*Selskabsmeddelelse*

# Bavarian Nordic offentliggør regnskab for første halvår 2022

**KØBENHAVN, Danmark, 24. august 2022** – Bavarian Nordic A/S (OMX: BAVA) offentliggjorde i dag regnskab samt rapporterede på begivenheder for første halvår 2022. Desuden offentliggør selskabet finanskalender for 2023.

**Administrerende direktør i Bavarian Nordic, Paul Chaplin udtaler:** "I år havde vi planlagt betydelige investeringer i Bavarian Nordics fremtidige vækst med opstarten af globale fase 3-forsøg med to sen-faseprogrammer, der har potentialet til at imødekomme store udækkede medicinske behov. Alt imens disse programmer fortsætter efter planen, har vi måttet mobilisere hele vores organisation for at tilsikre, at vores indsats koncentreres bedst muligt for at fremstille og levere vacciner til at hjælpe regeringer over hele verden med at bekæmpe et hidtil uset udbrud af abekopper. Omfanget af dette udbrud var uventet, men vores langvarige offentlig-private partnerskab med den amerikanske regering har sikret, at der findes en sikker og effektiv vaccine mod abekopper, hvilket gør det muligt for myndighederne at reagere hurtigt på denne sundhedskrise. Vi gør alt, hvad vi kan for at imødekomme den umiddelbare efterspørgsel efter vores abekoppevaccine og arbejder ihærdigt videre på at udvide vores produktionskapacitet via yderligere opskalering og partnerskaber.

På trods af vores store udviklingsinvesteringer betyder den stærke salgsindsats i alle dele af vores forretning i de første seks måneder sammen med vores forventninger for resten af året, at vi nu nærmer os et nulresultat for 2022, og vi ser samtidig en robust forretning for abekoppevaccinen tegne sig efter 2022."

**Finansielle hovedpunkter**

- Den samlede omsætning i første halvår var DKK 857 mio. bestående af DKK 764 mio. fra det kombinerede salg af produkter, DKK 83 mio. fra milepælsbetalinger fra partnere og DKK 10 mio. fra kontraktarbejde.
- Omsætningen i andet kvartal udgjorde DKK 537 mio. bestående af DKK 234 mio. fra salg af Rabipur®/RabAvert®, DKK 144 mio. fra salg af Encepur®, DKK 117 mio. fra salg af JYNNEOS®/IMVANEX®/IMVAMUNE®, DKK 38 mio. fra salg af tredjepartsprodukter og DKK 4 mio. fra kontraktarbejde. Hovedparten af 2022-omsætningen fra salget af JYNNEOS/IMVANEX/IMVAMUNE i andet kvartal vil blive indtægtsført i andet halvår 2022, i takt med de planlagte leverancer.
- Resultat af primær drift før afskrivninger og nedskrivninger (EBITDA) var et underskud på DKK 212 mio. i første halvår.
- Stærk finansiel position på DKK 2.753 mio. ved udgangen af halvåret
- De finansielle forventninger til helåret er blevet opjusteret seks gange siden marts 2022, som følge af indgåelsen af adskillige leveringskontrakter siden begyndelsen af abekoppeudbruddet i maj. De senest udmeldte forventninger for helåret, udstedt den 18. juli, fastholdes med en omsætning i intervallet fra DKK 2.700 til 2.900 mio., et driftsunderskud før afskrivninger og nedskrivninger (EBITDA) i intervallet fra DKK -300 til -100 mio. og likvider ved årets udgang på mere end DKK 1.700 mio.

| *DKK mio.* | Q2 2022 | Q2 2021 | H1 2022 | H1 2021 | 2022 forventet |
|---|---|---|---|---|---|
| Omsætning | 537 | 370 | 857 | 905 | 2.700 - 2.900 |
| Resultat af primær drift før afskrivninger og nedskrivninger (EBITDA) | (118) | (9) | (212) | (8) | (300) - (100) |
| Likvider | 2.753* | 2.207* | 2.753* | 2.207* | > 1.700 |

** Fratrukket belånte obligationer*

**Øvrige hovedpunkter**

*Kopper/abekopper*

- I maj udnyttede den amerikanske regering en option på produktion af frysetørret JYNNEOS. Optionen, der har en værdi af USD 119 mio. repræsenterer den første af en række optioner ud af en samlet kontrakt på USD 299 mio., der blev indgået i 2017, og som har til formål at konvertere eksisterende råvaccine, der er produceret og faktureret under tidligere kontrakter, til frysetørrede doser.
- I maj indgik Bavarian Nordic flere leveringskontrakter med regeringer i hele verden i forbindelse med det globale udbrud af abekopper.
- I juni indgik Bavarian Nordic en flerårig kontrakt med den canadiske regering til en værdi af USD 56 mio. på levering af koppevacciner fra 2023 og frem. Bavarian Nordic har arbejdet med de canadiske myndigheder siden 2008 omkring at sikre tilgængeligheden af vaccinen.
- I juni bestilte den amerikanske regering 500.000 doser abekoppevaccine til levering i 2022. Vaccinerne vil blive påfyldt ved brug af den råvaccine, der allerede er produceret og faktureret under tidligere kontrakter.
- I juni indgik Bavarian Nordic en kontrakt med European Health Emergency Preparedness and Response Authority (HERA) på levering af abekoppevacciner til EUs medlemsstater i 2022.

*Respiratorisk syncytialvirus (RSV)*

- I april påbegyndte Bavarian Nordic et globalt fase 3 klinisk forsøg med MVA-BN RSV mod RSV i ældre. Forsøget er planlagt til at rekruttere ca. 20.000 voksne I alderen 60 år og vil foregå henover RSV-sæsonen 2022/2023. Toplinjeresultater forventes i midten af 2023.
- I juni tildelte Det Europæiske Lægemiddelagentur prioritetsstatus (PRIME) til MVA-BN RSV, til aktiv immunisering til beskyttelse mod sygdom i de nedre luftveje forårsaget af respiratorisk syncytialvirus (RS-virus, eller RSV) i personer i alderen 60 år og opefter. MVA-BN RSV er tidligere blevet tildelt Breakthrough Therapy Designation af det amerikanske lægemiddelagentur, FDA.

*ABNCoV2 (COVID-19)*

- I maj rapporterede Bavarian Nordic yderligere fase 2-resultater for COVID-19 boostervaccinekandidaten ABNCoV2, der viste, at vaccination med ABNCoV2 fremkaldte en signifikant forøgelse af neutraliserende antistoffer mod omikron-varianten i hovedparten af personerne (87%), der tidligere var vaccineret med mRNA- eller adenovirusbaseret vaccine. De neutraliserende antistoffer nåede niveauer, som er blevet rapporteret som værende knyttet til en høj grad af beskyttelse (>90%) i lighed med hvad der tidligere er rapporteret for ABNCoV2 for andre varianter af bekymring.
- I juni annoncerede Bavarian Nordic et opdateret design for fase 3-forsøget med ABNCoV2, som vil være et *non-inferiority* forsøg, der sammenligner ABNCoV2 med Comirnaty®. Forsøget vil starte rekruttering i august 2022.

**Begivenheder efter rapporteringsperioden**

- I juli bestilte den amerikanske regering yderligere 5 mio. doser abekoppevaccine til levering i 2022 og 2023. Vaccinerne vil blive påfyldt ved brug af den råvaccine, der er produceret under tidligere kontrakter med den amerikanske regering. En amerikansk kontraktproducent vil bistå med påfyldningen.
- I juli godkendte Europa-Kommisionen en udvidelse af markedsføringstilladelsen for selskabets koppevaccine, IMVANEX, til også at omfatte beskyttelse mod abekopper. Godkendelsen skete på baggrund af en positiv anbefaling fra Udvalget for Humanmedicinske Lægemidler (CHMP)
- I juli modtog Bavarian Nordic godkendelser fra de amerikanske og europæiske tilsynsmyndigheder af processen til færdigvareproduktion af koppe- og abekoppevaccine, der er blevet overført til selskabets fyldefabrik i Danmark. Den amerikanske godkendelse skete efter en succesfuld FDA-inspektion i juli og EU-godkendelsen blev tildelt efter behandling af en ansøgning, der blev indsendt til CHMP i juni 2022, i tillæg til den inspektion og tilhørende godkendelse, som tidligere er givet af de danske myndigheder ved Lægemiddelstyrelsen.
- I juli og august modtog Bavarian Nordic yderligere ordrer på abekoppevaccinen fra en række lande, herunder væsentlige ordrer for 2023.

