



BAVARIAN NORDIC

Company Announcement

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Bavarian Nordic A/S Launches Offering of up to 6,373,680 New Shares in a Directed Issue

COPENHAGEN, Denmark, December 6, 2021 - Bavarian Nordic A/S (OMX: BAVA, OTC: BVNRY) ("Bavarian Nordic" or the "Company") has resolved to launch an offering (the "Offering") of new shares (the "New Shares"). The Offering will begin immediately and will be completed through an accelerated bookbuilding process consisting of up to 6,373,680 New Shares of DKK 10 each, representing up to 9.94% of Bavarian Nordic's currently registered share capital in a private placement directed at qualified institutional and professional investors in Denmark and certain other jurisdictions.

USE OF PROCEEDS AND BACKGROUND FOR THE OFFERING

Bavarian Nordic remains committed to the vision of becoming a leading pure-play vaccine company by 2025, which it plans to achieve through a combination of organic growth and/or acquisitions. The proceeds are intended to be used for:

- 1) Funding of a pivotal Phase 3 trial of Bavarian Nordic's RSV vaccine candidate MVA-BN® RSV;
- 2) Ensuring the strategic flexibility necessary to pursue an active M&A strategy, enabling the Company to react swiftly to new opportunities; and
- 3) Strengthening the Company's capital base and cash preparedness (general corporate purposes).

As communicated in Company Announcement 39 / 2021, Bavarian Nordic has committed to initiating a pivotal Phase 3 trial of the RSV vaccine candidate MVA-BN RSV for the elderly population. Bavarian Nordic has engaged a CRO and expects to initiate the trial in the first half of 2022, subject to a successful equity capital raise. The Phase 3 trial is expected to run over the course of one year and will enroll up to 20,000 subjects, spanning multiple geographies. The total estimated cost of the study is approximately USD 250 million, including follow-up phases in 2023 and 2024. RSV is a potential multi-billion dollar vaccine market annually. Bavarian Nordic continues to pursue an optimal partnering deal for MVA-BN RSV.

THE OFFERING

The Offering will be made pursuant to applicable exemptions from the obligation to publish a prospectus to eligible qualified and professional institutional investors in Denmark and in certain other jurisdictions at market price and without pre-emption rights for the Company's existing shareholders. The Offering is not underwritten.

Books will open immediately and are anticipated to close today. The offer price will be determined after the close of the accelerated bookbuilding process. The final pricing and number of New Shares is expected to be announced as soon as practically possible thereafter.

Bavarian Nordic has in connection with the Offering, agreed to undertake a lock-up commitment for 180 calendar days following settlement of the Offering (subject to certain exceptions). In addition, members elected at the general meeting of Bavarian Nordic's board of directors as well as members of the executive management have in connection with the Offering, agreed to undertake a lock-up commitment for 90 calendar days following settlement of the Offering (subject to certain exceptions).

JOINT GLOBAL COORDINATORS AND JOINT BOOKRUNNERS

Citigroup Global Markets Limited and Nordea Danmark, filial af Nordea Bank Abp, Finland are acting as Joint Global Coordinators and Joint Bookrunners in connection with the Offering (jointly the "Joint Global Coordinators and Joint Bookrunners").

NEW SHARES

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The decision to launch an offering of up to 6,373,680 New Shares, of a nominal value of DKK 10 each, in a directed issue is made pursuant to Article 5a(2) in Bavarian Nordic's Articles of Association according to which the Board of Directors is authorized to make share capital increases without pre-emption rights for the existing shareholders at market price.

The New Shares will rank pari passu in all respects with existing shares in Bavarian Nordic. The New Shares will be negotiable instruments, and no restrictions will apply to their transferability. No shares, including the New Shares, carry or will carry any special rights. Rights conferred by the New Shares, including voting rights and dividend rights, will apply from the time when the capital increase is registered with the Danish Business Authority. The New Shares must be registered in the name of the holder in the Company's register of shareholders.

The Offering represents up to 9.94% of the current registered share capital before the Offering and up to 9.04% of the registered share capital post the Offering.

The New Shares will be issued under the temporary ISIN code DK0061682721. No application for admission to trading and official listing has been, or will be, filed for the New Shares issued under the temporary ISIN code, and the temporary ISIN code will only be registered with VP Securities A/S for subscription of the New Shares. The temporary ISIN code in VP Securities A/S will be merged with the permanent ISIN code for the existing shares, DK0015998017, as soon as possible following registration of the share capital increase with the Danish Business Authority. The New Shares are expected to be admitted to trading and official listing on Nasdaq Copenhagen A/S in the permanent ISIN code for the existing shares, DK0015998017, on or around 10 December 2021.

