



Bavarian Nordic Receives USD 120 Million Contract for the Manufacturing of Smallpox and Mpox Vaccine from the U.S. Government

- Contract award will support manufacturing of new bulk vaccine to partly replenish the inventory used for the mpox outbreak in 2022
- Aims to strengthen the long-term U.S. stockpiling of smallpox vaccines
- Company upgrades its financial guidance for 2023

COPENHAGEN, Denmark, August 3, 2023 - Bavarian Nordic A/S (OMX: BAVA) announced today that the U.S. Biomedical Advanced Research and Development Authority (BARDA), part of the Administration for Strategic Preparedness and Response at the U.S. Department of Health and Human Services, has placed a new order valued at USD 120 million, primarily covering the manufacturing of new bulk product for the Company's smallpox/mpox vaccine.

The bulk product, representing USD 96 million of the contract value, will be manufactured and invoiced in 2023 and will only partly restore the inventory, which was used to manufacture vaccines in response to the mpox outbreak in 2022. Nearly 5.5 million doses have been manufactured for the U.S. government over the course of 2022 and 2023, and replenishment of the bulk inventory is necessary to fulfil the Company's long-term commitment to deliver a freeze-dried version of the vaccine for U.S. smallpox preparedness.

In addition, Bavarian Nordic will manufacture and supply additional liquid-frozen doses of the vaccine in 2023, valued at USD 3 million.

The agreement includes additional services totalling USD 21 million, of which the majority will be received in 2024 and 2025.

Paul Chaplin, President & CEO of Bavarian Nordic said: "The U.S. government's foresight enabled us last year to rapidly respond to the global mpox outbreak by converting readily available bulk product into final vaccine doses. Together with our U.S. manufacturing partner, we have completed the manufacturing of all doses ordered by the U.S. government during the mpox outbreak. However, maintaining the readiness to respond to future health crises is essential, and this new contract will enable us to deliver on the contract for a freeze-dried version of the vaccine, awarded to us by the U.S. government back in 2017, which aims to strengthen the nation's preparedness against smallpox."

As a consequence of the new order from BARDA combined with other minor mpox vaccine orders recently secured, expected savings from the discontinued RSV program and including the impact from the acquisition of the travel vaccine portfolio from Emergent BioSolutions, Bavarian Nordic upgrades its financial guidance for 2023. Revenue is now expected to be approximately DKK 6,900 million (previously approximately DKK 6,000 million) and EBITDA is now expected to be approximately DKK 2,300 million (previously approximately DKK 2,200 million). Revenue from the acquired products is only included from the date of completion of the transaction (mid-May) and is expected to be approximately DKK 165 million. The acquisition will negatively impact EBITDA by approximately DKK 375 million primarily related to the Phase 3 development of the chikungunya vaccine and one-off integration costs.

About our vaccine contracts with the U.S. government

Since 2003, Bavarian Nordic has worked with the U.S. government on the development, manufacturing and supply of a non-replicating smallpox vaccine to ensure all populations can be protected from smallpox, including people with weakened immune systems who are at high risk of adverse reactions to traditional smallpox vaccines, which are based on replicating vaccinia virus strains. The Company has supplied nearly 30 million doses of the liquid-frozen version to the U.S., with the vast majority being delivered for emergency use - and now expired - before

approval of the vaccine by the FDA in 2019, which included an approval for the mpox indication as the only vaccine having obtained this to-date.

BARDA has supported the development of a freeze-dried version of the vaccine with longer shelf-life to replace the stockpile and in 2017 awarded the Company a ten-year contract for supply of freeze-dried vaccines. Under this contract Bavarian Nordic has manufactured bulk vaccine, corresponding to approximately 13 million doses, which are to be filled and finished from 2023 and onwards. However, the request from BARDA in 2022 to supply the liquid-frozen version of the vaccine to mitigate the mpox outbreak has reduced the inventory of bulk, thus calling for a replenishment to enable Bavarian Nordic to fulfill its contract for the freeze-dried version.

This project has been supported in part with federal funds from the Department of Health and Human Services; Administration for Strategic Preparedness and Response; Biomedical Advanced Research and Development Authority, under contract number HHSO100201700019C.

About Bavarian Nordic

Bavarian Nordic is a fully integrated vaccines company focused on the research and development, manufacturing and commercialization of life-saving vaccines. We are a global leader in smallpox and mpox vaccines, which have been developed through our long-standing partnership with the U.S. Government to enhance the public health preparedness and have a strong portfolio of vaccines for travelers and endemic diseases. Using our live virus vaccine platform technology, MVA-BN® and in-licensed technologies, we have created a diverse portfolio of proprietary and partnered product candidates designed to save and improve lives by unlocking the power of the immune system. For more information visit www.bavarian-nordic.com.

Forward-looking statements

This announcement includes forward-looking statements that involve risks, uncertainties and other factors, many of which are outside of our control, that could cause actual results to differ materially from the results discussed in the forward-looking statements. Forward-looking statements include statements concerning our plans, objectives, goals, future events, performance and/or other information that is not historical information. All such forward-looking statements are expressly qualified by these cautionary statements and any other cautionary statements which may accompany the forward-looking statements. We undertake no obligation to publicly update or revise forward-looking statements to reflect subsequent events or circumstances after the date made, except as required by law.

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