**Webcast og telefonkonference**
Selskabets ledelse afholder en telefonkonference i dag kl. 14.00 dansk tid for at præsentere halvårsregnskabet og besvare eventuelle spørgsmål. Det er muligt at høre en live eller arkiveret webcast af telefonkonferencen via https://bit.ly/3pBUllR. For at stille spørgsmål, skal der foretages registrering forud for eventet via https://bit.ly/3dS5ZGU.

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**Om Bavarian Nordic**
Bavarian Nordic er et fuldt integreret vaccineselskab, der er fokuseret på udvikling, produktion og kommercialisering af livsvigtige vacciner. Vi er globalt førende inden for koppevacciner, og er mangeårig leverandør til den amerikanske regering af en ikke-replikerende koppevaccine, som er godkendt af de amerikanske sundhedsmyndigheder, også til beskyttelse mod abekopper. Vaccinen er desuden godkendt som koppevaccine i Europa og Canada. Vores kommercielle produktportefølje består endvidere af markedsledende vacciner mod rabies og flåtbåren hjernebetændelse. Med udgangspunkt i vores virale vaccineplatform, MVA-BN®, har vi udviklet en bred portefølje af produktkandidater, der sigter mod at forbedre og beskytte liv ved at frigøre immunsystemets egne kræfter. Blandt andet har vi udviklet en ebolavaccine, der er licenseret til Janssen Pharmaceutical Companies of Johnson & Johnson. Vi er desuden engageret i udviklingen af en næstegenerations COVID-19 vaccine. For yderligere information besøg www.bavarian-nordic.com.

**Udsagn om fremtiden**
Denne meddelelse indeholder fremadrettede udsagn, som er forbundet med risici, usikkerheder og andre faktorer, hvoraf mange er uden for vores kontrol. Dette kan medføre, at faktiske resultater afviger væsentligt fra de resultater, som er omhandlet i ovennævnte fremadrettede udsagn. Fremadrettede udsagn omfatter udsagn vedrørende vores planer, mål, fremtidige begivenheder, præstation og/eller anden information, som ikke er historisk information. Alle fremadrettede udsagn skal udtrykkeligt vurderes i sammenhæng med de forbehold, der er taget eller henvist til i denne erklæring. Vi påtager os ingen forpligtelser til offentligt at opdatere eller revidere udsagn om fremtiden således, at disse afspejler efterfølgende begivenheder eller omstændigheder, undtagen i det omfang dette er foreskrevet ved lov.

## Consolidated Key Figures (unaudited)

| DKK thousand | 1/4 - 30/6 2022 | 1/4 - 30/6 2021 | 1/1 - 30/6 2022 | 1/1 - 30/6 2021 | 1/1-31/12 2021 |
|---|---|---|---|---|---|
| **Income statements** | | | | | |
| Revenue | 536,699 | 369,999 | 856,755 | 905,252 | 1,897,875 |
| Production costs | 431,313 | 249,301 | 723,496 | 626,642 | 1,327,560 |
| Sales and distribution costs | 47,928 | 47,061 | 85,316 | 98,096 | 191,783 |
| Research and development costs | 184,862 | 97,077 | 289,661 | 219,217 | 399,159 |
| Administrative costs | 90,226 | 83,200 | 168,012 | 155,930 | 292,920 |
| Income before interest and taxes (EBIT) | (217,630) | (106,640) | (409,730) | (194,633) | (313,547) |
| Financial items, net | (18,227) | (41,493) | (96,746) | (83,231) | (140,883) |
| Income before company tax | (235,857) | (148,133) | (506,476) | (277,864) | (454,430) |
| Net profit for the period | (237,170) | (150,258) | (509,113) | (281,103) | (464,775) |
| **Balance sheet** | | | | | |
| Total non-current assets | | | 7,670,807 | 6,426,395 | 7,335,630 |
| Securities, cash and cash equivalents | | | 3,253,439 | 2,513,448 | 3,716,615 |
| Other current assets | | | 1,104,310 | 1,068,535 | 1,037,024 |
| Total assets | | | 12,028,556 | 10,008,378 | 12,089,269 |
| Equity | | | 6,879,095 | 5,788,550 | 7,374,667 |
| Non-current liabilities | | | 2,953,327 | 2,391,883 | 2,806,044 |
| Current liabilities | | | 2,196,134 | 1,827,945 | 1,908,558 |
| **Cash flow statements** | | | | | |
| Cash flow from operating activities | | | (119,792) | (377,266) | (358,500) |
| Cash flow from investment activities | | | (487,511) | (1,179,496) | (2,876,946) |
| - Investment in intangible assets | | | (153,096) | (41,633) | (575,324) |
| - Investment in property, plant and equipment | | | (242,467) | (171,411) | (483,127) |
| - Net investment in securities | | | 34,608 | (965,891) | (1,779,454) |
| Cash flow from financing activities | | | 300,652 | 1,454,979 | 3,536,080 |
| **Financial Ratios**[1)] | | | | | |
| EBITDA after Other operating income | (118,319) | (9,249) | (212,016) | (7,985) | 74,764 |
| Earnings (basic) per share of DKK 10 | | | (7.2) | (4.6) | (7.4) |
| Net asset value per share | | | 97.6 | 90.7 | 104.7 |
| Share price at period-end | | | 234 | 259 | 269 |
| Share price/Net asset value per share | | | 2.4 | 2.9 | 2.6 |
| Number of outstanding shares at period-end (thousand) | | | 70,479 | 63,817 | 70,468 |
| Equity share | | | 57% | 58% | 61% |
| Number of employees, converted to full-time, at period-end | | | 868 | 730 | 759 |

[1)] Earnings per share (EPS) is calculated in accordance with IAS 33 "Earning per share". Other financial ratios have been calculated in accordance with the guidelines from the Danish Society of Financial Analysts.

| **Reconciliation of EBITDA** | | | | | |
|---|---|---|---|---|---|
| Income before interest and tax (EBIT) | (217,630) | (106,640) | (409,730) | (194,633) | (313,547) |
| Depreciation and amortization | 99,311 | 97,391 | 197,714 | 186,648 | 388,311 |
| **EBITDA after Other operating income** | **(118,319)** | **(9,249)** | **(212,016)** | **(7,985)** | **74,764** |

## Our response to the global monkeypox outbreak

A new, global health crisis emerged during the second quarter 2022. Initially, like several times before in recent years, sporadic cases of human monkeypox were reported in Europe, imported from endemic areas in Africa, and Bavarian Nordic once again was able to assist with supplies of its smallpox vaccine for healthcare workers and close contacts.

However, it quickly became clear, that this outbreak was not following the same pattern of previous years. Unrelated cases were reported across several countries, and numbers rose rapidly. By the end of May, more than 600 cases were reported across nearly 30 countries. Today, this figure has increased to more than 40,000 cases in nearly 100 countries.

Facing this unexpected event with no prior experience to draw from, health authorities around the globe were challenged to implement measures while still trying to understand the epidemiology of this disease and how this outbreak was evolving.

As the sole manufacturer of an approved monkeypox vaccine, Bavarian Nordic was contacted by authorities from dozens of countries, inquiring about the vaccine. Only limited supplies were readily available, as no commercial market had previously existed beyond the sales to a few government stockpiles for their biological preparedness against a related, but far more dangerous virus: smallpox.

Originally, Bavarian Nordic began the development of MVA-BN as a non-replicating smallpox vaccine suitable for immune-compromised people who are not recommended vaccination with traditional replicating vaccines, but since 2003 this development was assisted by the U.S. government. These contracts later evolved into procurement contracts and Bavarian Nordic started delivering the vaccine in the current liquid-frozen formulation to the U.S. in 2010 under an emergency use provision until approval by the U.S. Food and Drug Administration in 2019, which included the monkeypox indication. In recent years, the Company has been contracted by the U.S. to manufacture bulk vaccine with the purpose of supplying a freeze-dried formulation of the vaccine with a longer shelf life.

