equity plans to new employees under Rule 5635(c)(4) of the Nasdaq Listing Rules. As of March 31, 2026, there were 399,705 and 50,850 shares underlying outstanding stand-alone inducement options and restricted stock units, respectively.

The following table presents a summary of awards outstanding attributable to Arrowhead Pharmaceuticals, Inc.:

	March 31, 2026			
	2013 Plan	2021 Plan	Inducement Awards	Total
Granted and outstanding awards:				
Options	557,364	22,965	399,705	980
Restricted stock units	1,100,000	4,030,971	700,823	5,831
Total	1,657,364	4,053,936	1,100,528	6,811

The following table summarizes stock-based compensation expenses included in operating expenses attributable to Arrowhead Pharmaceuticals, Inc.:

	Three Months Ended March 31,		Six Months Ended March 31,	
	2026	2025	2026	2025
	(in thousands)			
Research and development	$ 8,441	$ 7,264	$ 14,817	$
Selling, general and administrative	8,127	7,817	21,341	
Total	$ 16,568	$ 15,081	$ 36,158	$

Stock Option Awards

The following table presents a summary of the stock option activity for the six months ended March 31, 2026:

	Shares	Weighted-Average Exercise Price Per Share	Weighted-Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value
Outstanding at September 30, 2025	1,407,035	$ 28.90		
Granted	—	—		
Cancelled or expired	—	—		
Exercised	(427,001)	17.26		
Outstanding at March 31, 2026	980,034	$ 33.83	3.3	$ 29,108,721
Exercisable at March 31, 2026	980,034	$ 33.83	3.3	$ 29,108,721

The aggregate intrinsic values represent the amount by which the market price of the underlying stock exceeds the exercise price of the option. The total intrinsic value of the options exercised during the three months ended March 31, 2026 and 2025 was $5.8 million and $3.7 million, respectively. The total intrinsic value of the options exercised during the six months ended March 31, 2026 and 2025 was $18.4 million and $4.6 million, respectively.

Stock-based compensation expense related to stock options outstanding for the three months ended March 31, 2026 and 2025, was $0 and $3.0 thousand, respectively. Stock-based compensation expense related to stock options outstanding for the six months ended March 31, 2026 and 2025, was $0 and $0.1 million, respectively.

As of March 31, 2026, the pre-tax compensation expense for all outstanding unvested stock options is considered nominal.

The fair value of each stock option award is estimated on the date of grant using the Black-Scholes option pricing model. The Black-Scholes option pricing model was developed for use in estimating the fair value of traded options, which do not have vesting restrictions and are fully transferable. The determination of the fair value of each stock option is affected by the Company's stock price on the date of grant, as well as assumptions regarding a number of highly complex and subjective variables. No options were granted during the six months ended March 31, 2026 and 2025.

Visirna ESOP: Through March 31, 2026, Visirna, a subsidiary of the Company, granted an aggregate of 16,400,000 stock options to its employees from the Employee Stock Option Plan (the "Visirna ESOP"), which authorizes 20,000,000 shares for issuance. The Visirna ESOP is independently managed by Visirna, including the valuation process. For the three months ended March 31, 2026 and 2025, stock-based compensation expense related to the Visirna ESOP was $0.1 million and $(0.1) million, respectively. For the six months ended March 31, 2026 and 2025, stock-based compensation expense related to the Visirna ESOP was $(0.1) million and $1.9 million, respectively.

Restricted Stock Units

Restricted Stock Units ("RSUs"), including market-based, time-based and performance-based awards, have been granted under the Company's 2013 and 2021 Plans, the Inducement Plan, and as inducements awards granted outside of the Company's equity-based compensation plans. At vesting, each outstanding RSU will be exchanged for one share of the Company's common stock. RSU awards generally vest subject to the satisfaction of service requirements or the satisfaction of both service requirements and achievement of certain performance targets.

The following table summarizes the activity of the Company's RSUs:

	Number of RSUs	Weighted-Average Grant Date Fair Value Per Share
Outstanding at September 30, 2025	5,810,351	$ 36.97
Granted	1,977,689	66.07
Vested	(1,747,007)	42.23
Forfeited	(209,239)	27.89
Outstanding at March 31, 2026	5,831,794	$ 45.60

The fair value of RSUs was determined based on the closing price of the Company's common stock on the grant

date, with consideration given to the probability of achieving service and/or performance conditions for awards.

For the three months ended March 31, 2026 and 2025, the Company recorded $16.6 million and $15.1 million of expense related to RSUs, respectively. For the six months ended March 31, 2026 and 2025, the Company recorded $36.2 million and $29.2 million of expense related to RSUs, respectively. As of March 31, 2026, there was $171.5 million of total unrecognized compensation cost related to RSUs that is expected to be recognized over a weighted-average period of 2.4 years.

NOTE 11. FAIR VALUE MEASUREMENTS

The Company employs a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The Company's valuation techniques and inputs used to measure fair value and the definition of the three levels (Level 1, Level 2, and Level 3) of the fair value hierarchy are disclosed in Note 10 - Fair Value Measurements of Notes to Consolidated Financial Statements of Part IV, "Item 15. Exhibits and Financial Statement Schedules" of its Annual Report on Form 10-K for the fiscal year ended September 30, 2025.

The Company uses prices and inputs that are current as of the measurement date, including during periods of market disruption. In periods of market disruption, the ability to observe prices and inputs may be reduced for many instruments. This condition could cause an instrument to be reclassified from Level 1 to Level 2, or from Level 2 to Level 3. The Company recognizes transfers between levels at either the actual date of the event or a change in circumstances that caused the transfer. As of March 31, 2026 and September 30, 2025, the Company did not have any financial assets or financial liabilities based on Level 3 measurements.

The following tables present information about the Company's assets and liabilities measured at fair value on a recurring basis, and indicates the fair value hierarchy of the valuation techniques utilized by the Company:

	March 31, 2026			
	Level 1	Level 2	Level 3	Total
	(in thousands)			
Available-for-sale securities				
U.S. government and agency securities	$ —	$ 256,086	$ —	$ 256,086
Municipal securities	—	5,999	—	5,999
Commercial notes	—	143,970	—	143,970
Corporate debt securities	—	1,188,797	—	1,188,797
Total available-for-sale securities	—	1,594,852	—	1,594,852
Short-term investments				
Term deposits	—	722	—	722
Total Short-term investments	—	722	—	722
Cash equivalents				
Money market instruments	113,828	—	—	113,828
Term deposit	—	16,950	—	16,950
Commercial notes	—	30,246	—	30,246
Total cash equivalents	113,828	47,196	—	161,024
Total financial assets	$ 113,828	$ 1,642,770	$ —	$ 1,756,598

	September 30, 2025			
	Level 1	Level 2	Level 3	Total
	(in thousands)			
Available-for-sale securities				
U.S. government and agency securities	$ —	$ 150,695	$ —	$ 150,695
Certificate of deposits	—	12,019	—	12,019
Municipal securities	—	7,046	—	7,046
Commercial notes	—	13,801	—	13,801
Corporate debt securities	—	509,257	—	509,257
Total available-for-sale securities	—	692,818	—	692,818
Cash equivalents				
Money market instruments	64,460	—	—	64,460
Term deposit	—	134,357	—	134,357
Certificate of deposits	—	3,001	—	3,001
Corporate debt securities	—	16,182	—	16,182
Total cash equivalents	64,460	153,540	—	218,000
Total financial assets	$ 64,460	$ 846,358	$ —	$ 910,818

Convertible Notes

Our Convertible Notes (see Note 14) had a fair value of $722.8 million at March 31, 2026. We determine the fair value of the Convertible Notes based on quoted market prices for these notes, which are Level 2 measurements because the
Convertible Notes do not trade regularly.

Credit Facility

The fair value of the Company's outstanding credit facility (see Note 13) was estimated using the net present value of the expected contractual payments, discounted at an interest rate consistent with a market interest rate, which represents a Level 2 input. As of March 31, 2026, the estimated fair value of our credit facility approximated its carrying amount.

NOTE 12. LIABILITY RELATED TO THE SALE OF FUTURE ROYALTIES

In November 2022, the Company and Royalty Pharma entered into the Royalty Pharma Agreement, pursuant to which Royalty Pharma agreed to pay up to $410.0 million in cash to the Company in consideration for the Company's future royalty interest in olpasiran, a siRNA originally developed by the Company and licensed to Amgen in September 2016 under the Olpasiran Agreement.

Pursuant to the Royalty Pharma Agreement, Royalty Pharma paid $250.0 million upfront and agreed to pay up to an additional $160.0 million in aggregate one-time milestone payments due if and when the following milestone events occur: (i) $50.0 million on completion of enrollment in the OCEAN Phase 3 clinical trial for olpasiran, (ii) $50.0 million upon receipt of FDA approval of olpasiran for an approved indication (reduction in the risk of myocardial infarction, urgent coronary revascularization, or coronary heart disease death in adults with established cardiovascular disease and elevated Lp(a)), and (iii) $60.0 million upon Royalty Pharma's receipt of at least $70.0 million of royalty payments under the Royalty Pharma Agreement in any single calendar year. During the third quarter of fiscal 2024, Amgen completed enrollment of the Phase 3 OCEAN(a) outcomes trial of olpasiran, which triggered a $50.0 million milestone payment that the Company received in the same quarter. As of March 31, 2026, up to $110.0 million of additional milestone payments remain payable in the future, contingent upon the achievement of the remaining regulatory and royalty-based milestones.

In consideration for the payment of the foregoing amounts under the Royalty Pharma Agreement, Royalty Pharma is entitled to receive all royalties otherwise payable by Amgen to the Company under the Olpasiran Agreement. The Company remains eligible to receive any milestone payments potentially payable by Amgen under the Olpasiran Agreement.

The Company has evaluated the terms of the Royalty Pharma Agreement and concluded, in accordance with the relevant accounting guidance, that the Company accounted for the transaction as debt and the funding of $250.0 million and $50.0 million from Royalty Pharma were recorded as liabilities related to the sale of future royalties on its consolidated balance sheets. The Company is not obligated to repay these funds received under the Royalty Pharma Agreement.

The Company records the obligations at their carrying value using the effective interest method. In order to amortize the sale of future royalties, the Company utilizes the prospective method to estimate the future royalties to be paid by the Company to the counterparty over the life of the arrangement. Under the prospective method, a new effective interest rate is determined based on the revised estimate of remaining cash flows. The new rate is the discount rate that equates the present value of the revised estimate of remaining cash flows with the carrying amount of the debt, and it will be used to recognize non-cash interest expense for the remaining periods. The Company periodically assesses the amount and the timing of expected royalty payments using a combination of internal projections and forecasts from external sources. The estimates of future net product sales (and resulting royalty payments) are based on key assumptions including population, penetration, probability of success and sales price, among others. To the extent such payments are greater or less than the Company's initial estimates or the timing of such payments is different than its original estimates, the Company will prospectively adjust the amortization of the royalty financing obligations and the effective interest rate.

During the three months ended March 31, 2026, the Company updated its estimates of future royalty payments based on revised assumptions related primarily to expected pricing, product launch timing, and projected sales. These revisions resulted in changes to the expected amount and timing of future cash flows and, accordingly, an increase in the effective interest rate. As a result, the estimated effective interest rate increased from 8.3% as of September 30, 2025 to 9.4% as of March 31, 2026.

The following table presents the activity with respect to the liability related to the sale of future royalties.

	Six Months Ended March 31,	
	2026	2025
	(in thousands)	
Beginning carrying value	$ 367,397	$ 341,361
Milestone payment received	—	—
Non-cash interest expense recognized	16,432	10,915
Ending carrying value	$ 383,829	$ 352,276

NOTE 13. FINANCING AGREEMENT

On August 7, 2024 (the "Closing Date"), the Company entered into a Financing Agreement with the guarantors party thereto, the lenders party thereto (the "Lenders"), and Sixth Street Lending Partners ("Sixth Street"), as the administrative agent and collateral agent for the Lenders (the "Financing Agreement"). The Financing Agreement

establishes a senior secured term loan facility of $500.0 million (the “Credit Facility”), consisting of $400.0 million funded on the Closing Date and an additional $100.0 million available at the Company’s option, subject to mutual agreement with Sixth Street. The loans under the Credit Facility bear interest at an annual rate of 15.0%, which is paid in kind and added to the outstanding principal balance of the Credit Facility each period. The outstanding principal balance of this Credit Facility, including amounts representing accrued but unpaid interest previously paid in kind, is due and payable on August 7, 2031.

The Company is permitted to use the net proceeds for working capital, capital expenditures and general corporate purposes of the Company and its subsidiaries.

The Company will have the right to prepay loans under the Credit Facility at any time. The Company is required to partially repay loans under the Credit Facility with proceeds from certain asset sales, condemnation events and extraordinary receipts, subject, in some cases, to reinvestment rights. If the Company repays in full the aggregate principal outstanding under the Credit Facility and such payment in full occurs on or prior to August 7, 2028, the Company will be required to make an additional payment to the lenders under the Credit Facility on such date in an amount necessary for the lenders to achieve a two times multiple of invested capital (“MOIC”) of the aggregate principal amount funded on the Closing Date (the “MOIC Payment”). If such payment in full occurs after August 7, 2028, the Company will be required to make a payment to the lenders under the Credit Facility on such date in an amount necessary for the lenders to achieve the greater of the MOIC Payment and the present value of all interest payments that would have been payable from such date through the maturity date of the Credit Facility discounted at the Treasury Rate (as defined in the Financing Agreement) plus 0.5%; provided that such payment amount in this instance will not exceed the amount necessary for the lenders to achieve a 2.5 times MOIC.

On November 26, 2024, the Company entered into an amendment to the Financing Agreement (the "Amendment") to modify, amongst other things, some of the prepayment terms of the loans under the Credit Facility, including, the prepayment terms related to the Sarepta Collaboration Agreement. The Amendment was effective on February 14, 2025, following the closing of the Sarepta Collaboration Agreement and receipt of the $500.0 million upfront payment from Sarepta. The Amendment added an additional prepayment clause that requires certain contractual prepayments of principle and MOIC payments throughout the life of the loans under the Credit Facility. Additionally, any prepayment will be split with 50% of any such prepayment paying down the principle balance of the loans under the Credit Facility and the other 50% being applied to prepay the MOIC Payment. In the event the prepayment amounts result in fees being prepaid in excess of the actual amounts required to be paid, the excess fees shall be reallocated and applied to reduce the amount of the principal balance upon repayment in full of the loans under the Credit Facility. As of March 31, 2026, the Company has paid $142.3 million in MOIC payments of which $21.5 million is expected to be applied to principal upon repayment in full. To date, the Company has paid $286.1 million of the loans under the Credit Facility.

The Amendment was accounted for as a debt modification under ASC 470-50, *“Debt—Modification and extinguishments*” since the Amendment did not result in substantially different terms. In connection with the Amendment, the Company did not incur significant third-party fees.

All obligations under the Financing Agreement are secured on a first-priority basis by security interests in substantially all assets of the Company and material subsidiaries of the Company, including its intellectual property, subject to certain exceptions, and is guaranteed by material subsidiaries of the Company, including foreign subsidiaries, subject to certain exceptions.

The Financing Agreement contains customary covenants, including, without limitation, a financial covenant to maintain liquidity (cash, cash equivalents and investments) of at least $250.0 million if the Company’s market capitalization is above $2.0 billion, and negative covenants that, subject to certain exceptions, restrict indebtedness, liens, investments (including acquisitions), fundamental changes, asset sales and licensing transactions, dividends, modifications to material agreements, payment of subordinated indebtedness, distributions from certain parties, and other matters customarily restricted in such agreements. Pursuant to the terms of the Financing Agreement, the Company and its subsidiaries are not permitted to have an aggregate principal amount of convertible indebtedness outstanding at any one time in excess of the greater of $300.0 million and 10% of the market capitalization of the Company (based on the closing price of the common stock of the Company on the trading date immediately prior to the incurrence of such indebtedness), but in no event greater than $700.0 million in the aggregate. The Company is subject to restrictions on sales and licensing transactions with respect to certain core intellectual property, subject to certain exceptions, including certain transactions related to areas outside the United States, United Kingdom, European Union, Japan and China.

