



BAVARIAN NORDIC

Company Announcement

Bavarian Nordic to Manufacture First Freeze-dried Doses of Smallpox Vaccine upon Exercise of Contract Option by the U.S. Government

- USD 119 million option exercised for the manufacturing of freeze-dried JYNNEOS® in 2023 and 2024
- This represents the first set of options with a total value of USD 299 million to convert the existing bulk vaccine, previously purchased by BARDA, to approximately 13 million freeze-dried JYNNEOS doses

COPENHAGEN, Denmark, May 18, 2022 - Bavarian Nordic A/S (OMX: BAVA) announced today that the U.S. Biomedical Advanced Research and Development Authority (BARDA), part of the Office of the Assistant Secretary for Preparedness and Response at the U.S. Department of Health and Human Services, has exercised the first options under the contract to supply a freeze-dried version of JYNNEOS® smallpox vaccine, thus allowing for the first doses of this version to be manufactured and invoiced in 2023 and 2024.

The options have a value of USD 119 million and represent the first options exercised to convert bulk vaccine, which has already been manufactured and invoiced under previous contracts with BARDA, into freeze dried doses of JYNNEOS smallpox vaccine. Additional options on the contract valued at USD 180 million, if exercised support conversion of up to a total of approximately 13 million freeze dried doses of JYNNEOS smallpox vaccine that are expected to be manufactured in 2024 and 2025. The majority of the bulk vaccine for these doses has already been manufactured and invoiced.

The transfer of the freeze-drying process to our new fill and finish plant in Kvistgaard was initiated last year and following an FDA inspection in 2022 will lead to commercial manufacturing in 2023. A supplement to the existing liquid frozen JYNNEOS BLA will be made comprising the Phase 3 data, which has already been completed and reported, together with the manufacturing data to support the approval of the freeze-dried version of JYNNEOS in 2024. In parallel to these activities, we will, with the award of this first option, begin to manufacture and invoice freeze-dried JYNNEOS doses in 2023 and 2024.

Paul Chaplin, President and CEO of Bavarian Nordic said: “We are pleased to announce the exercise of the first options under our contract with the U.S. government to deliver a freeze-dried version of the smallpox vaccine with an improved shelf-life, which will be manufactured at our new fill and finish facility. This marks a significant milestone in our long-standing partnership with the U.S. government to ensure availability of life-saving vaccines for the entire population.”

The contents of this announcement do not affect the Company’s expectations for the financial results for 2022.

This project has been supported in part with federal funds from the Department of Health and Human Services; Office of the Assistant Secretary for Preparedness and Response; Biomedical Advanced Research and Development Authority, under Contract No. HHSO100201700019C.

About our smallpox 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. To date, the Company has supplied nearly 30 million doses of the liquid-frozen version to HHS, with the vast majority being delivered for emergency use before approval of the vaccine by the FDA in 2019.

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Since 2009, 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 valued at USD 539 million for supply of freeze-dried vaccines. Part of this contract (USD 37 million) has funded the Phase 3 study. Also, under this contract Bavarian Nordic has produced bulk vaccine worth of USD 253 million which will add to the existing stock of bulk manufactured under previous orders, collectively resulting in approximately 13 million doses for future delivery. The majority of the contract (USD 299 million), however, will be realized upon supply of the freeze-dried doses, which will be manufactured at the Company's the new fill-finish facility.

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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