Hence, bulk vaccine exists to fulfil orders from the U.S government as well as a limited company inventory of bulk batches that allowed Bavarian Nordic to rapidly initiate the final drug production (fill and finish) of the vaccine as demand rose during the first months of the outbreak.

By the reporting date, numerous contracts have been signed, ensuring access to the vaccine in 40 countries across the Americas, Europe, Asia and Oceania during 2022. Among these countries are also existing customers, with whom new contracts were swiftly secured. Some countries have also started longer-term planning, resulting in orders for 2023 and beyond. Bavarian Nordic continues to work with governments and supranational organizations that could ensure access to an additional 50+ countries before the end of this year and has reprioritized its production schedule accordingly.

### Expedited approvals for faster and broader access to the vaccine

While Bavarian Nordic's vaccine had already been approved for monkeypox in the U.S. and Canada, the approval in the EU only covered smallpox. Thus, countries within EU, but also outside, were providing the vaccines under local exemptions, such as emergency use provisions. Upon recommendation from the Emergency Task Force of the European Medicines Agency (EMA), Bavarian Nordic worked with the authorities to expedite a review of data to support an extension of the current approval of IMVANEX to include monkeypox. A positive opinion was adopted by EMA's Committee for Medicinal Products for Human Use (CHMP) in July and shortly after, the European Commission formally gave its approval, which is valid in all European Union Member States as well as in Iceland, Liechtenstein, and Norway.

In parallel, Bavarian Nordic has worked with both U.S. and EU regulatory authorities to expedite the approval of the fill and finish process at its own manufacturing facility. This required among others a rescheduling of a planned pre-approval inspection by the FDA, which was conducted early July with no observations being made. Both the FDA and EMA have subsequently approved the fill and finish line and the process established for the smallpox/monkeypox vaccine.

### Scaling up manufacturing capacity

Bavarian Nordic's manufacturing facility in Denmark has undergone several upgrades over the past years. These include the construction of a fill and finish facility which was put into operations in 2021, and which initially has been qualified to manufacture the smallpox/monkeypox vaccine. Furthermore, the bulk facility has been expanded with an additional line to allow for simultaneous manufacturing of different products, including Rabipur/RabAvert and Encepur, the Company's vaccines against rabies and tick-bone encephalitis. To enable this expansion, the facility was shut down for a period, but has now reopened. This planned expansion has had no impact on Bavarian Nordic ability to supply IMVAMUNE/IMVANEX/JYNNEOS during the first few months of the current outbreak.

While the original production schedule for the remainder of 2022 and onwards did not include manufacturing of smallpox/monkeypox vaccine, other than what was previously contracted by the U.S. and Canada, the increased demand for the vaccine has led to a number of initiatives by the Company to maximize its production output in the near and medium term. These include:

- Scaling up of the bulk production and fill/finish line capacity by adding more manpower
- Clearing the bulk production line to free up capacity for the monkeypox vaccine, including working on outsourcing of RSV commercial manufacturing based on a new proprietary cell line technology
- Transferring fill/finish to a U.S. based contract manufacturer to complement own filling capacity
- Exploring potential new collaborations with third parties to further scale up bulk and fill/finish capacity

## Commercial update

Comparative figures for 2021 are shown in brackets. Where market shares are mentioned, these are measured by value.

### Q2 sales

| *mDKK* | Q2 2022 | Q2 2021 | Growth |
|---|---|---|---|
| Rabipur/RabAvert | 234 | 127 | 85% |
| Encepur | 144 | 146 | -2% |
| JYNNEOS/IMVANEX/IMVAMUNE | 117 | - | - |
| Mvabea | - | 89 | - |
| Sale of third-party products | 38 | - | - |
| Milestone payments | - | - | - |
| Contract work | 4 | 8 | -53% |
| **Total** | 537 | 370 | |

### H1 sales

| *mDKK* | H1 2022 | H1 2021 | Growth |
|---|---|---|---|
| Rabipur/RabAvert | 351 | 207 | 69% |
| Encepur | 213 | 245 | -13% |
| JYNNEOS/IMVANEX/IMVAMUNE | 117 | 336 | -65% |
| Mvabea | 30 | 89 | -66% |
| Sale of third-party products | 53 | - | - |
| Milestone payments | 83 | - | - |
| Contract work | 10 | 28 | -63% |
| **Total** | 857 | 905 | |

### Rabipur/RabAvert

Rabipur/RabAvert revenue amounted to DKK 234 million (DKK 127 million) for the second quarter. The 85% growth in revenue versus the prior year was driven by significant market growth in the US and Germany that represent the two largest markets.

The Q2 US market showed strong growth of approximately 26% compared with last year and reached a level above the 2019 pre-COVID level. RabAvert now has a market share of approximately 65%, in line with the level seen prior to competition facing a stockout situation during the autumn of 2020.

The German market continued the strong growth rate demonstrated in Q1 2022 and delivered a growth of approximately 343%. The market size is still approximately 40% below the pre-COVID level, however with an unchanged Rabipur market share of 95%, the high growth rates create a substantial contribution to Bavarian Nordic's revenue growth.

For the first half year Rabipur/RabAvert revenue amounted to DKK 351 million (DKK 207 million), i.e. an increase of 69%.

### Encepur

Encepur revenue amounted to DKK 144 million (DKK 146 million) for the second quarter, i.e. a decrease of 2% versus prior year. However, this is a significant improvement from Q1 2022 that demonstrated a significant decline caused by continued negative market development in Germany.

In Q2 the German market finally returned to positive growth and grew by 38% versus prior year, enough to reach a 13% growth for the first half year. The German market share was unchanged at approximately 30% by end of June, which is in line with the prior year.

For the first half year Encepur revenue amounted to DKK 213 million (DKK 245 million), i.e. a decrease of 13% despite the positive growth in the German market and due to country mix and inventory movements at wholesaler and partner level.

### JYNNEOS/IMVANEX/IMVAMUNE

Revenue from sale of JYNNEOS/IMVANEX/IMVAMUNE in the second quarter was DKK 117 million (DKK 0 million), all related to contracts with various governments in response to the global monkeypox outbreak. Significant orders for the vaccine were received during the quarter, however, the majority of revenue from these orders will occur in the second half of 2022 in line with deliveries taking place.

For the first half year revenue from sale of JYNNEOS/IMVANEX/IMVAMUNE amounted to DKK 117 million (DKK 336 million).

### Mvabea (Ebola)

In the second quarter, revenue from Mvabea was DKK 0 million (DKK 89 million).

For the first half year Mvabea revenue amounted to DKK 30 million (DKK 89 million), i.e. a decrease of 66%. Revenue in the period is related to the order announced in June 2020.

### Third-party products sale

Revenue from sale of third-party products in the second quarter was DKK 39 million (DKK 0 million), which is related to sale of DUKORAL and IXIARO (Valneva products assumed in first quarter 2022) and HEPLISAV-B (Dynavax product assumed in second quarter 2022). HEPLISAV-B was launched during the period and revenue from the sale of the vaccine is largely attributed to supply chain filling.

For the first half year revenue from sale of third-party products amounted to DKK 53 million (DKK 0 million).

### Contract work

Revenue from contract work in the second quarter was DKK 4 million (DKK 8 million), mainly stemming from the remaining activities related to the qualification and validation activities relating to the fill-and-finish plant and the phase 3 trial of the freeze-dried version of the smallpox vaccine, both under contracts with the US government.

For the first half year revenue from contract work amounted to DKK 10 million (DKK 28 million).

## Marketed products

| PRODUCT | INDICATION | MARKETS |
|---|---|---|
| Rabipur®/RabAvert® | Rabies | Marketed globally in 20 countries |
| Encepur® | Tick-borne encephalitis (TBE) | Marketed in 12 EU countries |
| JYNNEOS®/IMVAMUNE®/IMVANEX® | Smallpox and Monkeypox | Sold to governments |
| Mvabea® | Ebola | Licensed to Janssen, not commercialized but made available for high-risk areas in West Africa. Approved in the EU. |
| IXIARO® | Japanese encephalitis | Licensed by Valneva to Bavarian Nordic to market and distribute the vaccine in Germany and Switzerland |
| DUKORAL® | Cholera | Licensed by Valneva to Bavarian Nordic to market and distribute the vaccine in Germany and Switzerland |
| HEPLISAV-B® | Hepatitis-B | Licensed by Dynavax to Bavarian Nordic to market and distribute the vaccine in Germany |

## Research & development

2022 represents a pivotal year for Bavarian Nordic with significant anticipated news flow from the pipeline, as the Company embarks on two global Phase 3 clinical trials.