The Financing Agreement contains certain embedded features that were identified and evaluated as not material to the consolidated financial statements.

On August 13, 2025, the Company entered into second amendment to the Financing Agreement (the "Second

Amendment") that permitted the share repurchase of the Company's common stock from Sarepta and required the Company to pay a nominal administrative fee.

The outstanding balance of the Credit Facility consisted of the following:

	March 31, 2026	September 30, 2025
	(in thousands)	
Initial Term Loan	$ 400,000	$ 400,000
Accumulated interest on the Initial Term Loan	92,993	66,942
Accumulated accretion of the MOIC Payment	5,940	3,478
Less: Unamortized debt issuance costs	(13,163)	(13,912)
Less: Current portion of credit facility	(40,000)	(40,000)
Less: Payments	(286,131)	(201,625)
Credit facility, net of current portion	$ 159,639	$ 214,883

The following table sets forth total interest expense recognized related to the Credit Facility:

	Three Months Ended March 31,		Six Months Ended March 31,	
	2026	2025	2026	2025
	(in thousands)			
Amortization of debt issuance costs	$ 367	$ 1,129	$ 748	$ 1,682
Accretion of the MOIC Payment	1,178	—	2,462	—
Contractual interest expense	12,812	15,009	26,052	30,687
Total interest expense	$ 14,357	$ 16,138	$ 29,262	$ 32,369

The amounts shown in the table below, related to the Credit Facility, represent the expected repayments of principle and accrued interest balance as of March 31, 2026 inclusive of scheduled mandatory prepayments that the Company is obligated to make to the Lenders during the indicated periods. The principal balance will increase from accrued paid in kind interest, and the table does not include MOIC prepayments beyond those contractually scheduled. Actual payments on current principal may vary from the amounts presented in the table.

Year	Amounts
	(in thousands)
2026 (remainder)	$ 25,000
2027	40,000
2028	15,000
2029	15,000
2030	15,000
Thereafter	239,114
Total	$ 349,114

In May 2025, Visirna entered into the Revolving Credit Agreement with Bank of Zhejiang. The maximum aggregate credit facility is 72.9 million Chinese Yuan ($10.5 million) bearing an annual interest rate of 4.1%. The term of each loan is twelve months. The amount outstanding as of March 31, 2026 was 72.9 million Chinese Yuan ($10.5 million) on the credit facility which was classified as other current liabilities.

NOTE 14. CONVERTIBLE NOTES

In January 2026, the Company issued 700.0 million aggregate principal amount of 0.00% Convertible Notes (the “Notes”) due January 15, 2032. The initial conversion rate is 11.4844 shares of common stock per $1,000 principal amount of Notes, which represents an initial conversion price of approximately $87.07 per share, subject to adjustment upon the occurrence of certain specified events. The Notes are convertible into an aggregate of approximately 8,039,080 shares of the Company’s common stock. The conversion rate is subject to adjustment, including in the case of conversions in connection with a make-whole fundamental change as defined in the indenture for the Notes or a redemption of the Notes.

The Notes are convertible at the option of the holders upon the occurrence of certain events prior to October 15, 2031, and thereafter at any time until the close of business on the second scheduled trading day immediately preceding the

maturity date. Prior to October 15, 2031, holders may convert the Notes only upon the occurrence of one of the following circumstances: (i) during any calendar quarter commencing after the calendar quarter ending March 31, 2026, if the last reported sale price of the Company's common stock exceeds 130% of the conversion price for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading-day period ending on, and including, the last trading day of the immediately preceding calendar quarter; (ii) during the five business days immediately following any ten consecutive trading-day period in which the trading price per $1,000 principal amount of the Notes for each trading day of such ten consecutive trading-day period is less than 98% of the product of the last reported sale price of the Company's common stock and the applicable conversion rate on such trading day; (iii) upon the occurrence of certain specified corporate events or distributions on the common stock; or (iv) if the Company calls the Notes for redemption. Upon conversion, the Company may, at its election, settle the Notes in cash, shares of the Company's common stock, or a combination thereof.

The Company may not redeem the Notes prior to January 16, 2029. On or after January 16, 2029 and on or before the 30th scheduled trading day immediately preceding the maturity date, the Company may redeem for cash all or any portion of the Notes, at its option, if the last reported sale price of the Company's common stock has been at least 130% of the conversion price then in effect for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading-day period ending on, and including, the trading day immediately preceding the date on which the Company provides notice of redemption. The redemption price will equal 100% of the principal amount of the Notes to be redeemed, plus accrued and unpaid special interest, if any, to, but excluding, the redemption date.

Upon the occurrence of a fundamental change, which includes certain change-of-control transactions, a delisting of the Company's common stock, or a liquidation event, holders may require the Company to repurchase their Notes for cash at a price equal to 100% of the principal amount of the Notes, plus accrued and unpaid interest, if any, to, but excluding, the repurchase date.

The outstanding balance of the Notes consisted of the following:

	March 31, 2026	September 30, 2025
	(in thousands)	
Outstanding principal balance	$ 700,000	$ —
Less: Unamortized debt issuance costs	(18,060)	—
Convertible Notes, Net	$ 681,940	$ —

The following table sets forth total interest expense recognized related to the Notes:

	Three Months Ended March 31,		Six Months Ended March 31,	
	2026	2025	2026	2025
	(in thousands)			
Amortization of debt issuance costs	$ 657	$ —	$ 657	$ —
Total interest expense	$ 657	$ —	$ 657	$ —

Capped Call Transactions

In connection with the issuance of the Notes, the Company entered into privately negotiated capped call transactions (the "Capped Calls") with certain financial institutions. The Capped Calls have an initial strike price corresponding to the initial conversion price of the Notes and an initial cap price of $119.33 per share, subject to adjustment under the terms of the Capped Call confirmations. The Capped Calls are intended to reduce or offset potential dilution to the Company's common stock upon conversion of the Notes, with such reduction or offset subject to the applicable cap price. The Capped Calls cover, subject to anti-dilution adjustments, the number of shares of the Company's common stock underlying the Notes.

The Capped Calls are separate transactions that are not part of the terms of the Notes and do not affect the rights of holders of the Notes. The Company paid $47.9 million in connection with the Capped Call transactions, which was recorded as a reduction to additional paid-in capital in the consolidated balance sheets. As the Capped Calls meet the applicable equity classification criteria under ASC 815, *Derivatives and Hedging*, they are recorded within stockholders' equity and are not subsequently remeasured to fair value.

NOTE 15. NET (LOSS) INCOME PER SHARE

The following table presents the computation of basic and diluted net (loss) income per share for the three and six months ended March 31, 2026 and 2025.

	Three Months Ended March 31,		Six Months Ended March 31,	
	2026	2025	2026	2025
	(in thousands, except per share amounts)			
Numerator:				
Net (loss) income attributable to Arrowhead Pharmaceuticals, Inc.	$ (132,732)	$ 370,445	$ (101,919)	$ 197,360
Denominator:				
Weighted-average basic shares outstanding [(1)]	142,417	133,363	139,762	129,059
Effect of dilutive securities	—	1,121	—	1,206
Weighted-average diluted shares outstanding [(1)]	142,417	134,484	139,762	130,265
Basic net (loss) income per share	$ (0.93)	$ 2.78	$ (0.73)	$ 1.53
Diluted net (loss) income per share	$ (0.93)	$ 2.75	$ (0.73)	$ 1.52

(1) Include shares of common stock into which the 2024 and 2026 Avoro Pre-Funded Warrants may be exercised. See Note 6.

The following table sets forth the weight-average number of potentially dilutive securities that have been excluded from the calculation of diluted net (loss) income per share because to include them would be anti-dilutive.

	Three Months Ended March 31,		Six Months Ended March 31,	
	2026	2025	2026	2025
	(in thousands)			
Options	1,022	760	1,160	750
Restricted stock units	5,605	5,289	5,389	4,567
If-converted common stock from convertible notes	7,057	—	3,489	—
Total	13,684	6,049	10,038	5,317

NOTE 16. SEGMENT INFORMATION

We operate in a single segment dedicated to the discovery, development, manufacturing and commercialization of RNAi therapeutics. The Company's RNAi therapeutics are comprised of siRNAs that function upstream of conventional medicines by potently silencing mRNA that encode for proteins implicated in the cause or pathway of disease, thus preventing them from being made. Consistent with our operational structure, our Chief Executive Officer ("CEO"), as the CODM, manages and allocates resources on a consolidated basis at the global corporate level. Our global research and development and technical operations and quality organizations are responsible for the discovery, development, and supply of products. Commercial efforts that coordinate the marketing, sales and distribution of these products are organized by geographic region. All of these activities are supported by corporate staff functions. Managing and allocating resources at the corporate level enables our CEO to assess the overall level of resources available and how to best deploy these resources in line with our overarching long-term, corporate-wide strategic goals. The determination of a single segment is consistent with the consolidated financial information regularly reviewed by the CODM for the purposes of evaluating performance, forecasting future period financial results, allocating resources and setting incentive targets.

Consistent with our management reporting, results of our operations are reported on a consolidated basis for purposes of segment reporting. The CEO evaluates performance and decides how to allocate resources based on consolidated net (loss) income that is reported on the consolidated statements of operations and comprehensive (loss) income. The measure of segment assets is reported on the consolidated balance sheets as total assets. The CEO uses consolidated net (loss) income to evaluate loss or income generated from the Company's business activities in deciding how to allocate company resources (such as pursuing clinical development or entering a strategic collaboration), monitoring budget versus actual results, and establishing management's compensation. Please refer to the consolidated financial statements for further information related to these measures of segment performance. In addition, research and development and selling, general and administrative expenses are significant segment expenses regularly provided to the

CEO with the following categories:

Research and Development

	Three Months Ended March 31,		Six Months Ended March 31,	
	2026	2025	2026	2025
	(in thousands)			
Candidate costs	$ 99,449	$ 71,191	$ 204,439	$ 148,087
Discovery costs	18,498	14,806	40,326	27,742
Salaries	33,546	26,907	63,585	54,052
Facilities related	7,595	6,737	15,697	14,487
Total research and development expense, excluding non-cash expense	$ 159,088	$ 119,641	$ 324,047	$ 244,368
Stock compensation	8,297	7,888	14,655	15,437
Depreciation and amortization	5,868	5,573	11,754	10,299
Total research and development expense	$ 173,253	$ 133,102	$ 350,456	$ 270,104

Selling, General & Administrative

	Three Months Ended March 31,		Six Months Ended March 31,	
	2026	2025	2026	2025
	(in thousands)			
Salaries	$ 12,435	$ 7,857	$ 24,375	$ 15,188
Professional, outside services, and other	18,940	10,815	37,841	20,941
Facilities related	1,496	1,082	3,159	2,367
Total selling, general and administrative expense, excluding non-cash expense	$ 32,871	$ 19,754	$ 65,375	$ 38,496
Stock compensation	8,373	8,140	21,386	15,799
Depreciation/amortization	500	511	1,004	1,020
Total selling, general and administrative expense	$ 41,744	$ 28,405	$ 87,765	$ 55,315

NOTE 17. SUBSEQUENT EVENTS

Lease Amendment

On April 27, 2026, the Company entered into a lease amendment (the "Pasadena Lease Amendment") with 177 Colorado Owner, LLC for its corporate headquarters located at 177 East Colorado Blvd. in Pasadena, California (the "Premises"). Under the terms of the Pasadena Lease Amendment, the Company will lease approximately 98,444 square feet of office space at the Premises. The 2026 Pasadena Lease Amendment is expected to commence on the later of May 1, 2027, or the date of substantial completion of tenant improvements, but in no event later than August 1, 2027. The Pasadena Lease Amendment has a lease term of seven years and eight months and provides two consecutive options to extend the lease term by five years each. Total rent and other obligations under the Pasadena Lease Amendment are expected to be approximately $50.3 million.

Licensing Agreement

On May 4, 2026, the Company entered into a Licensing Agreement with Madrigal Pharmaceuticals, Inc., ("Madrigal"). Under the terms of the agreement, Madrigal will receive an exclusive global license to develop, manufacture, and commercialize ARO-PNPLA3, a clinical stage program. The Company will receive an upfront payment of $25.0 million, and is eligible to receive milestone payments of up to $975.0 million. The Company is further eligible to receive tiered royalties on commercial sales ranging from high-single digits to the mid-teens.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and we intend that such forward-looking statements be subject to the safe harbors created thereby. For this purpose, any statements contained in this Quarterly Report on Form 10-Q except for historical information may be deemed to be forward-looking statements. Without limiting the generality of the foregoing, words such as "may," "might," "will," "expect," "believe," "anticipate," "goal," "endeavor," "strive," "intend," "plan," "project," "could," "estimate," "target," "might," "forecast," "potential," or "continue" or the negative of these words or other variations thereof or comparable terminology are intended to identify forward-looking statements. In addition, any statements that refer to projections of our future financial performance, trends in our business, or other characterizations of future events or circumstances are forward-looking statements. These forward-looking statements include, but are not limited to, statements about the initiation, timing, progress and results of our preclinical studies and clinical trials, and our research and development programs; our expectations regarding the potential benefits of the partnership, licensing and/or collaboration arrangements and other strategic arrangements and transactions we have entered into or may enter into in the future; our beliefs and expectations regarding the amount and timing of future milestone, royalty or other payments that could be due to or from third parties under existing agreements; and our estimates regarding future revenues, sales of REDEMPLO (plozasiran), our expectations regarding regulatory approval for and commercial launch of plozasiran, operating income, research and development expenses, cash flows, capital requirements and payments to third parties.

The forward-looking statements included herein are based on current expectations of our management based on available information and involve a number of risks and uncertainties, all of which are difficult or impossible to predict accurately, and many of which are beyond our control. As such, our actual results or outcomes and timing of certain events may differ materially from those discussed, projected, anticipated or indicated in any forward-looking statements. Forward-looking statements are not guarantees of future performance and our actual results of operations, financial condition and cash flows may differ materially. Factors that may cause or contribute to such differences include, but are not limited to, those discussed in more detail in "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations" of Part I and "Item 1A. Risk Factors" of Part II of this Quarterly Report on Form 10-Q as well as "Item 1. Business" and "Item 1A. Risk Factors" of Part I and "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" of Part II of our most recent Annual Report on Form 10-K. Readers should carefully review these risks, as well as the additional risks described in other documents we file from time to time with the Securities and Exchange Commission (the "SEC"). In light of the significant risks and uncertainties inherent in the forward-looking information included herein, the inclusion of such information should not be regarded as a representation by us or any other person that such results will be achieved, and readers are cautioned not to place undue reliance on such forward-looking information. Statements made herein are as of the date of the filing of this Quarterly Report on Form 10-Q with the SEC and should not be relied upon as of any subsequent date. Except as may be required by law, we disclaim any intent to revise the forward-looking statements contained herein to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

OVERVIEW

The Company develops medicines that treat intractable diseases by silencing the genes that cause them. Using a broad portfolio of RNA chemistries and modes of delivery, the Company's therapies trigger the RNAi interference mechanism to induce rapid, deep and durable knockdown of target genes. RNAi is a mechanism present in living cells that inhibits the expression of a specific gene, thereby affecting the production of a specific protein. RNAi-based therapeutics seek to leverage this natural pathway of gene silencing to target and shut down specific disease-causing genes.

The Company believes that TRiM™ enabled therapeutics offer several potential advantages over prior generations and competing technologies, including: simplified manufacturing and reduced costs; multiple routes of administration including subcutaneous injection and inhaled administration; the ability to target multiple tissue types including liver, lung, skeletal muscle, central nervous system (CNS), adipose tissue, ocular, and cardiomyocytes; and the potential for improved safety and reduced risk of intracellular buildup, because there are fewer metabolites from smaller, simpler molecules.