The admission to trading and official listing of the New Shares is subject to the Offering not being withdrawn prior to the settlement of the Offering and the Company making an announcement to that effect.

SETTLEMENT

The Offering will be settled through VP Securities by way of book entry against cash payment.

EXPECTED TIMETABLE FOR THE OFFERING

<u>Date</u>	<u>Event</u>
Expected Monday 6 December 2021	Launch, pricing and allocation
Expected Monday 6 December 2021	Announcement of the results of the Offering
Expected Thursday 9 December 2021	Settlement and payment for the New Shares
Expected Thursday 9 December 2021	Registration of the capital increase with the Danish Business Authority
Expected Friday 10 December 2021	Admission to trading and official listing of the New Shares on Nasdaq Copenhagen A/S

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 monkeypox. The vaccine is approved as a smallpox vaccine in Europe and Canada. 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.

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DISCLAIMER

This company announcement contains forward-looking statements. These statements are not guarantees of future performance and involve certain risks and uncertainties, in particular this announcement should not be construed as a confirmation neither that the Offering will complete, nor of the deal size or the price. Therefore, actual future results and trends may differ materially from what is forecast in this report due to a variety of factors.

This announcement is intended for the sole purpose of providing information. Persons needing advice should consult an independent financial adviser. This announcement does not constitute an investment recommendation.

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The securities referred to in this announcement have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or under the securities laws of any state of the United States, and may not be offered, sold, resold or delivered, directly or indirectly, in or into the United States absent registration except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. Subject to certain limited exceptions, the securities referred to in this announcement are being offered and sold only outside the United States. The securities offered in connection with the offering have not been and will not be registered under any applicable securities laws of any state, province, territory, county or jurisdiction of the Excluded Territories. Accordingly, such securities may not be offered, sold, resold, taken up, exercised, renounced, transferred, delivered or distributed, directly or indirectly, in or into the Excluded Territories or any other jurisdiction if to do so would constitute a violation of the relevant laws of, or require registration of such securities in, the relevant jurisdiction. There will be no public offer of securities in the United States or elsewhere.

This announcement is not a prospectus and has been prepared on the basis that any offers of securities referred to herein in any member state of the European Economic Area will be made pursuant to an exemption under Regulation (EU) 2017/1129 on prospectuses (the "Prospectus Regulation"). The information set forth in this announcement is only being distributed to, and directed at, persons in member states of the European Economic Area who are qualified investors ("Qualified Investors") within the meaning of the Prospectus Regulation.

This announcement and any offer subsequently made is, and will be, addressed to and directed only at persons, in the United Kingdom, who are (a) both "qualified investors" within the meaning of the UK version of the EU Prospectus Regulation (2017/1129/ EU) which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 and either (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (ii) who are high net worth entities falling within Article 49 of the Order; or (b) other persons to whom it may otherwise lawfully be communicated (all such persons under (a) and (b) together being referred to as "Relevant Persons"). Any investment or investment activity to which this document relates is available in the United Kingdom only to Relevant Persons.

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No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by Bavarian Nordic or by any of its affiliates or agents, or the Joint Global Coordinators and Joint Bookrunners, as to or in relation to, the accuracy, completeness or sufficiency of this announcement or any other written or oral information made available to or publicly available to any interested party or its advisers in connection with the Company's New Shares and/or the private placement referred to herein, and any liability therefore is expressly disclaimed.

The Joint Global Coordinators and Joint Bookrunners and each of their affiliates are acting exclusively for Bavarian Nordic A/S and no-one else in connection with the Offering. They will not regard any other person as their respective clients in relation to the Offering and will not be responsible to anyone other than Bavarian Nordic A/S for providing the protections afforded to their respective clients, nor for providing advice in relation to the Offering, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“**MiFID II**”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “**MiFID II Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the shares in Bavarian Nordic A/S have been subject to a product approval process, which has determined that such shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the shares in Bavarian Nordic A/S may decline and investors could lose all or part of their investment; the shares in Bavarian Nordic A/S offer no guaranteed income and no capital protection; and an investment in the shares in Bavarian Nordic A/S is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the contemplated share issue. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Citigroup Global Markets Limited and Nordea Danmark, filial af Nordea Bank Abp, Finland will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the shares in Bavarian Nordic A/S. Each distributor is responsible for undertaking its own target market assessment in respect of the shares in Bavarian Nordic A/S and determining appropriate distribution channels.