### Clinical pipeline

| VACCINE | INDICATION | STATUS / MILESTONE |
|---|---|---|
| MVA-BN *freeze-dried* | Smallpox/Monkeypox | Phase 3 completed |
| MVA-BN RSV | RSV | Phase 3 ongoing |
| ABNCoV2 | COVID-19 | Phase 3 start planned for August 2022 |
| TAEK-VAC | Cancer | Phase 1/2 study ongoing |

### RSV

In April, Bavarian Nordic initiated a global Phase 3 clinical trial of MVA-BN RSV against respiratory syncytial virus (RSV) in adults ≥60 years of age. The Company is targeting completion of enrollment of 20,000 subjects by year-end 2022 with topline results anticipated mid-2023, if the pre-defined number of lower-respiratory tract disease (LRTD) events has occurred.

In June, the European Medicines Agency (EMA) granted access to its priority medicines (PRIME) scheme for MVA-BN RSV in active immunization for the prevention of LRTD caused RSV in adults ≥60 years of age.

PRIME is a scheme launched by EMA to enhance support for the development of medicines that target an unmet medical need. Through PRIME, EMA offers early support to medicine developers to optimize the generation of robust data on a medicine's benefits and risks and enable accelerated assessment of medicines applications. The access to PRIME was granted upon an assessment that the available clinical data overall show the potential of MVA-BN-RSV to address the unmet medical need in the proposed target population.

Earlier in 2022, the U.S. Food and Drug Administration (FDA) granted MVA-BN RSV Breakthrough Therapy Designation, an equivalent to the EU PRIME status, for the prevention of RSV in older adults.

As part of the strategy to commercialize the vaccine globally, the Company entered into a regional license and supply agreement with Nuance Pharma in the first quarter of 2022 on the development and commercialization of MVA-BN RSV for adults in China and selected Asian markets. Under the terms of the agreement, Bavarian Nordic is eligible to receive up to USD 225 million in upfront and milestone payments in addition to tiered, double-digit royalties. Nuance Pharma obtains rights to commercialize MVA-BN RSV in Chinese Mainland, Hong Kong, Macau, Taiwan, South Korea and Southeast Asia and will be responsible for all material costs, including development and regulatory.

### COVID-19

The Phase 2 clinical development of ABNCoV2, a VLP-based COVID-19 vaccine candidate has been completed with encouraging topline results reported in December 2021 and additional results reported during first half 2022, confirming the vaccine's potential as a booster vaccine offering broad protection against variants of concern.

A double-blind, controlled Phase 3 clinical trial has been agreed with the regulatory authorities, designed to demonstrate that the neutralizing antibodies induced by ABNCoV2 are non-inferior to the levels stimulated by Comirnaty®, the licensed mRNA-based vaccine.

Regulatory approvals to initiate the trial have been obtained, and site activation is now ongoing with the aim to vaccinate the first subjects by the end of August.

The trial will enroll approximately 4,000 adult subjects who either previously completed primary vaccination or have already received one booster dose of a licensed COVID-19 vaccine. The trial consists of two groups. The active, controlled group will enroll 1,000 subjects who will be randomized to receive either a single 100 µg dose of ABNCoV2 or a single 30 µg adult booster dose of Comirnaty. The other group will evaluate the safety and tolerability of the vaccine in 3,000 subjects who will receive a single 100 µg dose of ABNCoV2. Initial trial results are expected before the end of 2022, which will allow for a rolling submission to the regulatory authorities, aiming to obtain approval of the vaccine in 2023.

The Phase 3 development of ABNCoV2 is funded through an agreement with the Danish State.

Throughout first half of 2022, Bavarian Nordic reported additional results from the ABNCoV2 Phase 2 clinical program. In February, results were reported from a group of 66 seropositive subjects who received one low dose (50 µg) of ABNCoV2 that confirmed

similar high neutralizing antibody levels against the same SARS-CoV-2 variants of concern as observed with the high dose (100 µg), reported in December 2021. Comparing the induced levels of neutralizing titres by also taking into account the starting titre (pre-booster) and/or the time since the last vaccination showed that the higher booster dose of ABNCoV2 trended towards inducing stronger levels of neutralizing titres against SARS-CoV-2.

Secondly, a group of 28 seronegative subjects, who had not been previously vaccinated, or infected with SARS-CoV-2 received 2 doses of ABNCoV2 (100 µg) 4 weeks apart. These data confirmed the high neutralizing levels reported from the Phase 1 clinical trial 2 weeks post the second dose, with neutralizing antibody levels against the Wuhan variant elevated to levels reported to be highly efficacious (>90%) against SARS-CoV-2[1].

In May, further data from the trial were reported, showing that vaccination with ABNCoV2 induced a significant boost to the neutralizing antibodies against the Omicron variant in the majority of subjects (87%), who were previously vaccinated with approved mRNA or adenoviral vaccines.

The overall Phase 2 results confirmed the ability of ABNCoV2 to boost neutralizing antibodies to levels reported to be highly efficacious against SARS-CoV-2, both when used for primary vaccination and when used as a booster in subjects previously vaccinated with mRNA- or Adeno-based vaccines. A similar fold increase was observed for all SARS-CoV-2 variants of concern tested (Wuhan, Alpha, Beta, Delta and Omicron) following the booster vaccination with ABNCoV2. While the neutralizing antibody titers against Omicron were the lowest when compared to all other variants of concern tested, they were boosted to levels reported to be associated with a high level of protection (>90%).

The vaccine was generally well-tolerated, with no related serious adverse events reported and no relevant difference in the safety profile between subjects receiving either the low (50 µg) or high dose (100 µg) of ABNCoV2.

### Smallpox / monkeypox

A freeze-dried version of JYNNEOS® with improved shelf-life is being developed. The clinical development of this version has been completed and Bavarian Nordic is working to finalize the transfer of the manufacturing process as the last activity to support the submission of a supplement Biologics License Application (BLA) to the FDA to extend the current approval of JYNNEOS for the freeze-dried formulation.

### Immuno-oncology

TAEK-VAC, a tumor antibody enhanced therapeutic vaccine, is a novel immuno-oncology candidate employing the MVA-BN technology. A Phase 1/2 open label trial of intravenous administration of the vaccine, was initiated in 2021 in patients with advanced HER2 and brachyury-expressing cancers. A dose-escalation stage of the trial is currently ongoing, before advancing into stage 2, expectedly later in 2022.

## Regulatory updates

### IMVANEX approval extended to include monkeypox

Spurred by the global monkeypox outbreak, and upon recommendation from the Emergency Task Force of the European Medicines Agency (EMA), Bavarian Nordic submitted an application in June to extend the current approval of the IMVANEX smallpox vaccine to include monkeypox. After an expedited review, EMA's Committee for Medicinal Products for Human Use (CHMP) issued a positive opinion in July, recommending this extension, and shortly after, the European Commission formally gave its approval, which is valid in all European Union Member States as well as in Iceland, Liechtenstein, and Norway.

### New fill and finish facility received U.S. and EU approvals

In July, Bavarian Nordic received approvals from the U.S. and EU regulatory authorities to manufacture JYNNEOS/IMVANEX smallpox and monkeypox vaccine at the Company's fill and finish facility in Denmark. With the approvals of the final drug production – the process by which the vaccine is formulated and filled into vials – the Company is now allowed to deliver drug product manufactured at its own site to the U.S. and EU market.

An expedited pre-approval inspection (PAI) was conducted by the FDA at the facility at the beginning of July. The inspection included the final drug production of JYNNEOS, which was previously performed at a contract manufacturer. The inspection was successfully completed with no observations made, leading to the approval of Bavarian Nordic as the new drug product manufacturer of JYNNEOS.