The Company's products:

- REDEMPLO® (Greater China rights out-licensed to Sanofi), indicated as an adjunct to diet to reduce triglycerides in adults with Familial Chylomicronemia Syndrome (FCS), which has received regulatory approvals

in the United States, Canada, and China.

The following table presents the Company's current pipeline:

Therapeutic Area	Name	Stage	Product Rights
Cardiometabolic	plozasiran	Phase 3	Arrowhead[(1)]
	zodasiran	Phase 3	Arrowhead
	olpasiran	Phase 3	Amgen
	GSK4532990	Phase 2b	GSK
	ARO-PNPLA3	Phase 1	Arrowhead
	ARO-INHBE	Phase 1/2a	Arrowhead
	ARO-ALK7	Phase 1/2a	Arrowhead
	ARO-DIMER-PA	Phase 1/2a	Arrowhead[(1)]
Pulmonary	ARO-RAGE	Phase 1/2a	Arrowhead
	SRP-1002 (ARO-MMP7)	Phase 1/2a	Sarepta
Liver	fazirsiran	Phase 3	Takeda and Arrowhead
	daplusiran/tomligisiran	Phase 2	GSK
Neuromuscular	SRP-1001 (ARO-DUX4)	Phase 1/2a	Sarepta
	SRP-1003 (ARO-DM1)	Phase 1/2a	Sarepta
	SRP-1004 (ARO-ATXN2)	Phase 1/2a	Sarepta
	SRP-1005 (ARO-HTT)	Phase 1	Sarepta
	ARO-MAPT	Phase 1/2a	Arrowhead
	ARO-SNCA	Pre-clinical	Novartis
Other	ARO-C3	Phase 1/2a	Arrowhead
	ARO-CFB	Phase 1/2a	Arrowhead

(1) Greater China rights for plozasiran are out-licensed to Sanofi.

The Company operates lab facilities in California and Wisconsin, where its research and development activities, including the development of RNAi therapeutics, take place. The Company's principal executive offices are located in Pasadena, California.

The Company continues to develop other clinical candidates for future clinical trials. Clinical candidates are tested internally and through Good Laboratory Practice (GLP) toxicology studies at outside laboratories. Drug materials for such studies, clinical trials, and commercial products are either manufactured internally or contracted to third-party manufacturers. The Company engages third-party contract research organizations (CROs) to manage clinical trials and works cooperatively with such organizations on all aspects of clinical trial management, including plan design, patient recruiting, and follow up. These outside costs, including toxicology/efficacy testing and manufacturing costs, as well as the preparation for and administration of clinical trials, are referred to as "candidate costs." As clinical candidates progress through clinical development, candidate costs will increase.

The First Half Quarter of Fiscal 2026 Business Highlights

The bullets below highlight key developments in our business during the first half of fiscal year 2026:

- Presented new long-term efficacy and safety data for plozasiran across a spectrum of hypertriglyceridemia at the American College of Cardiology's 75th Annual Scientific Session and Expo.
    - Patients with severe hypertriglyceridemia (sHTG) achieved an 83% median reduction in triglycerides (TG), with 96% of patients achieving TG levels below 500 mg/dL, a threshold associated with increased risk of acute pancreatitis.
    - No adjudicated acute pancreatitis events occurred in any patient receiving plozasiran during the 2-year Phase 2b Open-Label Expansion (OLE) Study.
    - Favorable and durable improvements in atherogenic lipoproteins, including remnant cholesterol, non-high-density lipoprotein (HDL) cholesterol, and Apolipoprotein B (ApoB), were observed, with

a safety profile consistent with earlier trials.

- Initiated and dosed the first subjects in a Phase 1/2a clinical trial of ARO-DIMER-PA, the Company's investigational RNAi therapeutic being developed as a potential treatment for atherosclerotic cardiovascular disease (ASCVD) due to mixed hyperlipidemia.
    - ARO-DIMER-PA is designed to silence expression of both proprotein convertase subtilisin kexin 9 (PCSK9) and apolipoprotein C3 (APOC3) genes.
    - This represents an important step forward for the field of RNAi therapeutics, as it is the first clinical candidate to target two genes simultaneously in one molecule, enabled by Arrowhead's innovative and proprietary Targeted RNAi Molecule (TRiM™) platform.
- Completed upsized offerings of convertible senior notes, common stock, and pre-funded warrants with gross proceeds of $930.0 million, which strengthened the Company's balance sheet.
- Announced that the Chinese National Medical Products Administration (NMPA) has approved REDEMPLO (plozasiran) for the reduction of triglyceride levels in adult patients with familial chylomicronemia syndrome (FCS).
    - REDEMPLO will be marketed in Greater China by Sanofi under an agreement between Sanofi and Arrowhead.
- Announced interim results from two Phase 1/2a clinical trials of ARO-INHBE and ARO-ALK7, the Company's investigational RNAi therapeutics being developed as potential treatments for obesity, showing for patients enrolled in the study that:
    - ARO-INHBE in combination with tirzepatide, a GLP-1/GIP receptor co-agonist, nearly doubled weight loss at week 16 and roughly tripled reductions in visceral fat, total fat, and liver fat versus tirzepatide alone in obese patients with type 2 diabetes mellitus at those same endpoints at week 12.
    - ARO-ALK7, the first RNAi-therapeutic to show adipocyte gene target silencing in a clinical trial, achieved dose dependent reductions in adipose ALK7 messenger (mRNA) with a mean reduction of -88% at the 200 mg dose at week 8 with a maximum reduction of -94%.
- Announced that Health Canada has issued a Notice of Compliance (NOC) authorizing REDEMPLO™ (plozasiran) as an adjunct to diet to reduce triglycerides in adults with familial chylomicronemia syndrome (FCS) for whom standard triglyceride lowering therapies have been inadequate.
    - REDEMPLO is the first and only Health Canada-approved siRNA medicine to be studied in patients with genetically confirmed and clinically diagnosed FCS.
    - The Health Canada approval is based on positive results from the Phase 3 PALISADE study where REDEMPLO significantly reduced triglycerides from baseline and lowered the numerical incidence of acute pancreatitis compared to placebo.
- Initiated and dosed the first subjects in a Phase 1/2a clinical trial of ARO-MAPT, the Company's investigational RNAi therapeutic being developed as a potential treatment for tauopathies including Alzheimer's disease, a progressive neurodegenerative disease characterized by cognitive and functional decline.
- Announced that the FDA has granted Breakthrough Therapy designation to investigational plozasiran as an adjunct to diet to reduce triglyceride (TG) levels in adults with severe hypertriglyceridemia (SHTG) (TG levels greater than or equal to 500 mg/dL).
- On November 20, 2025, the Company earned a $200.0 million milestone payment from Sarepta Therapeutics, Inc., which was triggered on November 20, 2025, when the Company reached the second of two prespecified enrollment targets and subsequent authorization to dose escalate in a Phase 1/2 clinical study of ARO-DM1, an investigational RNAi therapeutic for the treatment of type 1 myotonic dystrophy (DM1).
- The FDA approved the Company's New Drug Application (NDA) for REDEMPLO injection for Familial Chylomicronemia Syndrome (FCS), on November 18, 2025. This approval was supported by clinical data from the Phase 3 PALISADE study, a randomized, double-blind, placebo-controlled trial in adults with clinically diagnosed or genetically confirmed FCS. The PALISADE study met its primary endpoint and all multiplicity-controlled key secondary endpoints, including demonstrating significant reductions in triglycerides and APOC3. In PALISADE, 25 mg REDEMPLO achieved deep and durable reductions in

triglycerides, with a median change from baseline of -80% versus -17% in the pooled placebo group, and a lower numerical incidence of acute pancreatitis compared with placebo.

- Entered into a global licensing and collaboration agreement with Novartis Pharma AG ("Novartis") on August 29, 2025, which closed on October 17, 2025. Closing of the transaction was subject to the expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 and other customary conditions. Upon closing, the Company received $200.0 million as an upfront payment on October 23, 2025. Additionally, the Company is eligible to receive up to $2.0 billion in potential milestone payments plus royalties on commercial sales.

The bullets below highlight other key developments in our business subsequent to the second quarter of fiscal year 2026:

- Received positive CHMP opinion recommending approval of REDEMPLO (plozasiran) to reduce triglycerides in adults with familial chylomicronemia syndrome (FCS) in Europe.
  - The European Commission is expected to issue a decision on REDEMPLO's Marketing Authorization in the second quarter of 2026.
- Announced that the Australian Therapeutic Goods Administration (TGA) has approved REDEMPLO (plozasiran), as an adjunct to diet to reduce triglyceride levels for adult patients with familial chylomicronaemia syndrome (FCS) in Australia.
- Announced an exclusive worldwide license agreement with Madrigal Pharmaceuticals for ARO-PNPLA3, Arrowhead's clinical stage RNA interference (RNAi) therapeutic designed to reduce liver expression of patatin-like phospholipase domain containing 3 (PNPLA3) as a potential treatment for patients with metabolic dysfunction-associated steatohepatitis (MASH):
  - Under the terms of the agreement, Madrigal will make a $25 million upfront payment to Arrowhead. Arrowhead is also eligible to receive development, regulatory, and sales milestone payments of up to $975 million. Arrowhead is further eligible to receive tiered royalties on commercial sales ranging from high-single digits to the mid-teens.
  - In a Phase 1 single-ascending dose clinical study, ARO-PNPLA3 achieved encouraging results, including a dose-dependent mean reduction in liver fat of up to 40% in patients homozygous for the I148M mutation, no apparent treatment emergent increases in triglycerides or LDL-cholesterol, and a positive safety and tolerability profile at all doses studied.

There have been no significant changes to the Company's critical accounting estimates disclosed in the most recent Annual Report on Form 10-K for the fiscal year ended September 30, 2025.

RESULTS OF OPERATIONS

The following data summarizes the Company's results of operations for the following periods indicated:

	Three Months Ended March 31,		Six Months Ended March 31,	
	2026	2025	2026	2025
	(in thousands, except per share amounts)			
Revenue	$ 73,737	$ 542,709	$ 337,770	$ 545,209
Operating (loss) income	$ (141,260)	$ 381,202	$ (100,451)	$ 219,790
Net (loss) income attributable to Arrowhead	$ (132,732)	$ 370,445	$ (101,919)	$ 197,360
Net (loss) income per diluted share attributable to Arrowhead	$ (0.93)	$ 2.75	$ (0.73)	$ 1.52

Revenue

Total revenue for the three and six months ended March 31, 2026 decreased by $469.0 million and $207.4 million, respectively, from the same periods of 2025. The change was primarily driven by lower Sarepta revenue, partially offset by increased revenue from Novartis and Sanofi, reflecting the timing and progress of the Company's respective collaboration and license agreements.

The Company has evaluated each agreement in accordance with FASB Topic 808–*Collaborative Arrangements* and

Topic 606-*Revenue for Contracts from Customers*. See Note 2 — Collaboration and License Agreements of the Notes to Consolidated Financial Statements of Part I, "Item 1. Financial Statements" for more information on revenue recognized under the collaboration and license agreements.

Sarepta: On November 25, 2024, the Company entered into the Sarepta Collaboration Agreement and Stock Purchase Agreement with Sarepta for the development and commercialization of multiple clinical and preclinical programs in rare, genetic diseases of the muscle, central nervous system, and lungs. On December 16, 2025, the Company entered into the Sarepta Clinical Supply Agreement, whereby the Company is responsible for manufacturing and supplying certain materials to Sarepta for specified activities. During the six months ended March 31, 2026, the Company recorded $271.2 million in revenue.

Novartis: On August 29, 2025, the Company entered into the Novartis Collaboration Agreement with Novartis for the development and commercialization of multiple preclinical programs in rare, genetic diseases of the central nervous system. During the six months ended March 31, 2026, the Company recorded $54.7 million in revenue.

Visirna and Sanofi: On August 1, 2025, Visirna HK, a wholly owned subsidiary of Visirna Therapeutics, Inc, a majority owned subsidiary of the Company, entered into an Asset Purchase Agreement with Sanofi, pursuant to which Visirna HK sold all of its assets and rights in investigational plozasiran to Sanofi, which included an assignment of Visirna HK's rights (as successor by assignment from Visirna) to develop and commercialize investigational plozasiran in Greater China pursuant to that certain License Agreement by and between the Company and Visirna dated, April 25, 2022 (the "Visirna License Agreement"). During the six months ended March 31, 2026, the Company recorded $10.7 million in revenue associated with this transaction.

Operating Expenses

The analysis below details the operating expenses and discusses the expenditures of the Company within the major expense categories. For purposes of comparison, the amounts for the three and six months ended March 31, 2026 and 2025 are shown in the tables below.

Research and Development ("R&D") Expenses

Research and development expenses consist of expenses for drug candidate and discovery costs, which are comprised primarily of outsourced costs related to the manufacturing of clinical supplies, toxicity/efficacy studies and clinical trial expenses. Internal costs primarily relate to discovery operations at the Company's research facilities in California and Wisconsin, including facility costs and laboratory-related expenses. The Company operates in a cross-functional manner across projects and does not separately allocate facilities-related costs, candidate costs, discovery costs, compensation expenses, depreciation and amortization expenses, and other expenses related to research and development activities. The Company does not fully track research and development expenses by individual research and development projects, or by individual drug candidates.

The following table provides details of research and development expenses for the periods indicated:

(in thousands)	Three Months Ended March 31, 2026	% of Expense Category	Three Months Ended March 31, 2025	% of Expense Category	Increase (Decrease) $	Increase (Decrease) %
Candidate costs	$ 99,449	58 %	$ 71,191	54 %	$ 28,258	40 %
Discovery costs	18,498	11 %	14,806	11 %	3,692	25 %
Salaries	33,546	19 %	26,907	20 %	6,639	25 %
Facilities related	7,595	4 %	6,737	5 %	858	13 %
Total research and development expense, excluding non-cash expense	$ 159,088	92 %	$ 119,641	90 %	$ 39,447	33 %
Stock compensation	8,297	5 %	7,888	6 %	409	5 %
Depreciation and amortization	5,868	3 %	5,573	4 %	295	5 %
Total research and development expense	$ 173,253	100 %	$ 133,102	100 %	$ 40,151	30 %

(in thousands)	Six Months Ended March 31, 2026	% of Expense Category	Six Months Ended March 31, 2025	% of Expense Category	Increase (Decrease) $	Increase (Decrease) %
Candidate costs	$ 204,439	59 %	$ 148,087	55 %	$ 56,352	38 %
Discovery costs	40,326	12 %	27,742	10 %	12,584	45 %
Salaries	63,585	18 %	54,052	20 %	9,533	18 %
Facilities related	15,697	4 %	14,487	5 %	1,210	8 %
Total research and development expense, excluding non-cash expense	$ 324,047	93 %	$ 244,368	90 %	$ 79,679	33 %
Stock compensation	14,655	4 %	15,437	6 %	(782)	(5)%
Depreciation and amortization	11,754	3 %	10,299	4 %	1,455	14 %
Total research and development expense	$ 350,456	100 %	$ 270,104	100 %	$ 80,352	30 %

Candidate costs increased $28.3 million, or 40%, for the three months ended March 31, 2026 and $56.4 million, or 38%, for the six months ended March 31, 2026 compared to the same periods of 2025. The increase was primarily due to the additional progression of the Company's pipeline of candidates into and through clinical trials, which resulted in higher outsourced clinical trial costs, manufacturing, and toxicity study costs.

Discovery costs increased $3.7 million, or 25%, for the three months ended March 31, 2026 and $12.6 million, or 45%, for the six months ended March 31, 2026 compared to the same periods of 2025, primarily driven by higher R&D discovery activity associated with ongoing discovery efforts and expansion into novel therapeutic areas and tissue types, partially offset by lower partnership cost.

Salaries consist of salary, bonuses, payroll taxes, and related benefits for the Company's R&D personnel. Salaries expense increased $6.6 million, or 25%, for the three months ended March 31, 2026 and $9.5 million, or 18%, for the six months ended March 31, 2026 compared to the same periods of 2025. The increase was primarily due to an increase in

headcount that has occurred as the Company has expanded its pipeline of candidates and worked to prepare for the manufacture of commercial material at the Verona facility, as well as annual salary increases.

