



BAVARIAN NORDIC

Company Announcement

Bavarian Nordic Announces Closing of Acquisition of Rabipur/RabAvert and Encepur from GlaxoSmithKline and Updates Year-end Cash Preparedness

COPENHAGEN, Denmark, December 31, 2019 - Bavarian Nordic A/S (OMX: BAVA, OTC: BVNRY) today announced that it has completed the acquisition of the manufacturing and global rights¹ to the two commercial vaccines, Rabipur®/RabAvert® and Encepur®, from GlaxoSmithKline plc (GSK), announced on October 21, 2019.

Upon closing, Bavarian Nordic has made an upfront payment to GSK of EUR 307.6 million. This amount has been adjusted by EUR 6.6 million due to variance between the currently and the previously estimated inventory at December 31, 2019. The upfront payment is initially financed using the Company's existing cash and bridge financing provided by Citi and Nordea.

As previously announced, to support the acquisition, including repayment of the bridge financing, the Company has planned a rights issue of approximately EUR 350 million on Nasdaq Copenhagen in the first half of 2020. The rights issue is fully underwritten by Citi and Nordea as Joint Global Coordinators.

The Company has decided to reduce the bridge loan facility, thus drawing more on its existing cash for the upfront payment. Consequently, the Company is adjusting its expectations to the 2019 year-end cash preparedness from approximately DKK 1,000 million to approximately DKK 700 million. This adjustment will be offset by income from the recently announced sale of the Priority Review Voucher, a transaction which is pending antitrust clearance in early 2020.

"With the acquisition now completed, we can truly begin the commercial transformation of Bavarian Nordic, driven by established and proven commercial products, which along with our smallpox and monkeypox vaccine create a leading infectious disease franchise that will drive sustained profits and growth in the years ahead," said Paul Chaplin, President and Chief Executive Officer of Bavarian Nordic.

For more information about the transaction, see [company announcement no. 19/2019](#).

About Bavarian Nordic

Bavarian Nordic is a fully integrated biotechnology company focused on the development of innovative therapies against infectious diseases and cancer. Using our live virus vaccine platform technology, MVA-BN®, we have created a diverse portfolio of proprietary and partnered product candidates intended to unlock the power of the immune system to improve public health with a focus on high unmet medical needs. In addition to our long-standing collaboration with the U.S. government on the development and supply of medical countermeasures, including the only FDA-approved, non-replicating smallpox vaccine, our infectious disease pipeline comprises a proprietary RSV program as well as vaccine candidates for Ebola, HPV, HBV and HIV, which are developed through a strategic partnership with Janssen. Additionally, we have developed a portfolio of active cancer immunotherapies, designed to alter the disease course by eliciting a robust and broad anti-cancer immune response while maintaining a favorable benefit-risk profile. For more information visit www.bavarian-nordic.com or follow us on Twitter [@bavariannordic](https://twitter.com/bavariannordic).

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

¹ Excluding selected countries in Asia, Africa and LATAM for Rabipur®/RabAvert®

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

Rolf Sass Sørensen
Vice President Investor Relations (EU)
Tel: +45 61 77 47 43

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

Company Announcement no. 28 / 2019