The approval by EMA was granted upon assessment by CHMP of a type II-variation application submitted in June 2022, which, similar to the FDA approval, acknowledges Bavarian Nordic as the new drug product manufacturer of the IMVANEX vaccine, in supplement to the inspection, and approval earlier granted, by the Danish Medicines Agency,

[1] P. B. Gilbert et al., Science 10.1126/science.abm3425 (2021)

## Financial review

*Financial statements for the period January 1 – June 30, 2022 are un-audited. Comparison figures for the same period 2021 are stated in brackets.*

### Revenue

Revenue for the period was DKK 857 million (DKK 905 million). Revenue was composed of DKK 564 million (DKK 452 million) from sales of Rabipur/RabAvert and Encepur, DKK 117 million (DKK 336 million) from sale of MVA-BN smallpox/monkeypox vaccine, DKK 83 million in milestone payments (DKK 0 million) from our RSV partner Nuance, DKK 53 million (DKK 0 million) from sale of third-party products, DKK 30 million (DKK 89 million) from sales of Mvabea to Janssen and DKK 10 million (DKK 28 million) from contract work. Revenue reported for the three months ended June 30, 2022 was DKK 537 million (DKK 370 million).

### Production costs

Production costs totaled DKK 723 million (DKK 627 million). Costs related directly to revenue amounted to DKK 352 million (DKK 343 million), of which cost of goods sold totaled DKK 347 million (DKK 324 million). Contract costs totaled DKK 5 million (DKK 19 million). Amortization of product rights related to Rabipur/RabAvert and Encepur has also been recognized as part of the production costs with a total of DKK 136 million (DKK 136 million). Other production costs totaled DKK 235 million (DKK 147 million). Since August 2021, the bulk manufacturing facility has been shut down due to the planned expansion of the facility for future production of Rabipur/RabAvert and Encepur, therefore limited absorption of indirect production costs for Q2 2022. The facility has now re-opened. In Q2 2021 the production plant was utilized for production of RSV Phase 3 clinical trial material, which gave a very low utilization of the commercial manufacturing capacity leading to low absorption of indirect production costs causing a high level of other production costs. In the second quarter of 2022, production costs were DKK 431 million (DKK 249 million)

### Sales and distribution costs

Sales and distribution costs totaled DKK 85 million (DKK 98 million) split between costs for distribution of products of DKK 8 million (DKK 10 million) and costs for running the commercial organization and activities of DKK 78 million (DKK 88 million).

### Research and development costs

Research and development costs totaled DKK 290 million (DKK 219 million). The increase compared to 2021 relates to RSV spend increasing by DKK 85 million. The amount excludes R&D costs of DKK 5 million (DKK 19 million) recognized as production costs, see note 5. Research and development costs of DKK 234 million (DKK 0 million) related to ABNCoV2 were capitalized during the period.

### Administrative costs

Administrative costs totaled DKK 168 million (DKK 156 million).

### EBIT/EBITDA

Income before interest and tax (EBIT) was a loss of DKK 410 million, compared to a loss of DKK 195 million in the first half of 2021.

EBITDA was a loss of DKK 212 million (loss of DKK 8 million). Amortization of product rights related to Rabipur/RabAvert and Encepur amounted to DKK 136 million (DKK 136 million) whereas depreciation on other fixed assets amounted to DKK 61 million (DKK 11 million).

### Financial items

Financial items totaled a net expense of DKK 97 million (net expense of DKK 83 million) and consisted of interest expense on debt of DKK 7 million (DKK 9 million), net value adjustment of deferred consideration of DKK 17 million (DKK 60 million) from the acquisition of Encepur and Rabipur/RabAvert and ABNCoV2, net gains on hedging of DKK 9 million (DKK 0 million) and a net expense from securities of DKK 119 million (net expense of DKK 18 million), partly offset by net foreign exchange rate gains of DKK 38 million (gain DKK 5 million). Fair value adjustment on securities amounted to DKK 127 million corresponding to a 4% decrease in value as a consequence of the financial market conditions seen in first half year of 2022.

The net value adjustment of deferred consideration DKK 17 million (DKK 60 million) consists of three components; Adjustment of deferred consideration due to change in estimated timing of payments DKK 26 million income (income of DKK 6 million), currency adjustments of DKK 1 million expense (income of DKK 2 million) and unwinding[2] of the discounting effect related to deferred consideration DKK 42 million (DKK 68 million), see note 6 and 7.

Income before company tax was a loss of DKK 406 million (loss of DKK 278 million).

### Tax

Tax on income was DKK 3 million (DKK 3 million) and relates to taxes in subsidiaries. The parent company's taxable income for the full year of 2022 is expected to be negative due to Phase 3 trial costs for both ABNCoV2 and RSV, leading to an effective tax rate close to 0% for the Group as no tax assets will be recognized. Deferred tax asset on the balance sheet remains at DKK 0 million. The Company retains the right to use the tax losses carried forward that was written down in prior year, see note 14 in the Annual Report for 2021.

### Net profit

For the first half of 2022, Bavarian Nordic reported a net loss of DKK 509 million (net loss of DKK 281 million).

### Product rights

Product rights recognized in the balance sheet totaled DKK 4,776 million (DKK 4,913 million as of December 31, 2021) and relates to Rabipur/RabAvert and Encepur.

### Acquired rights and development in progress

Acquired rights and development in progress relates to the development of ABNCoV2 and stood at DKK 813 million (DKK 734 million as of December 31, 2021). The asset includes the upfront payment to AdaptVac of DKK 30 million, the net present value of probable future sales and development milestones DKK 596 million and capitalization of development costs for running the completed Phase 2 study and the running Phase 3 study, DKK 219 million. For further description of the asset and the accounting policy see note 16 in the Annual Report for 2021.

The Group has ensured significant financing for the ABNCoV2 development program through the funding obtained from the Danish Ministry of Health. Under the agreement, the Company is entitled to payments of up to DKK 800 million, which are contingent upon reaching a number of predefined milestones under the development project. All payments are potentially subject to repayment, however only upon successful obtainment of marketing authorization and upon reaching certain annual levels of doses sold. As per June 30, 2022, the upfront payment of DKK 80 million and further milestones amounting to DKK 400

[2] The deferred consideration for product rights is measured at net present value and the difference between the net present value and the amounts due is recognized in the income statement as a financial expense over the period until expected payment date using the effective interest method.

million, in total DKK 480 million, have been received and recognized as 'Prepayment and loan from Government'.

### Financial assets

Production of drug substance for ABNCoV2 is taking place at a CMO. The CMO produced the drug substance for the clinical trial materials for the Phase 3 and will also be producing drug substance for future commercial ABNCoV2 products. Costs related to the scale up activities are recognized as prepayments and will be recognized as inventory in concurrence with future purchase of products from the CMO. As per June 30, 2022 DKK 148 million has been recognized as non-current prepayments.

Part of the technology transfer of the production and packaging activities for Encepur and Rabipur/RabAvert takes place at CMO's (filling of Encepur, labelling and packing). Costs related to the technology transfer activities are recognized as prepayments and will be recognized as inventory in concurrence with future purchase of services from the CMO's. As per June 30, 2022 DKK 17 million has been recognized as non-current prepayments.

### Securities, cash and cash equivalents

Securities, cash and cash equivalents were DKK 3,253 million as of June 30, 2022, including repo pledged securities of DKK 500 million (DKK 3,717 million as of December 31, 2021, including repo pledged securities of DKK 500 million). The net cash position amounts to DKK 2,753 million (DKK 3,217 million as of December 31, 2021).

### Cash flow

Cash flow generated by operating activities was negative by DKK 120 million (negative by DKK 377 million) with higher negative contribution from net profit partly being compensated by working capital improvements by DKK 17 million (worsened DKK 395 million). Cash flow from investment activities was negative by DKK 488 million (negative by DKK 1,179 million, including DKK 966 million net investment in securities) and includes investments in property, plant and equipment, DKK 242 million (DKK 171 million), mainly related to the ongoing expansion of the drug substance facility for future production of Rabipur/RabAvert and Encepur. Investment in other intangible assets amounted to DKK 156 million (DKK 42 million) and includes the ongoing Rabipur/RabAvert and Encepur technology transfer project, the development project for the COVID-19 vaccine and IT system investments. Investment in financial assets relates to prepayments to CMOs for tech transfer and scale up activities, DKK 127 million (DKK 0 million). Cash flow from financing activities was a contribution of DKK 300 million (DKK 1,455 million), primarily funding received from the Danish Ministry of Health. The net change in cash and cash equivalents was negative by DKK 307 million (negative by DKK 102 million).