Facilities-related expense includes lease costs for the Company's research and development facilities in San Diego, California and in Madison, Wisconsin. These expenses increased $0.9 million, or 13%, for the three months ended March 31, 2026 and $1.2 million or 8%, for the six months ended March 31, 2026 compared to the same period of 2025. This increase was primarily due to expenses, such as utilities and repair and maintenance charges, associated with the expanded manufacturing facilities in Verona, Wisconsin to support manufacturing operations.

Stock compensation expense, a non-cash expense, is primarily based on the valuation of restricted stock units granted to employees, which is based on the closing stock price on the grant date. Stock compensation expense increased $0.4 million, or 5%, for the three months ended March 31, 2026 compared to the same period of 2025, primarily driven by the annual issuance of RSU grants to employees in January 2026. Stock compensation expense decreased $0.8 million, or 5% for the six months ended March 31, 2026 compared to the same period of 2025, primarily driven by stock options award expense incurred in the second fiscal quarter 2025 related to Visirna, our variable interest entity, that did not repeat in the second fiscal quarter 2026.

Depreciation and amortization expense, a non-cash expense, relates to depreciation on buildings, lab equipment and leasehold improvements. These expenses increased $0.3 million, or 5%, for the three months ended March 31, 2026 and $1.5 million, or 14% for the six months ended March 31, 2026 compared to the same periods of 2025. The increase was primarily attributable to the transfer of additional manufacturing equipment following the completion of certification, qualification and validation to support manufacturing operations.

Selling, General and Administrative Expenses

The following table provides details of selling, general and administrative expenses for the periods indicated:

(in thousands)	Three Months Ended March 31, 2026	% of Expense Category	Three Months Ended March 31, 2025	% of Expense Category	Increase (Decrease) $	Increase (Decrease) %
Salaries	$ 12,435	30 %	$ 7,857	27 %	$ 4,578	58 %
Professional, outside services, and other	18,940	45 %	10,815	38 %	8,125	75 %
Facilities related	1,496	4 %	1,082	4 %	414	38 %
Total selling, general and administrative expense, excluding non-cash expenses	$ 32,871	79 %	$ 19,754	69 %	$ 13,117	66 %
Stock compensation	8,373	20 %	8,140	29 %	233	3 %
Depreciation and amortization	500	1 %	511	2 %	(11)	(2)%
Total selling, general and administrative expenses	$ 41,744	100 %	$ 28,405	100 %	$ 13,339	47 %

(in thousands)	Six Months Ended March 31, 2026	% of Expense Category	Six Months Ended March 31, 2025	% of Expense Category	Increase (Decrease) $	Increase (Decrease) %
Salaries	$ 24,375	28 %	$ 15,188	27 %	$ 9,187	60 %
Professional, outside services, and other	37,841	43 %	20,941	38 %	16,900	81 %
Facilities related	3,159	4 %	2,367	4 %	792	33 %
Total selling, general and administrative expense, excluding non-cash expenses	$ 65,375	75 %	$ 38,496	69 %	$ 26,879	70 %
Stock compensation	21,386	24 %	15,799	29 %	5,587	35 %
Depreciation and amortization	1,004	1 %	1,020	2 %	(16)	(2)%
Total selling, general and administrative expenses	$ 87,765	100 %	$ 55,315	100 %	$ 32,450	59 %

Salaries expense increased $4.6 million, or 58%, for the three months ended March 31, 2026 and $9.2 million, or 60% for the six months ended March 31, 2026 compared to the same periods of 2025. The increase was driven by higher headcount required to support the Company's growth as the Company prepared for commercialization, as well as of annual salary increases.

Professional, outside services, and other expenses include costs related to commercial activities, legal, consulting, patent filings, business insurance, other external services, as well as travel, communication, and technology expenses. These expenses increased $8.1 million, or 75%, for the three months ended March 31, 2026 and $16.9 million, or 81% for

the six months ended March 31, 2026 compared to the same periods of 2025. The increase was mainly due to commercialization expense associated with the Company;s launch of REDEMPLO, including costs for marketing and commercial launch support.

Facilities related expense primarily includes rental costs and other facilities-related costs for the Company’s corporate headquarters in Pasadena, California. These expenses increased $0.4 million, or 38%, for the three months ended March 31, 2026 and $0.8 million, or 33% for the six months ended March 31, 2026 compared to the same periods of 2025. The increase was primarily driven by higher staff amenities expenses driven by higher headcount.

Stock compensation expense, a non-cash expense, is based on the valuation of restricted stock units granted to employees, which is based on the closing stock price on the grant date. These expenses increased $0.2 million, or 3%, for the three months ended March 31, 2026 and $5.6 million, or 35% for the six months ended March 31, 2026 compared to the same periods of 2025. The increase was primarily due to recognition of compensation expense related to a performance-based restricted stock unit award following the achievement of a pre-specified performance milestone.

Depreciation and amortization expense, a noncash expense, was primarily related to amortization of leasehold improvements for the Company’s corporate headquarters.

Other Income (Expense)

Other income (expense) is primarily related to interest income and expense, and to gain on VIE'S sale of IPR&D assets. Other income increased $15.3 million and $16.4 million for the three and six months ended March 31, 2026 compared to the same periods of 2025. The increase was primarily due to a gain on VIE'S sale of IPR&D assets related to the transfer of research and development assets from Visirna to Bisirna in January 2026.

On January 15, 2026, Visirna closed on an Asset Transfer Agreement with Bisirna to sell and transfer certain assets and rights associated with R&D technology. The purchase price was $19.0 million, payable as (i) $9.0 million in paid-in-full warrants (exercise price of $0.18 per share) issued by Bisirna at the closing of the asset transfer, and (ii) $10.0 million of Bisirna Series A preferred shares, which were issued upon the closing of Bisirna’s Series A equity financing on January 15, 2026. As the performance obligation associated with the asset transfer was fully satisfied at closing, the Company recognized $19.0 million of gain in other income for the quarter ended March 31, 2026.

Net (Loss) Income

Net loss attributable to Arrowhead Pharmaceuticals, Inc. was $132.7 million and $101.9 million for the three and six months ended March 31, 2026, compared to a net income attributable to Arrowhead Pharmaceuticals, Inc. of $370.4 million and $197.4 million for the three and six months ended March 31, 2025. Net loss per diluted share was $0.93 and $0.73 for the three and six months ended March 31, 2026, compared to a net income per diluted share of $2.75 and $1.52 for the three and six months ended March 31, 2025. The decrease in net income attributable to Arrowhead Pharmaceuticals, Inc. for the three and six months ended March 31, 2026 compared to the same periods of 2025 was primarily due to a decrease in revenue from the Sarepta Collaboration Agreement, combined with higher commercial costs as well as research and development expenses, associated with the expansion of the Company's pipeline and progression through clinical trial phases.

LIQUIDITY AND CAPITAL RESOURCES

The Company's primary sources of financing have been through the sale of its equity securities, credit facility, revenue from its licensing and collaboration agreements, the sale of certain future royalties and issuance of convertible debt. Research and development activities have required significant capital investment since the Company's inception and are expected to continue to require significant cash expenditure as the Company's pipeline continues to expand and matures into later stage clinical trials, including commercialization efforts.

The Company's cash, cash equivalents and restricted cash was $188.5 million as of March 31, 2026 compared to $226.5 million as of September 30, 2025. Cash invested in available-for-sale securities was $1,595.6 million as of March 31, 2026 compared to $692.8 million as of September 30, 2025.

On November 25, 2024, the Company entered into a licensing and collaboration agreement with Sarepta. Upon closing, the Company received $325.0 million for the purchase of 11,926,301 shares of common stock, at a price per share of $27.25, and received $500.0 million as an upfront payment on February 24, 2025. During the fourth quarter of fiscal 2025, a $100.0 million milestone payment from Sarepta was triggered, when the Company reached the first of two prespecified enrollment targets and subsequent authorization to dose escalate in a Phase 1/2 clinical study of ARO-DM1, an investigational RNAi therapeutic for the treatment of type 1 myotonic dystrophy (DM1). The Company received $53.2 million of Arrowhead common stock and $50.0 million cash from Sarepta to satisfy the milestone payment. During the second quarter of fiscal 2026, the Company received $200.0 million of the second DM1 milestone payment and a $50.0 million payment for the first installment of the annual fee. The Company is eligible to receive the second installment of the annual fee of up to $50.0 million over the 12 months from March 31, 2026,

On August 29, 2025, the Company entered into a licensing and collaboration agreement with Novartis. Upon closing in October 2025, the Company received $200.0 million as an upfront payment.

On December 10, 2025, the Company entered into the Amended and Restated Sale Agreement with Jefferies LLC, acting as sales agent and/or principal, which amended and restated the Company's prior open market sale agreement in its entirety. Pursuant to the Amended and Restated Sale Agreement, the Company may, from time to time, sell shares of the Company's common stock through Jefferies LLC in an at-the-market offering, up to the maximum program amount permitted under the Company's effective shelf registration statement. As of March 31, 2026, the Company had sold approximately 689,000 shares of common stock under the Amended and Restated Sale Agreement, generating gross proceeds of $48.2 million and net proceeds of $46.8 million, after deducting commissions and offering costs.

On January 7, 2026, the Company entered into an underwriting agreement with Jefferies and J.P. Morgan for the 2026 Offering of: (i) 2,015,505 shares of common stock with $0.001 par value per share, at a public offering price of $64.50 per share, and (ii) pre-funded warrants to purchase 1,550,387 shares of common stock, at a public offering price of $64.499, which represents the per share public offering price for the common stock less the $0.001 per share exercise price for each pre-funded warrant. The 2026 Offering closed on January 9, 2026, generating gross proceeds of $230 million and net proceeds of $216.6 million after deducting the underwriting discounts and commissions and other offering expenses.

On January 7, 2026, the Company issued $700.0 million aggregate principal amount of 0.00% Notes due January 15, 2032. This transaction closed on January 12, 2026, generating gross proceeds of $700.0 million and net proceeds of $681.9 million.

During the first quarter of fiscal 2026, Visirna declared a cash dividend of $100.0 million to its shareholders. In March 2026, Visirna paid cash dividends totaling $94.8 million, consisting of $56.4 million paid to the Company and $38.4 million paid to the Company's noncontrolling shareholders.

Based upon the Company's current cash and investment resources and operating plan, the Company expects to have sufficient liquidity to fund its operations through at least the next twelve months from the date of the issuance of these

unaudited consolidated financial statements.

The following table presents a summary of cash flows:

	Six Months Ended March 31,	
	2026	2025
	(in thousands)	
Cash Flow from:		
Operating activities	$ 97,923	$ 313,781
Investing activities	(918,024)	(343,303)
Financing activities	780,967	113,016
Net decrease (increase) in cash, cash equivalents and restricted cash	$ (39,134)	$ 83,494
Cash, cash equivalents and restricted cash at end of period	$ 188,517	$ 185,709

During the six months ended March 31, 2026, cash flow provided by operating activities was $97.9 million, which was primarily due to $200.0 million of cash received as part of the Novartis agreement, $200.0 million of the second DM1 milestone payment and a $50.0 million payment for the first installment of the annual fee received as part of the Sarepta agreement, partially offset by increase in ongoing expenses related to the Company's research and development programs and selling, general and administrative expenses. Cash used in investing activities amounted to $918.0 million, which was primarily attributable to investment purchases of $1,061.6 million, and capital expenditures of $4.7 million, partially offset by proceeds from maturities of investments of $124.5 million and proceeds from sales of investments of $23.7 million. Cash provided by financing activities of $781.0 million was primarily due to $681.3 million net proceeds from the issuance of convertible note, $116.6 million in net proceeds from a follow-on common stock offering, $46.8 million in net proceeds from the issuance of common stock under the Company's at-the-market equity offering program, $100.0 million proceeds from issuance of pre-funded warrants and $10.1 million proceeds from the exercise of stock options, partially offset by partial repayment of the credit facility of $84.5 million, purchase of the Capped Calls of $47.9 million, and dividends paid to noncontrolling shareholders of $41.5 million (See Note 6 — Stockholders' Equity of Notes to Consolidated Financial Statements of Part I, "Item 1. Financial Statements").

During the six months ended March 31, 2025, cash flow provided by operating activities was $313.8 million, which was primarily due to $500.0 million of cash received as part of the Sarepta agreement, partially offset by ongoing expenses related to the Company's research and development programs and selling, general and administrative expenses. Cash used in investing activities was $343.3 million, which was primarily attributable to capital expenditures of $12.8 million and investment purchases of $677.9 million, partially offset by proceeds from sales and maturities of investments of $347.4 million. Cash provided by financing activities of $113.0 million was primarily related to cash received from the issuance of common stock as well as stock option exercises.

Contractual Obligations

The Company entered into a global licensing and collaboration agreement with Novartis on August 29, 2025, which closed on October 17, 2025 (see Note 2). There has been no other material change in the Company's contractual obligations from that described in Item 7 of its Annual Report on Form 10-K for the fiscal year ended September 30, 2025.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There has been no material change in the Company's exposure to market risk from that described in Item 7A of its Annual Report on Form 10-K for the fiscal year ended September 30, 2025.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures designed to ensure that information required to be disclosed in its reports filed under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC rules and forms, and that such information is accumulated and communicated to its management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow for timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management necessarily was required to apply its judgment in

evaluating the cost benefit relationship of possible controls and procedures.

As required by Rule 13a-15(b) of the Exchange Act, the Company carried out an evaluation, under the supervision and with the participation of its management, including its Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures as of the end of the quarter covered by this Quarterly Report on Form 10-Q. Based on the foregoing, the Company's Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control Over Financial Reporting

There has been no change in the Company's internal control over financial reporting during the Company's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting. The Company regularly evaluates its controls and procedures and makes improvements in the design and effectiveness of established controls and procedures and the remediation of any deficiencies which may be identified during this process.

PART II—OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, the Company may be involved in routine legal proceedings, as well as demands, claims and threatened litigation, which arise in the normal course of its business. Litigation can be expensive and disruptive to normal business operations. Moreover, the results of legal proceedings, particularly complex legal proceedings, cannot be predicted with any certainty.

Except as described in Note 7 - Commitments and Contingencies, there have been no other material developments in the legal proceedings that the Company disclosed in Part I, Item 3 of its Annual Report on Form 10-K for the year ended September 30, 2025.

ITEM 1A. RISK FACTORS

The Company's business, results of operations and financial conditions are subject to various risks. These risks are described elsewhere in this Quarterly Report on Form 10-Q and in the Company's other filings with the SEC, including the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2025. There have been no material changes from the risk factors identified in the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2025.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

ITEM 5. OTHER INFORMATION

(c) Trading Plans

During the quarter ended March 31, 2026, the following directors and officers (as defined in Exchange Act Rule 16a-1(f)) adopted certain trading plans intended to satisfy Rule 10b5-1(c):

Name	Title	Adoption or Termination Date	Plan End Date	Shares Vesting and Subject to Sell-To-Cover [1]	Other Shares Being Sold (Subject to Certain Conditions)
Victoria Vakiener	Board Member	01/12/2026	12/31/2026		4,300
Adeoye Olukotun	Board Member	01/14/2026	12/31/2026		7,819
Hongbo Lu	Board Member	01/14/2026	12/31/2026		7,449
William Waddill	Board Member	02/25/2026	12/31/2026		3,910
Daniel Apel	Chief Financial Officer	03/29/2026	04/27/2027	43,750	

(1) This column indicates the total number of shares vesting, but the 10b5-1 Plan provides for the sale of only those shares necessary to satisfy payment of applicable withholding taxes.

