



Bavarian Nordic Enters Agreement Valued up to USD 83 Million with the U.S. Department of Defense to Further Advance the Development of Equine Encephalitis Virus Vaccine

- Total considerations of up to USD 83 million with the majority secured for Phase 2 development of the multivalent MVA-BN[®] WEV vaccine candidate, in addition to options for Phase 3 preparatory work

COPENHAGEN, Denmark, December 23, 2022 - Bavarian Nordic A/S (OMX: BAVA) announced today a new agreement with the U.S. Department of Defense's (DOD) Joint Program Executive Office for Chemical, Biological, Radiological and Nuclear Defense (JPEO-CBRND), for the advanced development of MVA-BN[®] WEV, a prophylactic vaccine candidate against Western, Eastern and Venezuelan equine encephalitis virus, which can cause a rare, but potentially deadly mosquito-borne illness in humans¹. Currently, no approved vaccines for human use are available.

The new agreement has a total value up to USD 83 million, of which the secured base agreement of USD 55 million covers the costs for a clinical Phase 2 dose finding study of MVA-BN WEV, further non-clinical studies, process development and manufacturing of clinical trial material. Furthermore, the agreement includes options valued at USD 28 million to support Phase 3 preparations. The base agreement will run from 2023 through 2026 with the majority of revenue from the agreement being recognized in that timeframe. Based on current projections, the Phase 2 clinical study could start in 2024. Based on the ability of the MVA-BN[®] vaccine platform to protect against multiple threats, this effort has the capability to pivot and expand to other threat agents of interest.

MVA-BN WEV was initially developed under an agreement with DoD in 2018, that included the demonstration of protective efficacy in animals and a Phase 1 first-in-human trial of MVA-BN WEV. Data of the trial were [reported](#) in June 2020, showing that the vaccine was well tolerated and immunogenic across all dose groups. Venezuelan equine encephalitis virus neutralizing antibody responses were observed in all dose groups, with peak levels reached after the second vaccination. Recent data confirm neutralizing antibody responses also against western and eastern equine encephalitis viruses that were durable throughout the 6-months follow up period.

"We are proud to continue our partnership with the U.S. government on the development of a much-needed vaccine to combat equine encephalitis, which is another emerging disease, often leading to serious complications and even death. Using the same platform technology, upon which our mpox vaccine was also built, we are truly leveraging our core experience in R&D innovation and vaccine manufacturing to help build a stronger preparedness for the U.S. and its citizens, and we look forward to continuing our work with DoD on this important program," said Paul Chaplin, President and Chief Executive Officer of Bavarian Nordic.

The contents of this announcement do not change the Company's financial guidance for 2022.

About MVA-BN[®] WEV

MVA-BN WEV is a multi-valent vaccine candidate since it incorporates antigens from all three equine encephalitis viruses: western, eastern and Venezuelan. It is based on Bavarian Nordic's proprietary MVA-BN platform technology, which is also used in the Company's marketed vaccines against smallpox, mpox and Ebola. The platform is also employed the RSV vaccine candidate, currently in Phase 3 development in older adults.

About Equine Encephalitis Viruses

Eastern, Venezuelan and western equine encephalitis viruses belong to the family alphavirus, and are transmitted through mosquitos, as well as birds and some mammals. While the viruses vary in infection rates and severity of disease, all three pathogens are associated with risks of flu-like symptoms, potential central nervous disorders, and death. All three viruses are considered as potential biological threats, having been investigated as potential biological weapons at various times in the past century. The viruses belong to the U.S. list of prioritized pathogens

amongst other agents, like smallpox, anthrax and other lethal diseases, which are covered by the current vaccination policy for U.S. military personnel being deployed around the globe. However, there are currently no approved vaccines for human use against any of the equine encephalitis viruses.

In recent years, the U.S. has seen a rise in human cases of eastern equine encephalitis, particularly in the southern and northeastern parts of the country, correlating with increased observations of mosquitos carrying the virus in these regions. According to the U.S Centers for Disease Control and Prevention (CDC), 38 cases were reported in 2019, compared to an annual average of 7 cases over the past decade. On average, more than 4 of 10 infected individuals die after contracting the virus.

Federal funding acknowledgment

The initial development of MVA-BN WEV has been funded in whole or in part with federal funds under an Other Transaction Authority agreement with U.S. Army Contracting Command-New Jersey through the Medical CBRN Defense Consortium, MCDC-17-04-001/2018-315.

The advanced development of MVA-BN WEV is funded in whole or in part with federal funds under agreement W911SR-23-9-0008.

About Bavarian Nordic

Bavarian Nordic is a fully integrated vaccines company focused on the development, manufacturing and commercialization of life-saving vaccines. We are a global leader in smallpox vaccines and have been a long-term supplier to the U.S. Government of a non-replicating smallpox vaccine, which has been approved by the FDA, also for the protection against mpox. The vaccine is also approved in Canada and Europe. Our commercial product portfolio furthermore contains market-leading vaccines against rabies and tick-borne encephalitis. Using our live virus vaccine platform technology, MVA-BN[®], 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, including an Ebola vaccine, which is licensed to the Janssen Pharmaceutical Companies of Johnson & Johnson. We are also committed to the development of a next generation COVID-19 vaccine. 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.

Contacts

Europe: Rolf Sass Sørensen, Vice President Investor Relations, Tel: +45 61 77 47 43

US: Graham Morrell, Paddock Circle Advisors, graham@paddockcircle.com, Tel: +1 781 686 9600

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¹ Ronca SE, Dineley KT, Paessler S. Neurological Sequelae Resulting from Encephalitic Alphavirus Infection. Front Microbiol. 2016 Jun 20;7:959. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4913092/>