### Equity

The Group's equity as of June 30, 2022 stood at DKK 6,879 million (DKK 7,375 million as of December 31, 2021).

### Deferred consideration

Deferred consideration to GlaxoSmithKline for purchase of product rights amounted to DKK 2,568 million, whereas deferred consideration to AdaptVac related to potential future development and sales milestones and tiered royalties amounted to DKK 596 million as per June 30, 2022.

### Debt to credit institutions

As of June 30, 2022, debt to credit institutions amounted to DKK 892 million and included the European Investment Bank loan of DKK 372 million, a repo position of DKK 500 million and a mortgage loan of DKK 20 million. All numbers are unchanged compared to December 31, 2021.

### Significant risks and uncertainties

Bavarian Nordic faces a number of risks and uncertainties, common for the biotech/pharma industry. These relate to operations, research and development, manufacturing, commercial and financial activities. For further information about risks and uncertainties which Bavarian Nordic faces, refer to page 48-52 "Risk Management" in the 2021 Annual Report.

## Outlook for 2022

The financial guidance for the full year has been upgraded six times since March 2022 as result of multiple supply contracts being entered since the start of the monkeypox outbreak in May. The most recent guidance, issued on July 18, is maintained at revenues between DKK 2,700 and 2,900 million, EBITDA with a loss between DKK -300 and -100 million and cash and cash equivalents at year-end expected to exceed DKK 1,700 million.

Beyond the additional revenue generated by the monkeypox situation the guidance also reflects the current market conditions and general commercial performance as well as the current exchange rate levels. Other key assumptions for the guidance remain largely unchanged since the publication of guidance in the 2021 Annual Report.

The monkeypox outbreak has created a broader, global demand for vaccines, and Bavarian Nordic has entered several contracts with both existing and new customers to supply its monkeypox vaccine for both emergency use and long-term stockpiling beyond 2022. The revenue from secured contracts is relatively evenly split between 2022 and 2023, however skewed towards 2023 and is very sensitive to the final delivery schedules. As the outbreak continues to evolve, the Company remains in discussions with governments and supranational organizations and expects to sign more contracts for 2023 and beyond.

### Financial calendar 2022 and 2023

The 2023 dates for announcement of the Company's financial reports and the annual general meeting have now been determined, and planned future reporting dates are as follows:

| | |
|---|---|
| Nine-month report (Q3) | November 9, 2022 |
| 2022 Annual Report | March 2, 2023 |
| Annual General Meeting* | March 30, 2023 |
| Three-month report (Q1) | May 9, 2023 |
| Half-year report (Q2) | August 23, 2023 |
| Nine-month report (Q3) | November 16, 2023 |

* *Pursuant to Article 12 of the Articles of Association, shareholders who wish to submit a request for proposals for consideration at the annual general meeting must lodge this with the Company no later than Wednesday, February 15, 2023.*

## Financial statements

### Unaudited Condensed Consolidated Income Statements for the Periods Ended June 30, 2022 and 2021 and December 31, 2021

| DKK thousand | Note | 1/4 - 30/6 2022 | 1/4 - 30/6 2021 | 1/1 - 30/6 2022 | 1/1 - 30/6 2021 | 1/1-31/12 2021 |
|---|---|---|---|---|---|---|
| Revenue | 3 | 536,699 | 369,999 | 856,755 | 905,252 | 1,897,875 |
| Production costs | 4 | 431,313 | 249,301 | 723,496 | 626,642 | 1,327,560 |
| **Gross profit** | | **105,386** | **120,698** | **133,259** | **278,610** | **570,315** |
| Sales and distribution costs | | 47,928 | 47,061 | 85,316 | 98,096 | 191,783 |
| Research and development costs | 5 | 184,862 | 97,077 | 289,661 | 219,217 | 399,159 |
| Administrative costs | | 90,226 | 83,200 | 168,012 | 155,930 | 292,920 |
| **Total operating costs** | | **323,016** | **227,338** | **542,989** | **473,243** | **883,862** |
| **Income before interest and tax (EBIT)** | | **(217,630)** | **(106,640)** | **(409,730)** | **(194,633)** | **(313,547)** |
| Financial income | 6 | 61,957 | 11,713 | 80,965 | 18,625 | 50,233 |
| Financial expenses | 7 | 80,184 | 53,206 | 177,711 | 101,856 | 191,116 |
| **Income before company tax** | | **(235,857)** | **(148,133)** | **(506,476)** | **(277,864)** | **(454,430)** |
| Tax on income for the period | | 1,313 | 2,125 | 2,637 | 3,239 | 10,345 |
| **Net profit for the period** | | **(237,170)** | **(150,258)** | **(509,113)** | **(281,103)** | **(464,775)** |
| **Earnings per share (EPS) - DKK** | | | | | | |
| Basic earnings per share of DKK 10 | | (3.4) | (2.4) | (7.2) | (4.6) | (7.4) |
| Diluted earnings per share of DKK 10 | | (3.4) | (2.4) | (7.2) | (4.6) | (7.4) |

### Unaudited Condensed Consolidated Statements of Comprehensive Income for the Periods Ended June 30, 2022 and 2021 and December 31, 2021

| DKK thousand | 1/4 - 30/6 2022 | 1/4 - 30/6 2021 | 1/1 - 30/6 2022 | 1/1 - 30/6 2021 | 1/1-31/12 2021 |
|---|---|---|---|---|---|
| **Net profit for the period** | **(237,170)** | **(150,258)** | **(509,113)** | **(281,103)** | **(464,775)** |
| **Items that might be reclassified to the income statement:** | | | | | |
| Exchange rate adjustments on translating foreign operations | (12,156) | 157 | (10,335) | 3,991 | 10,081 |
| Change in fair value of financial instruments entered into to hedge future cash flows | 782 | 2,170 | 2,468 | (10,786) | (542) |
| **Other comprehensive income after tax** | **(11,374)** | **2,327** | **(7,867)** | **(6,795)** | **9,539** |
| **Total comprehensive income** | **(248,544)** | **(147,931)** | **(516,980)** | **(287,898)** | **(455,236)** |

## Unaudited Condensed Consolidated Statements of Cash Flow for the Periods Ended June 30, 2022 and 2021 and December 31, 2021

| DKK thousand | 1/1 - 30/6 2022 | 1/1 - 30/6 2021 | 1/1-31/12 2021 |
|---|---|---|---|
| **Net profit for the period** | **(509,113)** | **(281,103)** | **(464,775)** |
| Adjustment for non-cash items: | | | |
| Financial income | (80,965) | (18,625) | (50,233) |
| Financial expenses | 177,711 | 101,856 | 191,116 |
| Tax on income for the period | 2,637 | 3,239 | 10,345 |
| Depreciation, amortization and impairment losses | 197,713 | 186,647 | 388,310 |
| Share-based payment | 25,508 | 34,390 | 56,857 |
| Changes in inventories | (38,366) | (146,361) | 41,039 |
| Changes in receivables | (19,253) | (209,922) | (364,393) |
| Changes in current liabilities | 110,244 | (38,304) | (146,007) |
| **Cash flow from operations (operating activities)** | **(133,884)** | **(368,183)** | **(337,741)** |
| Received financial income | 13,653 | 4,480 | 6,198 |
| Paid financial expenses | 2,045 | (12,610) | (24,383) |
| Paid company taxes | (1,606) | (953) | (2,574) |
| **Cash flow from operating activities** | **(119,792)** | **(377,266)** | **(358,500)** |
| Investments in products rights | 3,594 | - | (371,849) |
| Investments in other intangible assets | (156,690) | (41,633) | (203,475) |
| Investments in property, plant and equipment | (242,467) | (171,411) | (483,127) |
| Investments in/disposal of financial assets | (126,556) | (561) | (39,041) |
| Investments in securities | (367,449) | (1,116,911) | (2,115,796) |
| Disposal of securities | 402,057 | 151,020 | 336,342 |
| **Cash flow from investment activities** | **(487,511)** | **(1,179,496)** | **(2,876,946)** |
| Payment on loans | (1,089) | (1,088) | (2,173) |
| Proceeds from loans | 320,000 | 306,706 | 660,000 |
| Repayment of lease liabilities | (10,415) | (9,745) | (19,507) |
| Proceeds from warrant programs exercised | 1,545 | 44,800 | 107,183 |
| Proceeds from rights issue | - | - | 2,856,596 |
| Proceeds from capital increase through private placement | - | 1,148,450 | - |
| Cost related to issue of new shares | (61) | (25,563) | (57,438) |
| Purchase of treasury shares | (9,328) | (8,581) | (8,581) |
| **Cash flow from financing activities** | **300,652** | **1,454,979** | **3,536,080** |
| **Cash flow of the period** | **(306,651)** | **(101,783)** | **300,634** |
| Cash as of 1 January | 591,820 | 285,487 | 285,487 |
| Currency adjustments 1 January | 5,632 | 2,197 | 5,699 |
| **Cash end of period** | **290,801** | **185,901** | **591,820** |