ITEM 6. EXHIBITS

Exhibit Number	Document Description
3.1	Amended and Restated Certificate of Incorporation (incorporated by reference from Exhibit 3.3 of the Company's Form 8-K filed on April 6, 2016)
3.2	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Arrowhead Pharmaceuticals, Inc. (incorporated by reference from Exhibit 3.2 of the Company's Form 10-Q filed on May 2, 2023)
3.3	Second Amended and Restated Bylaws of Arrowhead Pharmaceuticals, Inc., as amended January 24, 2023 (incorporated by reference from Exhibit 3.3 of the Company's Form 10-Q filed on February 5, 2026)
4.1.	Form of Pre-Funded Warrant (incorporated by reference from Exhibit 4.1 of the Company's Form 8-K filed on January 9, 2026)
4.2	Indenture, dated as of January 12, 2026, between Arrowhead Pharmaceuticals, Inc. and U.S. Bank Trust Company, National Association, as trustee (incorporated by reference from Exhibit 4.1 of the Company's Form 8-K filed on January 12, 2026)
4.3	First Supplemental Indenture, dated as of January 12, 2026, between Arrowhead Pharmaceuticals, Inc. and U.S. Bank Trust Company, National Association, as trustee (incorporated by reference from Exhibit 4.2 of the Company's Form 8-K filed on January 12, 2026)
4.4	Form of certificate representing the 0.00% Convertible Senior Notes due 2032 (incorporated by reference from Exhibit 4.3 of the Company's Form 8-K filed on January 12, 2026)
10.1*#	Arrowhead Pharmaceuticals, Inc. Amended and Restated 2021 Incentive Plan
10.2*#	Arrowhead Pharmaceuticals, Inc. Amended and Restated Inducement Plan
31.1*	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1**	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2**	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS*	Inline XBRL Instance Document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
104*	The cover page from this Quarterly Report on Form 10-Q, formatted in Inline XBRL (included as Exhibit 101)

* Filed herewith.
** Furnished herewith.
# Indicates compensation plan, contract or arrangement.
† Certain portions of this exhibit were redacted by means of marking such portions with asterisks because the identified portions are (i) not material and (ii) treated as private or confidential by the Company.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Quarterly Report on Form 10-Q to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: May 7, 2026

ARROWHEAD PHARMACEUTICALS, INC.

By: /s/ Daniel Apel

Daniel Apel
Chief Financial Officer
(Principal Financial Officer and Duly Authorized Officer)

This document constitutes part of a prospectus covering securities that have been registered under the Securities Act of 1933.

ARROWHEAD PHARMACEUTICALS, INC.

COMMON STOCK OFFERED PURSUANT TO

AMENDED AND RESTATED 2021 INCENTIVE PLAN

This Prospectus relates to shares of common stock of Arrowhead Pharmaceuticals, Inc. (the "Company") that the Company may issue to employees and directors and to certain other individuals under its Amended and Restated 2021 Incentive Plan. In this Prospectus we use the term "Plan" to refer to the Amended and Restated 2021 Incentive Plan as from to time amended and in effect and the term "stock" to refer to our common stock, which is listed on The Nasdaq Global Market under the symbol "ARWR." We may from time to time update the information contained in this prospectus by preparing a supplement to the prospectus or by including updating information in reports we file with the Securities and Exchange Commission.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

THIS PROSPECTUS SHOULD BE RETAINED FOR FUTURE REFERENCE.

The date of this Prospectus is May 07, 2026.

SUMMARY DESCRIPTION OF THE AMENDED AND RESTATED 2021 INCENTIVE PLAN

The Plan has been established to advance the interests of the Company by providing for the grant to Participants of stock-based and other incentive awards. The maximum number of shares that may be delivered under the Plan is 18,500,000 shares, reduced by any shares of common stock subject to awards made under the Company's 2013 Incentive Plan (the "Prior Plan") after January 1, 2021. Shares of common stock subject to outstanding awards under the Prior Plan as of January 1, 2021 that, after January 1, 2021, are canceled, expired, forfeited or otherwise not issued under such award (other than as a result of being tendered or withheld to pay the exercise price or withholding taxes in connection with any such awards) or settled in cash will be added to the shares of common stock issuable under the Plan. This number is subject to adjustment for stock splits and similar events as described below. Shares of stock delivered under the Plan may be authorized but unissued stock or previously issued stock acquired by the Company.

The Plan is not required to be qualified under Section 401(a) of the Internal Revenue Code, nor is it subject to the provisions of the Employee Retirement Income Security Act of 1974.

The following is a brief description of the Plan. It may not contain all of the information that is important to a participant. We urge participants to read the Plan, a copy of which has been made available to each participant receiving an award under the Plan. In the event of any discrepancy between the terms of this description or any other document provided to a participant and the terms of the Plan, the Plan will control. If you would like additional information about the Plan, the specific terms and conditions of any award that you may have received or the Plan's administrator, contact:

Patrick O'Brien, Secretary
626-304-3400
pobrien@arrowheadpharma.com
177 E. Colorado Blvd., Suite 700
Pasadena, CA 91105

As you know, no one can predict the future value of any stock, and investment in a single security is inherently subject to greater risk than diversified investments. You should carefully and periodically evaluate your investments in common stock to make sure that the amount of your investment is appropriate for your individual financial situation.

How is the Plan administered?

The Plan is administered by the compensation committee of the board of directors, which may delegate its authority to others in certain circumstances. The composition of the compensation committee and the relationships between its respective members and the Company are discussed in the Company's most recent Proxy Statement on Schedule 14A on file with the Securities and Exchange Commission. This summary uses the term "Administrator" to describe the persons (the compensation committee or its delegates) charged with administering the Plan. The Administrator has discretionary authority, subject only to the express provisions of the Plan, to interpret the Plan; determine eligibility for and grant awards; determine, modify or waive the terms and conditions of any award; prescribe forms, rules and procedures relating to the Plan; and otherwise do all things necessary to carry out the purposes of the Plan. Determinations of the Administrator made under the Plan will be conclusive and will bind all parties.

Who is eligible to participate in the Plan?

Participation is limited to key employees and directors of, and consultants and advisors to, the Company or its affiliates who are selected by the Administrator to receive an award under the Plan. For ease of reference, the term "Employer" is used in this summary to describe the Company and its affiliates. Eligibility for "incentive stock options" or ISOs is limited to employees of the Company and its subsidiary corporations.

What is the term of the Plan?

On January 26, 2021, the Board adopted the Arrowhead Pharmaceuticals, Inc. 2021 Incentive Plan (the "2021 Incentive Plan"), which became effective on March 18, 2021 and the amendment and restatement of the 2021 Incentive Plan was adopted by the board of directors on January 21, 2026 and approved by the Company's stockholders on March 19, 2026 (the "Amended and Restated 2021 Incentive Plan" or the "Plan"). No awards may be made after ten (10) years from the date the Plan, as most recently amended and restated, was adopted by the board of directors, but previously granted awards may continue beyond that date in accordance with their terms.

What types of awards may be offered under the Plan?

The Administrator has the power under the Plan to grant a variety of types of awards. This summary describes the most common types of award: stock options, stock appreciation rights, restricted and unrestricted stock, restricted stock units, and stock-based performance awards.

Stock Options and Stock Appreciation Rights

How do stock options work?

Stock options give a participant the right to purchase shares of stock within a specified period of time at an exercise price determined by the Administrator. The Administrator may

require that a participant satisfy time- and/or performance-based vesting requirements before being able to exercise the stock option. Two types of stock options may be awarded under the Plan: ISOs and non-ISOs. ISOs are subject to special tax rules as described below.

When may I exercise a stock option?

A participant's stock option award will specify when the award may be exercised, including the maximum term of the option. Once a stock option becomes exercisable, it may cease to be exercisable prior to its scheduled termination date. For example, a termination of employment may result in early termination of the award, as may certain Covered Transactions involving the Company (as described below). Generally, stock option awards expire three (3) months after termination of employment or service to the Company.

How do I exercise a stock option?

Unless the Administrator expressly provides otherwise, stock options will not be deemed to have been exercised until the Administrator receives a notice of exercise (in a form acceptable to the Administrator) accompanied by payment in cash or by check. A participant may also pay the exercise price for the option through other means acceptable to the Administrator. If the Administrator permits any other means of paying the exercise price of an option, it will specify those other means in the award or will otherwise notify the participant.

How do Stock Appreciation Rights ("SARs") work?

A SAR entitles a participant to receive stock or cash equal in value to the excess of the fair market value of the shares of stock subject to the SAR on the date of exercise over the fair market value of those shares on the date of grant. The Administrator may require that a participant satisfies time- and/or performance-based vesting requirements before being able to exercise the SAR.

Whether a SAR is settled in shares of stock or in cash (or a combination) will be determined by the terms of the award. In the case of stock-settled SARs, cash will be paid in lieu of any fractional shares.

Other Stock Awards

Restricted and Unrestricted Stock

What is a "restricted stock" award?

The term "restricted stock" refers to stock that is awarded in connection with services and that, while it is restricted, may not be transferred or pledged and may be required to be forfeited to the Company or sold back to the Company for less than fair market value if specified conditions are not satisfied (for example, time- or performance-based vesting requirements). A

participant who is awarded restricted stock may be required to pay a purchase price for the shares or may be awarded the shares free of charge.

When does restricted stock vest?

The date or dates on which or the circumstances in which the award vests, that is, becomes free of forfeiture restrictions, will be determined by the Administrator and will be specified in the award unless the Administrator accelerates vesting.

Do special tax election rules apply to restricted stock?

Yes. A participant who acquires restricted stock must *promptly* decide whether to make a so-called "83(b) election" for U.S. federal income tax purposes. The advisability of making an 83(b) election or not will depend on a number of factors that the participant should consider carefully in consultation with a tax advisor. Please note that the election – if made at all – must be made not later than thirty (30) days after the acquisition of the shares. For more information concerning the 83(b) election and other tax consequences, see below (under *"***DESCRIPTION OF CERTAIN MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES**").

What is an "unrestricted stock" award?

The term "unrestricted stock" as used in the Plan refers to stock that is awarded for past services or other lawful consideration. Unrestricted stock is not subject to Plan-based vesting conditions or forfeiture.

Restricted Stock Units

What is a restricted stock unit ("RSU")?

An RSU is a conditional promise to deliver shares of stock or a cash amount of equivalent value in the future. Vesting and delivery of stock or cash in lieu of stock are subject to the satisfaction of conditions (for example, time- or performance-based vesting requirements) specified in the award.

How do RSUs differ from restricted stock awards?

A participant receiving a restricted stock award becomes the owner of the shares at time of grant, even though the shares may be required to be forfeited if the vesting conditions are not satisfied. An RSU merely entitles the holder to receive shares of stock in the future if the award vests. It is not possible to make an "83(b) election" (described above in the summary description of restricted stock) with respect to the grant of an RSU.

What is the vesting period for RSUs and when will I receive shares of stock or cash?

The date or dates on which the right to receive payment under an RSU vests and, if different, the date or dates on which the shares or cash become deliverable will be determined by the Administrator and will be specified in the award. An RSU may specify payment in stock or in cash (or a combination) or may reserve to the Administrator the discretion to determine the form of payment.

Performance Awards

What is a performance award?

The term "performance award" is used in the Plan to describe any award that is subject to the satisfaction of specified performance criteria in addition to other conditions that may be imposed by the Administrator. For example, the term "performance award" would apply to an award under which a participant earns the right to stock only if specified earnings targets are met.

What performance criteria apply to performance awards?

The performance criteria used in connection with a particular performance award will be determined by the Administrator and specified in the award.

Who decides whether performance targets or goals have been met?

The Administrator determines whether the performance targets or goals that have been specified for a particular award have been satisfied.

Additional Information Applicable to All Awards

Are there minimum vesting or holding requirements with respect to my awards?

Yes. No award may be granted with terms providing for any right of vesting, exercise or lapse of vesting requirements earlier than a date that is at least one (1) year following the date of grant (or, in the case of a performance award, earlier than the one (1) year anniversary of the commencement of the performance period). Notwithstanding the foregoing, (i) the Administrator may grant up to a maximum of 5% of the aggregate number of shares available for issuance under the Plan without such a minimum vesting period, (ii) awards granted to non-employee directors may vest earlier than one (1) year from the date of grant so long as such awards do not vest earlier than the date of the next annual meeting of stockholders following the grant date, provided that such annual meeting is at least fifty (50) weeks after the preceding year's annual meeting, and (iii) in connection with a merger or other acquisition, the Administrator may grant awards as a substitute or replacement award for awards held by grantees of the acquired business without such minimum vesting period.

In addition, all awards granted under the Plan to the Company's Chief Executive Officer will be subject to a twelve (12)-month holding period requirement pursuant to which the Chief

Executive Officer may not transfer or dispose of any shares received upon exercise or settlement of an award (net of tax withholding) for a period of twelve (12) months following the date of such exercise or settlement.

Are there any restrictions on the transfer of my awards?

Yes. Except for transfers at death, participants may not transfer awards unless expressly authorized by the Administrator. ISOs are always nontransferable except at death.

Does the Plan impose other conditions on the delivery of stock?

The Company is not obligated to deliver any shares of stock under the Plan or to remove restrictions from shares previously delivered until it is satisfied that all legal matters in connection with the issuance, delivery and/or listing of such shares, including stock exchange or national market system listing requirements, have been addressed and resolved and that all applicable conditions have been satisfied or waived. For any shares of stock that are certificated, the Company may require an appropriate legend reflecting any applicable restrictions on transfer and may hold the certificates pending lapse of any applicable restrictions.

Do I have the rights of a shareholder with respect to stock subject to a Plan award?

A participant will have the rights of a shareholder – including the right to dividends and the right to vote – only as to stock that is actually transferred to the participant under an award. For example, a participant who is granted a stock option under the Plan will be able to vote the shares subject to the option only after purchasing them by exercising the option.

What happens if my employment or other service relationship with the Employer terminates?

As a general rule and unless the Administrator expressly provides otherwise, when a participant's employment or other service relationship ceases, outstanding vested stock options remain exercisable for three (3) months and unvested stock options and other awards are forfeited. However, any vested options outstanding at a participant's death will remain exercisable for one (1) year. Termination for cause (including termination in circumstances where cause exists) can result in immediate termination of all awards. The Administrator retains the discretion to accelerate vesting or exercisability at any time.

What if there is a stock split or similar change affecting the Stock?

In the event of a stock dividend, stock split or combination of shares (including a reverse stock split), recapitalization or other change in the Company's capital structure that constitutes an equity restructuring within the meaning of FASB ASC 718, the Administrator will make appropriate adjustments to the maximum number of shares that may be delivered under the Plan and will also make appropriate adjustments to the number and kind of shares of stock or securities subject to awards then outstanding or subsequently granted, any exercise prices

relating to awards and any other provision of Awards affected by such change. The Administrator may also make adjustments in certain other circumstances if it determines that the adjustments are appropriate to avoid distortion in the operation of the Plan or to comply with certain tax rules.

What happens to outstanding awards if the Company is involved in a merger or similar corporate transaction?

Unless otherwise expressly provided for in the award agreement, in the event of a consolidation, merger or similar transaction, a sale or transfer of all or substantially all of the Company's assets or a dissolution or liquidation of the Company, the Administrator may, among other things, provide for the continuation or assumption of outstanding awards, for new grants in substitution of outstanding awards, for the accelerated vesting or delivery of shares under awards or for a cash-out of outstanding awards, in each case on such terms and with such restrictions as it deems appropriate. Unless otherwise expressly provided for in the award agreement or another contract, including an employment or severance agreement or severance plan, or under the terms of a transaction constituting a Change in Control (as defined in the Plan), in the event of a Change in Control, each outstanding award will fully vest and become exercisable, including to the maximal value of performance awards. Except as the Administrator may otherwise determine, awards not assumed or exercised will terminate in connection with such corporate transaction.

Does the receipt of an award give me any rights to continued employment or service with the Employer?

No. Neither the adoption of the Plan nor the grant of awards will confer on a participant any right to continued employment or service with the Employer. Moreover, the loss of existing or potential profit in awards in such circumstances will not constitute an element of damages.

May the Plan be amended or terminated?

Yes. The Administrator may amend the Plan or an outstanding award at any time, although stockholder approval of an amendment will be required to the extent such approval is required by applicable law, including the Internal Revenue Code. However, the terms of an award may not be altered in a way that materially and adversely affects a participant's rights under the award without the participant's consent unless the Administrator reserved the right to do so at time of grant or unless the Administrator determines in its sole discretion and prior to the date of any Covered Transaction (as defined in the Plan) that such amendment or alteration either (i) is required or advisable to satisfy any law or regulation or meet the requirements of or avoid adverse financial accounting consequences or (ii) is not reasonably likely to significantly diminish the benefits provided under such award, or that any such diminishment has been adequately compensated.

General Information Regarding Participation in the Plan

Are There Restrictions on the Resale of the Shares of Common Stock I Purchase?

The Administrator may provide that the shares of common stock issued upon exercise of a stock option or SAR or otherwise subject to or issued under an award will be subject to such further agreements, restrictions, conditions or limitations as the Administrator in its discretion may specify prior to the exercise of such stock option or SAR or the grant, vesting or settlement of such award, including without limitation: (i) restrictions under an insider trading policy or pursuant to applicable law; (ii) restrictions designed to delay and/or coordinate the timing and manner of sales by the participant and holders of other Company equity compensation arrangements; (iii) restrictions as to the use of a specified brokerage firm for such resales or other transfers; and (iv) provisions requiring shares of common stock to be sold on the open market or to the Company in order to satisfy tax withholding or other obligations.

For ISOs, you will receive favorable federal income tax treatment only, in addition to other requirements, if you hold the shares of common stock you purchase for at least two (2) years from the date of grant and one (1) year from the date of exercise. See "DESCRIPTION OF CERTAIN MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES" below for additional information.

It is against the law for you to buy or sell common stock when you are aware of material nonpublic information. Federal laws and our policies prohibit directors, officers, employees and consultants from trading on the basis of information that has not been disclosed to the public when buying or selling stock. This includes any "material information" that may affect the price of our common stock. This restriction also applies to members of your household and others who may receive the information from you. Please refer to our policy regarding insider trading for your questions about our policies. You may be subject to further trading restrictions in order to prevent the appearance of insider trading.

What if I am Currently Considered an Insider or Affiliate for Federal Securities Law Purposes?

If you are an "affiliate" of ours (generally, the executive officers named in our annual report and in subsequent filings with the Securities and Exchange Commission and the members of the Board of Directors), you will generally have to sell your shares of common stock pursuant to Rule 144 under the Securities Act of 1933, as amended (the "Securities Act"). Rule 144 limits the amount of our common stock that may be sold in any three (3) month period by an affiliate to no more than the greater of (i) 1% of the outstanding shares of common stock and (ii) 1% of the average weekly reported volume of trading in common stock on any exchange on which common stock is traded during the four calendar weeks preceding the sale. If you are an affiliate, you may not use this prospectus to reoffer or resell shares of common stock you obtained under the Plan.

If you are an "insider" subject to Section 16 of the Securities Exchange Act of 1934 (the "Exchange Act") (generally the same persons as those defined as "affiliates" for Rule 144 purposes), your acquisitions of common stock under the Plan generally should not be considered matchable "purchases" for purposes of Section 16(b) short-swing liability. You should note, however, that the sale of shares of common stock received under the Plan will generally not be

exempt from Section 16(b) and may be matched with certain purchases outside the Plan within a six (6) month period before or after the sale. Acquisitions and sales under the Plan by insiders are also subject to reporting under Section 16(a). The Company advises officers, directors and 10% stockholders to consult their counsel with respect to the effect of Section 16 upon their participation in the Plan. Special restrictions may apply to the ability of insiders to exercise stock options through a broker-assisted cashless exercise.

DESCRIPTION OF CERTAIN MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

The following tax discussion is a brief summary of current U.S. federal income tax law applicable to stock-based awards as of the date of this prospectus. This summary does not address all of the U.S. federal tax consequences that may be relevant to a participant. In addition, it does not address the tax consequences to any participant under any, state, local or foreign tax laws. The tax consequences of participating in the Plan will vary depending on the type of award or awards a participant receives. Each participant is encouraged to consult his or her personal tax advisor for any additional details that may be relevant to his or her personal circumstances and to determine how participation in the Plan affects his or her personal tax situation.

Stock Options

In general, the grant of a stock option does not itself result in taxable income. Taxable income also does not result merely because a stock option becomes exercisable. However, a participant may have taxable income upon exercising a stock option and may have further tax consequences when disposing of the stock purchased upon exercise.

Non-ISOs

A participant exercising a non-ISO realizes ordinary income equal to the excess of the value of the stock purchased over the exercise price. This excess is sometimes referred to as the "option spread."

Any subsequent sale of shares purchased upon exercise of a non-ISO may result in a capital gain or loss. A participant who sells stock at a loss is generally entitled to claim a loss for tax purposes, although the tax rules do not allow a loss on so-called wash sales and sales to certain related parties – for example, a family member. The amount of gain or loss recognized on any sale will depend on the participant's tax basis in the stock. Where the stock option exercise price is paid entirely in cash, including cash generated through a broker-assisted market sale, the participant's tax basis includes the amount of cash paid plus any additional ordinary income realized upon exercise of the stock option.

ISOs

Different rules apply to ISOs. A participant does not realize ordinary income upon exercise of an ISO. However, exercise of an ISO increases the participant's alternative minimum taxable income by an amount equal to the option spread. This increase may give rise to an alternative minimum tax liability. Whether exercise of an ISO gives rise to an alternative minimum tax liability will turn on a number of factors, including the size of the option spread relative to the participant's overall income. The rules for determining alternative minimum tax liability require the participant to compute alternative minimum taxable income in excess of certain exemption amounts and then apply the applicable alternative minimum tax rate. If the

resulting tax amount is greater than the tax computed under the ordinary method, the participant owes the alternative minimum tax. A participant who is required to pay the alternative minimum tax by reason of exercising an ISO may be able to credit a portion of the alternative minimum tax against regular tax liability in subsequent years.

Shares purchased upon exercise of an ISO are subject to special holding period rules. If a participant holds shares received upon exercise of an ISO ("ISO shares") for at least two (2) years from the date the stock option was granted to and at least one (1) year after exercise, any gain or loss that is recognized for tax purposes upon a subsequent sale of the ISO shares will be treated as a long-term capital gain or loss. However, a disposition of ISO shares within either of these special holding periods, a so-called "disqualifying disposition," will have the following consequences:

- The disqualifying disposition will produce ordinary income. The general rule is that a participant must include as ordinary income, in the year of the disposition, an amount equal to the option spread at the time of exercise. A special rule limits a participant's ordinary income to the gain, if any, on sale where the shares are sold for less than what they were worth at the time of exercise. This special rule does not apply where the sale is to a related party and in certain other circumstances, nor does it apply where the participant disposes of the shares other than by sale, for example, by gifting them to charity. Any additional gain recognized in a sale will be treated as long-term capital gain if the participant has held the ISO shares for more than one (1) year; otherwise it will be treated as short-term capital gain that is taxable at rates applicable to ordinary income.

- A disqualifying disposition of shares received upon exercise of an ISO that takes place in the same year as the increase in alternative minimum taxable income attributable to the ISO exercise has the effect of eliminating the alternative minimum taxable income attributable to the exercise.

Except for alternative minimum tax purposes, a participant's "tax basis" in ISO shares, used in measuring any capital gain or loss upon a sale or exchange, will include any ordinary income realized by reason of a disqualifying disposition.

The rules described above for ISOs assume that a participant exercises the ISO while an employee of the Company or within three (3) months following termination of employment (one (1) year following termination, if termination occurred by reason of total and permanent disability), even if the participant continues in service in a non-employee capacity. If a participant exercises an ISO after the expiration of these periods, the stock option will be treated for tax purposes as a non-ISO. ISOs granted to a participant under plans of the Company are also treated as non-ISOs for tax purposes to the extent that, in the aggregate, they first become exercisable in any calendar year for shares of stock having a fair market value, determined at time of grant, in excess of $100,000.

SARs

The grant of SARs will not result in taxable income to a participant. Upon the exercise of a SAR, a participant will recognize ordinary income in an amount that equals the fair market value of any shares of stock (or cash, in the case of cash-settled SARs) the participant receives. Upon a taxable sale or exchange of any stock received on exercise, any recognized gain or loss will be treated as a capital gain or loss, either short-term or long-term depending on how long the participant has held the shares following exercise.

Restricted Stock

A participant who is awarded or purchases shares of restricted stock normally does not realize income until the restriction (the risk of forfeiture) lapses. When the risk of forfeiture lapses, the participant will have ordinary income equal to the excess of the fair market value of the shares at that time over the purchase price, if any.

A participant may make a special election under Section 83(b) of the Internal Revenue Code to be taxed on restricted stock at the time it is acquired rather than later, when the substantial risk of forfeiture lapses. The so-called "83(b) election" must be made not later than thirty (30) days after the transfer of the shares to the participant and must satisfy certain other requirements. A participant who makes an effective 83(b) election will realize ordinary income equal to the fair market value of the shares as of the time of acquisition, less any price paid for the shares. Fair market value for this purpose is to be determined without regard to the forfeiture restrictions. If a participant makes an effective 83(b) election, no additional income will result by reason of the lapsing of the restrictions.

For purposes of determining capital gain or loss on a sale of stock awarded to a participant, the participant's holding period in the shares begins when he or she realizes taxable income with respect to the transfer. The participant's tax basis in the shares equals the amount paid for the shares (if anything) plus any income realized with respect to the transfer. However, if a participant makes an effective 83(b) election in connection with an award or purchase of stock subject to a substantial risk of forfeiture and later forfeits the shares, any tax loss realized as a result of the forfeiture is limited to the excess of what the participant paid for the shares (if anything) over the amount (if any) reimbursed in connection with the forfeiture.

Unrestricted Stock

If a participant is awarded or purchases shares of unrestricted stock, the participant will have ordinary income equal to the excess of the fair market value of the shares over the purchase price, if any, at the time the participant acquires the shares. For purposes of determining capital gain or loss on a sale of the stock, the participant's holding period in the shares begins at the time the participant acquires the shares. A participant's tax basis in the shares equals the amount paid for the shares (if anything) plus any income realized with respect to the transfer.

Restricted Stock Units

A promise by the Company to transfer shares of stock to a participant in the future does not itself result in taxable income to the participant. When the shares are finally delivered, the participant will realize ordinary income equal to the value of the shares at that time unless the shares are restricted for tax purposes. If the shares themselves are restricted for tax purposes, the participant will instead be subject at that time to the rules described above for restricted stock.

Performance-Based Awards

No special tax consequences to a participant follow from the use of performance criteria. Where stock is transferred upon the satisfaction of specified performance goals, the participant will realize ordinary income equal to the value of the shares at that time unless the stock is restricted stock. If the shares delivered to a participant are shares of restricted stock, or if restrictions on previously awarded shares of restricted stock are lifted in connection with the satisfaction of performance criteria, the rules described above for restricted stock will apply.

Withholding

Under the Plan, the Administrator will prescribe such rules for the withholding of taxes as it deems necessary. The Administrator may, but need not, hold back shares of stock from an award or permit a participant to tender previously owned shares of stock in satisfaction of tax withholding requirements (only up to the amount permitted that will not cause an adverse accounting consequence or cost). If an award is made to a participant in connection with employment, any ordinary compensation income resulting from transfers of cash or stock under the award will generally be subject to tax withholding. However, the ordinary income associated with a disqualifying disposition of ISO shares is not subject to withholding.

Company Deductions

In general, a deduction will be available to the Company for any ordinary compensation income realized by a participant under an award. The deduction will be available in the same year as the year in which the participant realizes the income for income tax purposes.

In general, the Company is not entitled to a deduction for any dividends paid to its stockholders. However, if stock has been transferred under the Plan subject to a substantial risk of forfeiture, and if no effective 83(b) election has been made, dividends on the stock would be treated as deductible compensation until such time as the substantial risk of forfeiture lapses.

Section 409A of the Internal Revenue Code

Section 409A of the Internal Revenue Code applies to nonqualified deferred compensation plans, which could include awards under the Plan. Where it applies, Section 409A requires compliance with detailed payment-timing and deferral-election rules, among others, and in cases of noncompliance can result in acceleration of taxable income plus an additional 20% federal income tax (plus, in some cases, a further tax in the nature of interest). Awards under the Plan are intended either to comply with, or be exempt from, the requirements of Section 409A. However, none of the Employer, the Administrator or any person acting on behalf of their behalf

will be liable to any person for any adverse tax consequences resulting from an award's failure to comply with Section 409A.

162(m) Issues

Under Section 162(m) of the Internal Revenue Code, remuneration in excess of $1 million may be nondeductible if paid to any "covered employee" of a publicly held corporation (generally the corporation's chief executive officer, chief financial officer and its next three (3) most highly compensated executive officers for a given year; beginning with the 2028 calendar year, "covered employees" will also include the Company's next five most highly compensated employees in the previous calendar year, even if the employee is not an executive officer of the Company).

Parachute Payments

The Internal Revenue Code also imposes an additional 20% tax on, and denies a deduction for, certain payments in the nature of compensation that are made in connection with a change in control ("change in control payments"). These tax consequences, where applicable, apply to change in control payments that exceed an individual's "base amount" – generally, the average annual taxable compensation of the individual determined over the preceding five (5) years. They do not apply where an individual's total change in control payments are less than three (3) times his or her base amount. The grant or vesting of awards under the Plan, to the extent contingent, or presumed under applicable Internal Revenue Code rules to be contingent, upon a change in control of the Company, may be required to be taken into account as change in control payments, whether or not they result in currently taxable income.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

We will file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission (the "SEC"). Our SEC filings are available to the public from the SEC's electronic data system called "EDGAR" at www.sec.gov.

The Company hereby "incorporates by reference" into this prospectus the documents incorporated by reference into the Company's Registration Statement on Form S-8 of which this prospectus forms a part (the "S-8 Registration Statement") which means that the Company is disclosing important information to you by referring you to those documents. The information that the Company files later with the Commission will be deemed to automatically update and supersede this information. Specifically, the S-8 Registration Statement and this prospectus incorporate by reference the following documents:

- The Company's latest annual report filed pursuant to Section 13(a) or 15(d) of the Exchange Act, or the latest prospectus filed pursuant to Rule 424(b) under the Securities Act, that contains audited financial statements for the Company's latest fiscal year for which such statements have been filed;
- All other reports filed pursuant to Section 13(a) or 15(d) of the Exchange Act since the end of the fiscal year covered by the annual report or prospectus referred to above; and
- The description of the Company's stock contained in its annual report on Form 10-K filed on November 25, 2019, including any amendments or reports filed for the purpose of updating such description.

In addition, all documents filed by us under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 after the date of this Prospectus and prior to the end of this offering are deemed incorporated in this Prospectus from the date of their filing.

Participants may obtain, without charge, copies of documents incorporated by reference in this document by requesting them in writing or by telephone from:

Patrick O'Brien, Secretary
626-304-3400
pobrien@arrowheadpharma.com
177 E. Colorado Blvd., Suite 700
Pasadena, CA 91105

At the time you are first provided this prospectus, you are to be provided access to an electronic copy of the Company's most recent annual report to stockholders or another document that contains the Company's most recent audited financial statements for the Company's last fiscal year. Subsequently, the Company will provide you access to electronic copies of any such reports, proxy statements and other materials distributed to our stockholders generally. If you have not received or do not receive these documents or wish to obtain paper copies of them, please notify the Company (attention Patrick O'Brien) at the address above and copies will be provided to you free of charge.

* * *

No person has been authorized to give any information or to make any representations other than those contained or incorporated by reference in this Prospectus in connection with the offer contained in this Prospectus, and, if given or made, such information or representations must not be relied upon as having been authorized by the Company. This Prospectus relates solely to the obligations issuable under the Plan, and it may not be used or relied on in connection with any other offer or sale of securities of the Company. Neither the delivery of this Prospectus nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date hereof. This Prospectus does not constitute an offer or solicitation in any state in which, or to any person to whom, it is unlawful to make such offer or solicitation.