## Unaudited Condensed Consolidated Statements of Financial Position - Assets as of June 30, 2022 and 2021 and December 31, 2021

| DKK thousand | Note | 30/6 2022 | 30/6 2021 | 31/12 2021 |
|---|---|---|---|---|
| **Assets** | | | | |
| Product rights | | 4,776,363 | 5,049,298 | 4,912,830 |
| Acquired rights and development in progress | | 813,214 | 29,813 | 733,770 |
| Software | | 19,754 | 28,791 | 22,985 |
| Intangible assets in progress | | 204,145 | 81,969 | 134,371 |
| **Intangible assets** | | **5,813,476** | **5,189,871** | **5,803,956** |
| Land and buildings | | 334,774 | 361,054 | 345,953 |
| Leasehold improvements | | 8,776 | 3,313 | 10,011 |
| Plant and machinery | | 243,067 | 263,583 | 254,530 |
| Fixtures and fittings, other plant and equipment | | 214,992 | 219,071 | 223,467 |
| Assets under construction | | 810,638 | 301,398 | 578,707 |
| **Property, plant and equipment** | | **1,612,247** | **1,148,419** | **1,412,668** |
| **Right-of-use assets** | 14 | **75,365** | **83,422** | **75,843** |
| Other receivables | | 4,969 | 4,683 | 4,778 |
| Prepayments | | 164,750 | - | 38,385 |
| **Financial assets** | | **169,719** | **4,683** | **43,163** |
| **Total non-current assets** | | **7,670,807** | **6,426,395** | **7,335,630** |
| **Inventories** | 8 | **518,409** | **667,443** | **480,043** |
| Trade receivables | 9 | 506,890 | 339,955 | 381,624 |
| Other receivables | 10 | 29,376 | 27,837 | 66,517 |
| Prepayments | | 49,635 | 33,300 | 108,840 |
| **Receivables** | | **585,901** | **401,092** | **556,981** |
| Securities | 15, 16 | 2,962,638 | 2,327,547 | 3,124,795 |
| Cash and cash equivalents | | 290,801 | 185,901 | 591,820 |
| **Securities, cash and cash equivalents** | | **3,253,439** | **2,513,448** | **3,716,615** |
| **Total current assets** | | **4,357,749** | **3,581,983** | **4,753,639** |
| **Total assets** | | **12,028,556** | **10,008,378** | **12,089,269** |

## Unaudited Condensed Consolidated Statements of Financial Position - Equity and Liabilities as of June 30, 2022 and 2021 and December 31, 2021

| DKK thousand | Note | 30/6 2022 | 30/6 2021 | 31/12 2021 |
|---|---|---|---|---|
| **Equity and liabilities** | | | | |
| Share capital | | 704,793 | 638,172 | 704,684 |
| Treasury shares | | (1,463) | (1,176) | (1,112) |
| Retained earnings | | 6,082,702 | 5,086,384 | 6,588,908 |
| Other reserves | | 93,063 | 65,170 | 82,187 |
| **Equity** | | **6,879,095** | **5,788,550** | **7,374,667** |
| Deferred consideration for product rights | | 2,400,545 | 1,934,498 | 2,569,090 |
| Prepayment and loan from Government | | 480,511 | - | 160,511 |
| Debt to credit institutions | 11 | 17,807 | 392,182 | 18,896 |
| Lease liabilities | 14 | 54,464 | 65,203 | 57,547 |
| **Non-current liabilities** | | **2,953,327** | **2,391,883** | **2,806,044** |
| Deferred consideration for product rights | | 762,895 | 947,930 | 577,667 |
| Debt to credit institutions | 11, 15 | 874,373 | 308,878 | 874,373 |
| Lease liabilities | 14 | 23,727 | 21,079 | 21,266 |
| Prepayment from customers | 12 | 118,225 | 51,435 | 16,904 |
| Trade payables | | 195,456 | 298,545 | 263,611 |
| Company tax | | 4,484 | 1,461 | 3,743 |
| Other liabilities | 13 | 216,974 | 198,617 | 150,994 |
| **Current liabilities** | | **2,196,134** | **1,827,945** | **1,908,558** |
| **Total liabilities** | | **5,149,461** | **4,219,828** | **4,714,602** |
| **Total equity and liabilities** | | **12,028,556** | **10,008,378** | **12,089,269** |

## Unaudited Condensed Consolidated Statements of Changes in Equity for the Periods June 30, 2022 and 2021

| DKK thousand | Share capital | Treasury shares | Retained earnings | Reserves for currency adjustment | Reserves for fair value of financial instruments | Share-based payment | Equity |
|---|---|---|---|---|---|---|---|
| **Equity as of January 1, 2022** | **704,684** | **(1,112)** | **6,588,908** | **(30,559)** | **(1,351)** | **114,097** | **7,374,667** |
| **Comprehensive income for the period** | | | | | | | |
| Net profit | - | - | (509,113) | - | - | - | (509,113) |
| **Other comprehensive income** | | | | | | | |
| Exchange rate adjustments on translating foreign operations | - | - | - | (10,335) | - | - | (10,335) |
| Change in fair value of financial instruments entered into to hedge future cash flows | - | - | - | - | 2,468 | - | 2,468 |
| **Total comprehensive income for the period** | **-** | **-** | **(509,113)** | **(10,335)** | **2,468** | **-** | **(516,980)** |
| **Transactions with owners** | | | | | | | |
| Share-based payment | - | - | - | - | - | 29,252 | 29,252 |
| Warrant program exercised | 109 | - | 1,880 | - | - | (444) | 1,545 |
| Cost related to issue of new shares | - | - | (61) | - | - | - | (61) |
| Purchase of treasury shares | - | (716) | (8,612) | - | - | - | (9,328) |
| Transfer regarding restricted stock units | - | 365 | 3,729 | - | - | (4,094) | - |
| **Total transactions with owners** | **109** | **(351)** | **2,907** | **-** | **-** | **18,743** | **21,408** |
| **Equity as of June 30, 2022** | **704,793** | **(1,463)** | **6,082,702** | **(40,894)** | **1,117** | **132,840** | **6,879,095** |

| DKK thousand | Share capital | Treasury shares | Retained earnings | Reserves for currency adjustment | Reserves for fair value of financial instruments | Share-based payment | Equity |
|---|---|---|---|---|---|---|---|
| **Equity as of January 1, 2021** | **584,501** | **(1,077)** | **4,246,359** | **(40,640)** | **(809)** | **106,019** | **4,894,353** |
| **Comprehensive income for the period** | | | | | | | |
| Net profit | - | - | (281,103) | - | - | - | (281,103) |
| **Other comprehensive income** | | | | | | | |
| Exchange rate adjustments on translating foreign operations | - | - | - | 3,991 | - | - | 3,991 |
| Change in fair value of financial instruments entered into to hedge future cash flows | - | - | - | - | (10,786) | - | (10,786) |
| **Total comprehensive income for the period** | **-** | **-** | **(281,103)** | **3,991** | **(10,786)** | **-** | **(287,898)** |
| **Transactions with owners** | | | | | | | |
| Share-based payment | - | - | - | - | - | 22,989 | 22,989 |
| Warrant program exercised | 2,171 | - | 54,489 | - | - | (11,860) | 44,800 |
| Capital increase through rights issue | 51,500 | - | 1,096,950 | - | - | - | 1,148,450 |
| Cost related to issue of new shares | - | - | (25,563) | - | - | - | (25,563) |
| Purchase of treasury shares | - | (317) | (8,264) | - | - | - | (8,581) |
| Transfer regarding restricted stock units | - | 218 | 3,516 | - | - | (3,734) | - |
| **Total transactions with owners** | **53,671** | **(99)** | **1,121,128** | **-** | **-** | **7,395** | **1,182,095** |
| **Equity as of June 30, 2021** | **638,172** | **(1,176)** | **5,086,384** | **(36,649)** | **(11,595)** | **113,414** | **5,788,550** |

## Notes



### 1. Significant accounting policies

The interim financial statements are prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by EU and the additional Danish requirements for submission of interim reports for companies listed on Nasdaq Copenhagen. The interim report has not been audited or reviewed by the Company's auditors.