ARROWHEAD PHARMACEUTICALS, INC.
AMENDED AND RESTATED INDUCEMENT PLAN

1. DEFINED TERMS

Exhibit A, which is incorporated by reference, defines the terms used in the Plan and sets forth certain operational rules related to those terms.

2. PURPOSE

The Plan has been established to advance the interests of the Company by providing for the grant to Participants of Stock-based and other incentive Awards. Each Award granted under the Plan is intended to qualify as an employment inducement award pursuant to Nasdaq Listing Rule 5635(c)(4), and shall be interpreted and administered accordingly.

3. ADMINISTRATION

The Administrator has discretionary authority, subject only to the express provisions of the Plan, to interpret the Plan; determine eligibility for and grant Awards; determine, modify or waive the terms and conditions of any Award; prescribe forms, rules and procedures relating to the Plan; determine whether Awards should be settled in cash and/or shares of Stock; and otherwise do all things necessary or appropriate to carry out the purposes of the Plan. Determinations of the Administrator made under the Plan will be conclusive and will bind all parties.

4. LIMITS ON AWARDS UNDER THE PLAN

(a) *Number of Shares*. The maximum number of shares of Stock that may be delivered in satisfaction of Awards under the Plan is 3,000,000. For purposes of this Section 4(a), the aggregate number of shares of Stock available for issuance under this Plan at any time shall not be reduced by (i) shares subject to Awards that have been retained or withheld by the Company in payment or satisfaction of the exercise price or tax withholding obligation of an Award, (ii) shares of Stock underlying the portion of any Award that expires, terminates or is forfeited or is settled in cash prior to the issuance of Stock thereunder, or (iii) shares subject to Awards that otherwise do not result in the issuance of shares in connection with payment or settlement thereof. To the extent consistent with applicable legal requirements (including applicable stock exchange requirements), Stock issued under awards of an acquired company that are converted, replaced or adjusted in connection with the acquisition shall not reduce the number of shares of Stock available for Awards under the Plan. In addition, shares that have been delivered (either actually or by attestation) to the Company in payment or satisfaction of the exercise price or tax withholding obligation of an Award shall be available for issuance under this Plan.

(b) *Type of Shares*. Stock delivered by the Company under the Plan may be authorized but unissued Stock or previously issued Stock acquired by the Company. No fractional shares of Stock will be delivered under the Plan.

5. ELIGIBILITY AND PARTICIPATION

The Administrator will select Participants from among only individuals who, at the time of grant (i) has not previously been an Employee or director, or (ii) is commencing employment following a bona fide period of non-employment by the Company or any subsidiary; provided that in each case, the grant of the Award is made as a material inducement to his or her commencement as an Employee of the Company or a subsidiary.

6. RULES APPLICABLE TO AWARDS

(a) *All Awards*.

(1) *Award Provisions*. The Administrator will determine the terms of all Awards, subject to the limitations provided herein. By accepting (or, under such rules as the Administrator may prescribe, being deemed to have accepted) an Award, the Participant will be deemed to have agreed to the terms of the Award and the Plan. Notwithstanding any provision of this Plan to the contrary, awards of an acquired company that are converted, replaced or adjusted in connection with the acquisition may contain terms and conditions that are inconsistent with the terms and conditions specified herein, as determined by the Administrator.

(2) *Term of Plan*. No Awards may be made after ten years from the Date of Adoption, but previously granted Awards may continue beyond that date in accordance with their terms.

(3) *Transferability*. Except as the Administrator otherwise expressly provides in accordance with the third sentence of this Section 6(a)(3), no Award may be transferred other than by will or by the laws of descent and distribution. During a Participant's lifetime, except as the Administrator otherwise expressly provides in accordance with the third sentence of this Section 6(a)(3), SARs and Stock Options may be exercised only by the Participant. The Administrator may permit the gratuitous transfer (*i.e.*, transfer not for value) of Awards to any transferee eligible to be covered by the provisions of Form S-8 (under the Securities Act of 1933, as amended), subject to such limitations as the Administrator may impose.

(4) *Vesting, etc*. Subject to Section 6(a)(5), the Administrator will determine the time or times at which an Award will vest or become exercisable and the terms on which a Stock Option or SAR will remain exercisable. Without limiting the foregoing, the Administrator may at any time accelerate the vesting or exercisability of an Award, regardless of any adverse or potentially adverse tax or other consequences resulting from such acceleration. Unless the Administrator expressly provides otherwise, however, the following rules will apply if a Participant's Employment ceases:

(A) Immediately upon the cessation of the Participant's Employment and except as provided in (B), (C), and (D) below, each Stock Option and SAR that is then held by the Participant or by the Participant's permitted transferees, if any, will cease to be exercisable and will terminate and all other Awards that are then held by the Participant or by the Participant's permitted transferees, if any, to the extent not already vested will be forfeited.

(B) Subject to (C), (D) and (E) below, all Stock Options and SARs held by the Participant or the Participant's permitted transferees, if any, immediately prior to the cessation of the Participant's Employment, to the extent then exercisable, will remain exercisable for the lesser of (i) a period of three months and (ii) the period ending on the latest date on which such Stock Option or SAR could have been exercised without regard to this Section 6(a)(4), and will thereupon immediately terminate.

(C) All Stock Options and SARs held by a Participant or the Participant's permitted transferees, if any, immediately prior to the cessation of the Participant's Employment due to his or her death, to the extent then exercisable, will remain exercisable for the lesser of (i) a period of twelve months and (ii) the period ending on the latest date on which such Stock Option or SAR could have been exercised without regard to this Section 6(a)(4), and will thereupon immediately terminate.

(D) All Stock Options and SARs held by a Participant or the Participant's permitted transferees, if any, immediately prior to the cessation of the Participant's Employment due to his or her "permanent and total disability" (within the meaning of Section 22(e)(3) of the Code), to the extent then exercisable, will remain exercisable for the lesser of (i) a period of six months and (ii) the period ending on the latest date on which such Stock Option or SAR could have been exercised without regard to this Section 6(a)(4), and will thereupon immediately terminate.

(E) All Awards (whether or not exercisable) held by a Participant or the Participant's permitted transferees, if any, immediately prior to the cessation of the Participant's Employment will immediately terminate upon such cessation of Employment if the termination is for Cause or occurs in circumstances that in the sole determination of the Administrator would have constituted grounds for the Participant's Employment to be terminated for Cause.

(5) *Additional Restrictions*. The Administrator may cancel, rescind, withhold or otherwise limit or restrict any Award at any time if the Participant is not in compliance with all applicable provisions of the Award agreement and the Plan, or if the Participant breaches any agreement with the Company or its Affiliates with respect to non-competition, non-

solicitation or confidentiality. Without limiting the generality of the foregoing, the Administrator may recover Awards made under the Plan and payments under or gain in respect of any Award in accordance with all applicable Company clawback or recoupment policy, as such policy may be amended and in effect from time to time, or as otherwise required by law or applicable stock exchange listing standards, including, without limitation, the Arrowhead Pharmaceuticals, Inc. Compensation Recoupment (Clawback) Policy.

(6) *Taxes*. The grant of an Award and the delivery, vesting and retention of Stock, cash or other property under an Award are conditioned upon full satisfaction by the Participant of all tax withholding requirements with respect to the Award. The Administrator will prescribe such rules for the withholding of taxes as it deems necessary or appropriate. The Administrator may, but need not, hold back shares of Stock from an Award or permit a Participant to tender previously owned shares of Stock in satisfaction of tax withholding requirements (only up to the amount permitted that will not cause an adverse accounting consequence or cost).

(7) *Dividend Equivalents, Etc*. The Administrator may provide for the payment of amounts (on terms and subject to conditions established by the Administrator) in lieu of cash dividends or other cash distributions with respect to Stock subject to an Award whether or not the holder of such Award is otherwise entitled to share in the actual dividend or distribution in respect of such Award. Any entitlement to dividend equivalents or similar entitlements will be established and administered either consistent with an exemption from, or in compliance with, the requirements of Section 409A. Dividends or dividend equivalent amounts payable in respect of Awards that are subject to restrictions will be subject to the same vesting and forfeiture restrictions as apply to the Awards to which they relate.

(8) *Rights Limited*. Nothing in the Plan or in any Award will be construed as giving any person the right to continued employment or service with the Company or its Affiliates, or any rights as a stockholder except as to shares of Stock actually issued under the Plan; nor will anything in the Plan or in any Award affect the right of the Company or its Affiliates to discharge or discipline a Participant at any time. The loss of existing or potential profit in Awards will not constitute an element of damages in the event of termination of Employment for any reason, even if the termination is in violation of an obligation of the Company or any Affiliate to the Participant.

(9) *Coordination with Other Plans*. Awards under the Plan may be granted in tandem with, or in satisfaction of or substitution for, other Awards under the Plan or awards made under other compensatory plans or programs of the Company or its Affiliates.

(10) *Section 409A*. Each Award will contain such terms as the Administrator determines, and will be construed and administered, such that the Award either qualifies for an exemption from the requirements of Section 409A or satisfies such requirements.

(b) *Stock Options and SARs*. Only Stock Options that are not intended to qualify as an "incentive stock option" within the meaning of Section 422 of the Code may be granted under the Plan.

(1) *Time And Manner Of Exercise*. Unless the Administrator expressly provides otherwise, no Stock Option or SAR will be deemed to have been exercised until the Administrator receives a notice of exercise (in form acceptable to the Administrator), which may be an electronic notice, signed (including electronic signature in form acceptable to the Administrator) by the appropriate person and accompanied by any payment required under the Award. A Stock Option or SAR exercised by any person other than the Participant will not be deemed to have been exercised until the Administrator has received such evidence as it may require that the person exercising the Award has the right to do so.

(2) *Exercise Price*. The exercise price (or the base value from which appreciation is to be measured) of each Award requiring exercise will be no less than 100% of the Fair Market Value of the Stock subject to the Award, determined as of the date of grant, or such higher amount as the Administrator may determine in connection with the grant. Except in connection with a corporate transaction involving the Company (which term shall include, without limitation, any stock dividend, stock split, extraordinary cash dividend, recapitalization, reorganization, merger, consolidation, split-up, spin-off, combination, or exchange of shares) or as otherwise contemplated by Section 7 of the Plan, the Company may not, without obtaining stockholder approval, (A) amend the terms of outstanding Stock Options or SARs to reduce the exercise price or base value of such Stock Options or SARs, (B) cancel outstanding Stock Options or SARs in exchange for Stock Options or SARs with an exercise price or base value that is less than the exercise price or base value of the original Stock Options or SARs, or (C) cancel outstanding Stock Options or SARs that have an exercise price or base value greater than the Fair Market Value of a share of Stock on the date of such cancellation in exchange for cash or other consideration.

(3) *Payment Of Exercise Price*. Where the exercise of an Award is to be accompanied by payment, payment of the exercise price will be by cash or check acceptable to the Administrator or by such other legally permissible means, if any, as may be acceptable to the Administrator.

(4) *Maximum Term*. Stock Options and SARs will have a maximum term not to exceed ten (10) years from the date of grant; provided, however, that, if a Participant still holding an outstanding but unexercised Stock Option or SAR ten (10) years from the date of grant (or, in the case of a Stock Option or SAR with a maximum term of less than ten (10) years, such maximum term) is prohibited by applicable law or a written policy of the Company applicable to similarly situated employees from engaging in any open-market sales of Stock, and if at such time the Stock is publicly traded (as determined by the Administrator), the maximum term of such Award will instead be deemed to expire on the thirtieth (30^{th}) day following the date the Participant is no longer prohibited from engaging in such open market sales.

7. EFFECT OF CERTAIN TRANSACTIONS

(a) *Mergers, etc*. Except as otherwise provided in an Award agreement, the following provisions will apply in the event of a Covered Transaction:

(1) *Assumption or Substitution*. If the Covered Transaction is one in which there is an acquiring or surviving entity, the Administrator may (but, for the avoidance of doubt, need not) provide (i) for the assumption or continuation of some or all outstanding Awards or any portion thereof or (ii) for the grant of new awards in substitution therefor by the acquiror or survivor or an affiliate of the acquiror or survivor.

(2) *Cash-Out of Awards*. Subject to Section 7(a)(6) below, the Administrator may (but, for the avoidance of doubt, need not) provide for payment (a "cash-out"), with respect to some or all Awards or any portion thereof, equal in the case of each affected Award or portion thereof to the excess, if any, of (A) the Fair Market Value of one share of Stock (as determined by the Administrator in its reasonable discretion) times the number of shares of Stock subject to the Award or such portion, over (B) the aggregate exercise or purchase price, if any, under the Award or such portion (in the case of an SAR, the aggregate base value above which appreciation is measured), in each case on such payment terms (which need not be the same as the terms of payment to holders of Stock) and other terms, and subject to such conditions, as the Administrator determines, it being understood that if the exercise or purchase price (or base value) of an Award is equal to or greater than the Fair Market Value of one share of Stock (as determined in accordance with this Section 7(a)(2)), the Award may be cancelled with no payment due hereunder.

(3) *Acceleration of Certain Awards*. Subject to Section 7(a)(6) below, the Administrator may (but, for the avoidance of doubt, need not) provide that any Award requiring exercise will become exercisable, in full or in part and/or that the delivery of any shares of Stock remaining deliverable under any outstanding Award of Stock Units (including Restricted Stock Units and Performance Awards to the extent consisting of Stock Units) will be accelerated in full or in part, in each case on a basis that gives the holder of the Award a reasonable opportunity, as determined by the Administrator, following exercise of the Award or the delivery of the shares, as the case may be, to participate as a stockholder in the Covered Transaction.

(4) *Change in Control*. Notwithstanding anything herein to the contrary, unless otherwise expressly provided for in the Award agreement or another contract, including an employment or severance agreement or severance plan, or under the terms of a transaction constituting a Change in Control, in the event of a Change in Control, each outstanding Award will fully vest (which, in the case of Performance Awards shall be to their maximal value) and become exercisable immediately prior to the consummation of such Change in Control, and the Administrator shall notify the Participant in writing or electronically that the Award will be fully vested and exercisable for a period of at least fifteen (15) days from the date of such notice, (which notice may be delivered prior to the consummation of the Change in Control) and the Award will terminate upon the expiration of such period if not otherwise assumed or substituted pursuant to Section 7(a)(1) above or cashed-out pursuant to Section 7(a)(2) above.

(5) *Termination of Awards Upon Consummation of Covered Transaction*. Except as the Administrator may otherwise determine in any case and except for the 15-day exercise period set forth above in Section 7(a)(4), each Award will automatically terminate (and in the case of outstanding shares of Restricted Stock, will automatically be forfeited) upon consummation of the Covered Transaction, other than Awards assumed pursuant to Section 7(a)(1) above.

(6) *Additional Limitations*. Any share of Stock and any cash or other property delivered pursuant to Section 7(a)(2) or Section 7(a)(3) above with respect to an Award may, in the discretion of the Administrator, contain such restrictions, if any, as the Administrator deems appropriate to reflect any performance or other vesting conditions to which the

Award was subject and that did not lapse (and were not satisfied) in connection with the Covered Transaction. For purposes of the immediately preceding sentence, a cash-out under Section 7(a)(2) above or acceleration under Section 7(a)(3) above will not, in and of itself, be treated as the lapsing (or satisfaction) of a performance or other vesting condition. In the case of Restricted Stock that does not vest and is not forfeited in connection with the Covered Transaction, the Administrator may require that any amounts delivered, exchanged or otherwise paid in respect of such Stock in connection with the Covered Transaction be placed in escrow or otherwise made subject to such restrictions as the Administrator deems appropriate to carry out the intent of the Plan.

(b) *Changes in and Distributions With Respect to Stock*.

(1) *Basic Adjustment Provisions*. In the event of a stock dividend, stock split or combination of shares (including a reverse stock split), recapitalization, reclassification or other distribution of the Company's equity securities without the receipt of consideration by the Company, or other change in the Company's capital structure that constitutes an equity restructuring within the meaning of FASB ASC 718, the Administrator will make appropriate adjustments to the maximum number of shares specified in Section 4(a) that may be delivered under the Plan and will also make appropriate adjustments to the number and kind of shares of stock or securities subject to Awards then outstanding or subsequently granted, any exercise or purchase prices (or base values) relating to Awards and any other provision of Awards affected by such change.

(2) *Certain Other Adjustments*. The Administrator may also make adjustments of the type described in Section 7(b)(1) above to take into account distributions to stockholders other than those provided for in Section 7(a) and 7(b)(1), or any other event, if the Administrator determines that adjustments are appropriate to avoid distortion in the operation of the Plan, having due regard for the requirements of Section 409A, where applicable.

(3) *Continuing Application of Plan Terms*. References in the Plan to shares of Stock will be construed to include any stock or securities resulting from an adjustment pursuant to this Section 7.

8. LEGAL CONDITIONS ON DELIVERY OF STOCK

The Company will not be obligated to deliver any shares of Stock pursuant to the Plan or to remove any restriction from shares of Stock previously delivered under the Plan until: (i) the Company is satisfied that all legal matters in connection with the issuance and delivery of such shares have been addressed and resolved; (ii) if the outstanding Stock is at the time of delivery listed on any stock exchange or national market system, the shares to be delivered have been listed or authorized to be listed on such exchange or system upon official notice of issuance; and (iii) all conditions of the Award have been satisfied or waived. The Company may require, as a condition to exercise of the Award, such representations or agreements as counsel for the Company may consider appropriate to avoid violation of the Securities Act of 1933, as amended, or any applicable state or non-U.S. securities law. Any Stock required to be issued to Participants under the Plan will be evidenced in such manner as the Administrator may deem appropriate, including book-entry registration or delivery of stock certificates. In the event that the Administrator determines that Stock certificates will be issued to Participants under the Plan, the Administrator may require that certificates evidencing Stock issued under the Plan bear an appropriate legend reflecting any restriction on transfer applicable to such Stock, and the Company may hold the certificates pending lapse of the applicable restrictions.

9. AMENDMENT AND TERMINATION

The Administrator may at any time or times amend the Plan or any outstanding Award for any purpose which may at the time be permitted by law, and may at any time terminate the Plan as to any future grants of Awards; provided, that except as otherwise expressly provided in the Plan the Administrator may not, without the Participant's consent, alter the terms of an Award so as to affect materially and adversely the Participant's rights under the Award, unless the Administrator expressly reserved the right to do so at the time the Award was granted or unless the Administrator determines in its sole discretion and prior to the date of any Covered Transaction that such amendment or alteration either (i) is required or advisable in order for the Company, the Plan or the Award to satisfy any law or regulation or to meet the requirements of or avoid adverse financial accounting consequences under any accounting standard, or (ii) is not reasonably likely to significantly diminish the benefits provided under such Award, or that any such diminishment has been adequately compensated.

10. OTHER COMPENSATION ARRANGEMENTS

The existence of the Plan or the grant of any Award will not in any way affect the Company's right to Award a person bonuses or other compensation in addition to Awards under the Plan.

11. MISCELLANEOUS

(a) *Waiver of Jury Trial*. By accepting an Award under the Plan, each Participant waives any right to a trial by jury in any action, proceeding or counterclaim concerning any rights under the Plan and any Award, or under any amendment, waiver, consent, instrument, document or other agreement delivered or which in the future may be delivered in connection therewith, and agrees that any such action, proceedings or counterclaim will be tried before a court and not before a jury. By accepting an Award under the Plan, each Participant certifies that no officer, representative, or attorney of the Company has represented, expressly or otherwise, that the Company would not, in the event of any action, proceeding or counterclaim, seek to enforce the foregoing waivers. Notwithstanding anything to the contrary in the Plan, nothing herein is to be construed as limiting the ability of the Company and a Participant to agree to submit disputes arising under the terms of the Plan or any Award made hereunder to binding arbitration or as limiting the ability of the Company to require any eligible individual to agree to submit such disputes to binding arbitration as a condition of receiving an Award hereunder.

(b) *Limitation of Liability*. Notwithstanding anything to the contrary in the Plan, neither the Company, nor any Affiliate, nor the Administrator, nor any person acting on behalf of the Company, any Affiliate, or the Administrator, will be liable to any Participant or to the estate or beneficiary of any Participant or to any other holder of an Award by reason of any acceleration of income, or any additional tax (including any interest and penalties), asserted by reason of the failure of an Award to satisfy the requirements of Section 409A or by reason of Section 4999 of the Code, or otherwise asserted with respect to the Award.

12. ESTABLISHMENT OF SUB-PLANS

The Administrator may from time to time establish one or more sub-plans under the Plan for purposes of satisfying applicable blue sky, securities or tax laws of various jurisdictions. The Administrator will establish such sub-plans by adopting supplements to the Plan setting forth (i) such limitations on the Administrator's discretion under the Plan as it deems necessary or desirable and (ii) such additional terms and conditions not otherwise inconsistent with the Plan as it deems necessary or desirable. All supplements so established will be deemed to be part of the Plan, but each supplement will apply only to Participants within the affected jurisdiction (as determined by the Administrator).

13. GOVERNING LAW

The laws of the State of Delaware will govern all questions concerning the construction, validity and interpretation of this Plan, without regard to that state's conflict of laws rules.

EXHIBIT A

Definition of Terms

The following terms, when used in the Plan, will have the meanings and be subject to the provisions set forth below:

"Administrator": The Compensation Committee, except that the Compensation Committee may delegate (i) to one or more of its members (or one or more other members of the Board (including the full Board)) such of its duties, powers and responsibilities as it may determine; (ii) to one or more officers of the Company the power to grant Awards to the extent permitted by Section 157(c) of the Delaware General Corporation Law and Nasdaq Listing Rule 5635(c)(4); and (iii) to such Employees or other persons as it determines such ministerial tasks as it deems appropriate; provided, however, that all Awards granted under the Plan must be approved by the Compensation Committee. In the event of any delegation described in the preceding sentence, the term "Administrator" will include the person or persons so delegated to the extent of such delegation.

"Affiliate": Any corporation or other entity that stands in a relationship to the Company that would result in the Company and such corporation or other entity being treated as one employer under Section 414(b) and Section 414(c) of the Code.

"Award": Any or a combination of the following:

(i) Stock Options.

(ii) SARs.

(iii) Restricted Stock.

(iv) Unrestricted Stock.

(v) Stock Units, including Restricted Stock Units.

(vi) Performance Awards.

(vii) Cash Awards.

(viii) Awards (other than Awards described in (i) through (vii) above) that are convertible into or otherwise based on Stock.

"Board": The Board of Directors of the Company.

"Cash Award": An Award denominated in cash.

"Cause": In the case of any Participant who is party to an employment or severance-benefit agreement that contains a definition of "Cause," the definition set forth in such agreement will apply with respect to such Participant under the Plan for so long as such agreement is in effect. In the case of any other Participant, "Cause" will mean, as determined by the Administrator in its reasonable judgment, (i) a substantial failure of the Participant to perform the Participant's duties and responsibilities to the Company or subsidiaries or substantial negligence in the performance of such duties and responsibilities; (ii) the commission by the Participant of a felony or a crime involving moral turpitude; (iii) the commission by the Participant of theft, fraud, embezzlement, material breach of trust or any material act of dishonesty involving the Company or any of its subsidiaries; (iv) a significant violation by the Participant of the code of conduct of the Company or its subsidiaries of any material policy of the Company or its subsidiaries, or of any statutory or common law duty of loyalty to the Company or its subsidiaries; (v) material breach of any of the terms of the Plan or any Award made under the Plan, or of the terms of any other agreement between the Company or subsidiaries and the Participant; or (vi) other conduct by the Participant that could be expected to be harmful to the business, interests or reputation of the Company.

"Change in Control": The first to occur of (i) a "person," as such term is used in Sections 13(d) and 14(d) of the Exchange Act (other than the Company or one of its subsidiaries or an employee benefit plan of the Company or any

of its subsidiaries, including any trustee of such plan acting as trustee) becoming the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the combined voting power of the Company's then outstanding securities entitled to vote generally in the election of directors; (ii) a consummation of (x) a merger or consolidation of the Company with any other corporation, other than a merger or consolidation that would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation, or (y) the sale or disposition by the Company of all or substantially all the Company's assets; or (iii) a change in the composition of the Board, as a result of which fewer than a majority of the directors are Incumbent Directors. "Incumbent Directors" shall mean directors who either (A) are directors of the Company as of the Date of Adoption, or (B) are elected, or nominated for election, to the Board with the affirmative votes of at least a majority of the Incumbent Directors at the time of such election or nomination (but shall not include an individual whose election or nomination is in connection with an actual or threatened proxy contest relating to the election of directors to the Company). For the avoidance of doubt, a transaction will not constitute a Change in Control if: (i) its sole purpose is to change the jurisdiction of the Company's incorporation, or (ii) its sole purpose is to create a holding company that will be owned in substantially the same proportions by the persons who held the Company's securities immediately before such transaction.

"Code": The U.S. Internal Revenue Code of 1986 as from time to time amended and in effect, or any successor statute as from time to time in effect.

"Compensation Committee": The Compensation Committee of the Board.

"Company": Arrowhead Pharmaceuticals, Inc.

"Covered Transaction": Any of (i) a consolidation, merger, or similar transaction or series of related transactions, including a sale or other disposition of stock, in which the Company is not the surviving corporation or which results in the acquisition of all or substantially all of the Company's then outstanding common stock by a single person or entity or by a group of persons and/or entities acting in concert; (ii) a sale or transfer of all or substantially all the Company's assets; or (iii) a dissolution or liquidation of the Company. Where a Covered Transaction involves a tender offer that is reasonably expected to be followed by a merger described in clause (i) (as determined by the Administrator), the Covered Transaction will be deemed to have occurred upon consummation of the tender offer.

"Date of Adoption": The date the Plan (for the avoidance of doubt, as most recently amended and restated) was adopted by the Board.

"Employee": Any person who is employed by the Company or an Affiliate.

"Employment": A Participant's employment or other service relationship with the Company and its Affiliates. Employment will be deemed to continue, unless the Administrator expressly provides otherwise, so long as the Participant is employed by, or otherwise is providing services as a director, consultant, or advisor to the Company or an Affiliate. If a Participant's employment or other service relationship is with an Affiliate and that entity ceases to be an Affiliate, the Participant's Employment will be deemed to have terminated when the entity ceases to be an Affiliate unless the Participant transfers Employment to the Company or its remaining Affiliates. Notwithstanding the foregoing and the definition of "Affiliate" above, in construing the provisions of any Award relating to the payment of "nonqualified deferred compensation" (subject to Section 409A) upon a termination or cessation of Employment, references to termination or cessation of employment, separation from service, retirement or similar or correlative terms will be construed to require a "separation from service" (as that term is defined in Section 1.409A-1(h) of the Treasury Regulations, after giving effect to the presumptions contained therein) from the Company and from all other corporations and trades or businesses, if any, that would be treated as a single "service recipient" with the Company under Section 1.409A-1(h)(3) of the Treasury Regulations. The Company may, but need not, elect in writing, subject to the applicable limitations under Section 409A, any of the special elective rules prescribed in Section 1.409A-1(h) of the Treasury Regulations for purposes of determining whether a "separation from service" has occurred. Any such written election will be deemed a part of the Plan.

"Exchange Act": The Securities Exchange Act of 1934, as amended.

"Fair Market Value": As of any date, the value of the Stock determined as follows:

(i) If the Stock is listed on any established stock exchange or traded on any established market, the Fair Market Value of a share of Stock as of any date of determination will be, unless otherwise determined by the Board, the closing sales price for such stock as quoted on such exchange or market (or the exchange or market with the greatest volume of trading in the Stock) on the date of determination, as reported in a source the Board deems reliable.

(ii) Unless otherwise provided by the Board, if there is no closing sales price for the Stock on the date of determination, then the Fair Market Value will be the closing selling price on the last preceding date for which such quotation exists.

(iii) In the absence of such markets for the Stock, the Fair Market Value will be determined by the Board in good faith and in a manner that complies with Sections 409A of the Code.

"Participant": A person who is granted an Award under the Plan.

"Performance Award": An Award subject to Performance Criteria.

"Performance Criteria": Specified criteria, other than the mere continuation of Employment or the mere passage of time, the satisfaction of which is a condition for the grant, exercisability, vesting or full enjoyment of an Award. Such criteria shall be determined by the Administrator and may include any measure of performance (measured either absolutely or by reference to an index or indices and determined either on a consolidated basis or, as the context permits, on a divisional, subsidiary, line of business, project or geographical basis or in combinations thereof) as deemed appropriate by the Administrator. A Performance Criterion and any targets with respect thereto determined by the Administrator need not be based upon an increase, a positive or improved result or avoidance of loss.

"Plan": The Arrowhead Pharmaceuticals, Inc. Inducement Plan, as from time to time amended and in effect.

"Restricted Stock": Stock subject to restrictions requiring that it be redelivered or offered for sale to the Company if specified conditions are not satisfied.

"Restricted Stock Unit": A Stock Unit that is, or as to which the delivery of Stock or cash in lieu of Stock is, subject to the satisfaction of specified performance or other vesting conditions.

"SAR": A right entitling the holder upon exercise to receive an amount (payable in cash and/or in shares of Stock of equivalent value) equal to the excess of the Fair Market Value of the shares of Stock subject to the right over the base value from which appreciation under the SAR is to be measured.

"Section 409A": Section 409A of the Code.

"Stock": Common stock of the Company, par value $0.001 per share.

"Stock Option": An option entitling the holder to acquire shares of Stock upon payment of the exercise price.

"Stock Unit": An unfunded and unsecured promise, denominated in shares of Stock, to deliver Stock or cash measured by the value of Stock in the future.

"Unrestricted Stock": Stock not subject to any restrictions under the terms of the Award.

Exhibit 31.1

CERTIFICATION PURSUANT SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Christopher Anzalone, Chief Executive Officer of Arrowhead Pharmaceuticals, Inc., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Arrowhead Pharmaceuticals, 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(s) 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(s) 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: May 7, 2026

/s/ CHRISTOPHER ANZALONE

Christopher Anzalone
Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Daniel Apel, Chief Financial Officer of Arrowhead Pharmaceuticals, Inc., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Arrowhead Pharmaceuticals, 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(s) 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(s) 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: May 7, 2026

/s/ Daniel Apel

Daniel Apel
Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Christopher Anzalone, Chief Executive Officer of Arrowhead Pharmaceuticals, Inc. (the "Company"), certify, pursuant to Rule 13(a)-14(b) or Rule 15(d)-14(b) of the Securities Exchange Act of 1934 and 18 U.S.C. Section 1350, that (i) the Quarterly Report on Form 10-Q of the Company for the quarterly period ended March 31, 2026, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in such Quarterly Report on Form 10-Q fairly presents in all material respects the financial condition and results of operations of the Company.

Date: May 7, 2026

/s/ CHRISTOPHER ANZALONE

Christopher Anzalone
Chief Executive Officer

A signed original of these written statements required by 18 U.S.C. Section 1350 has been provided to Arrowhead Pharmaceuticals, Inc. and will be retained by Arrowhead Pharmaceuticals, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Daniel Apel, Chief Financial Officer of Arrowhead Pharmaceuticals, Inc. (the "Company"), certify, pursuant to Rule 13(a)-14(b) or Rule 15(d)-14(b) of the Securities Exchange Act of 1934 and 18 U.S.C. Section 1350, that (i) the Quarterly Report on Form 10-Q of the Company for the quarterly period ended March 31, 2026, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in such Quarterly Report on Form 10-Q fairly presents in all material respects the financial condition and results of operations of the Company.

Date: May 7, 2026

/s/ Daniel Apel

Daniel Apel
Chief Financial Officer

A signed original of these written statements required by 18 U.S.C. Section 1350 has been provided to Arrowhead Pharmaceuticals, Inc. and will be retained by Arrowhead Pharmaceuticals, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.