The interim financial statements are presented in Danish Kroner (DKK), which is considered the primary currency of the Group's activities and the functional currency of the parent company.

The accounting policies used in the interim financial statements are consistent with those used in the consolidated financial statements for 2020 and in accordance with the recognition and measurement policies in the International Financial Reporting Standards (IFRS) as adopted by EU.

As of March 31, 2022, the Company has implemented all new or amended accounting standards and interpretations as adopted by the EU and applicable for the 2022 financial year. None of the new or amended standards or interpretations are assessed to have significant impact on the consolidated financial statements.

### 2. Significant accounting estimates, assumptions and uncertainties

In the preparation of the interim financial statements according to IAS 34, Interim Financial Reporting, as adopted by the EU, Management is required to make certain estimates as many financial statement items cannot be reliably measured but must be estimated. Such estimates comprise judgments made on the basis of the most recent information available at the reporting date. It may be necessary to change previous estimates as a result of changes to the assumptions on which the estimates were based or due to supplementary information, additional experience or subsequent events.

Similarly, the value of assets and liabilities often depends on future events that are somewhat uncertain. In that connection, it is necessary to set out e.g. a course of events that reflects Management's assessment of the most probable course of events.

Further to the significant accounting estimates, assumptions and uncertainties, which are stated in the Annual Report 2021, the Management has not changed significant estimates and judgments regarding recognition and measurement.

| DKK thousand | 1/4 - 30/6 2022 | 1/4 - 30/6 2021 | 1/1 - 30/6 2022 | 1/1 - 30/6 2021 | 1/1-31/12 2021 |
|---|---|---|---|---|---|
| **3. Revenue** | | | | | |
| MVA-BN smallpox/monkeypox vaccine sale | 116,661 | 167 | 116,784 | 336,378 | 733,593 |
| Rabipur/RabAvert | 234,200 | 126,858 | 350,932 | 207,190 | 505,769 |
| Encepur | 143,674 | 146,180 | 213,019 | 244,660 | 363,054 |
| Other product sale | 38,514 | 89,079 | 82,735 | 89,079 | 260,225 |
| Sale of goods | 533,049 | 362,284 | 763,470 | 877,307 | 1,862,641 |
| Milestone payments | - | - | 83,048 | - | - |
| Contract work | 3,650 | 7,715 | 10,237 | 27,945 | 35,234 |
| Sale of services | 3,650 | 7,715 | 93,285 | 27,945 | 35,234 |
| **Revenue** | **536,699** | **369,999** | **856,755** | **905,252** | **1,897,875** |
| Total revenue includes: Fair value adjustment concerning financial instruments entered into to hedge revenue | - | - | - | 269 | (7,072) |
| **4. Production costs** | | | | | |
| Cost of goods sold | 235,463 | 118,249 | 347,225 | 323,660 | 539,789 |
| Contract costs | 2,587 | 5,743 | 4,745 | 19,229 | 21,959 |
| Amortization product rights | 68,233 | 68,233 | 136,467 | 136,467 | 492,877 |
| Other production costs | 125,030 | 57,076 | 235,059 | 147,286 | 272,935 |
| **Production costs** | **431,313** | **249,301** | **723,496** | **626,642** | **1,327,560** |
| **5. Research and development costs** | | | | | |
| Research and development costs occurred in the period | 187,449 | 102,820 | 294,406 | 238,446 | 421,118 |
| Of which: | | | | | |
| Contract costs recognized as production costs | (2,587) | (5,743) | (4,745) | (19,229) | (21,959) |
| **Research and development costs** | **184,862** | **97,077** | **289,661** | **219,217** | **399,159** |
| **6. Financial income** | | | | | |
| Financial income from bank and deposit contracts | 827 | 56 | 976 | 97 | 1,739 |
| Interest income from financial assets measured at amortized cost | 827 | 56 | 976 | 97 | 1,739 |
| Financial income from securities | 3,632 | 3,174 | 7,954 | 5,465 | 11,045 |
| Adjustment of deferred consideration due to change in estimated timing of payments | 19,045 | 6,008 | 26,319 | 6,343 | 32,185 |
| Currency adjustment deferred consideration | (518) | 421 | (1,032) | 1,787 | 1,677 |
| Net gains on derivative financial instruments at fair value through the income statement | 8,921 | - | 8,921 | - | - |
| Net foreign exchange gains | 30,050 | 2,054 | 37,827 | 4,933 | 3,587 |
| **Financial income** | **61,957** | **11,713** | **80,965** | **18,625** | **50,233** |
| **7. Financial expenses** | | | | | |
| Interest expenses on debt | 3,960 | 4,222 | 8,471 | 8,884 | 18,487 |
| Interest expenses on financial liabilities measured at amortized cost | 3,960 | 4,222 | 8,471 | 8,884 | 18,487 |
| Fair value adjustments on securities | 64,180 | 8,147 | 127,269 | 22,996 | 39,056 |
| Unwinding of the discounting effect related to deferred consideration | 13,735 | 39,760 | 41,971 | 67,889 | 133,573 |
| Net loss on derivative financial instruments at fair value through the income statement | (1,691) | 1,077 | - | 2,087 | - |
| **Financial expenses** | **80,184** | **53,206** | **177,711** | **101,856** | **191,116** |

| DKK thousand | 30/6 2022 | 30/6 2021 | 31/12 2021 |
|---|---|---|---|
| **8. Inventories** | | | |
| Raw materials and supply materials | 128,082 | 69,770 | 80,243 |
| Work in progress | 220,209 | 78,046 | 79,904 |
| Manufactured goods and commodities | 336,430 | 529,530 | 492,837 |
| Write-down on inventory | (166,312) | (9,903) | (172,941) |
| **Inventories** | **518,409** | **667,443** | **480,043** |
| Write-down on inventory 1 January | (172,941) | (63,537) | (63,537) |
| Write-down during the period | (6,579) | (6,252) | (171,643) |
| Use of write-down | 4,072 | 59,886 | 62,239 |
| Reversal of write-down | 9,137 | - | - |
| **Write-down end of period** | **(166,311)** | **(9,903)** | **(172,941)** |
| **9. Trade receivables** | | | |
| Trade receivables from smallpox/monkeypox vaccine sale | 127,976 | 166 | 78,218 |
| Trade receivables from Encepur and Rabipur/RabAvert | 375,589 | 266,418 | 162,546 |
| Trade receivables from other product sale | - | 68,956 | 137,731 |
| Trade receivables from contract work | 3,325 | 4,415 | 3,129 |
| **Trade receivables** | **506,890** | **339,955** | **381,624** |
| **10. Other receivables** | | | |
| Receivable VAT and duties | 13,486 | 23,228 | 55,973 |
| Derivative financial instruments at fair value | 10,256 | - | 191 |
| Interest receivables | 5,634 | 4,609 | 10,353 |
| **Other receivables** | **29,376** | **27,837** | **66,517** |
| **11. Debt to credit institutions** | | | |
| Mortgage | 19,985 | 22,159 | 21,074 |
| European Investment Bank (loan in DKK) | 372,195 | 372,195 | 372,195 |
| Security lending (repo transactions) | 500,000 | 306,706 | 500,000 |
| **Debt to credit institutions** | **892,180** | **701,060** | **893,269** |
| **12. Prepayment from customers** | | | |
| Prepayments from customers as of January 1 | 16,904 | 74,347 | 74,347 |
| Prepayments received during the period | 101,321 | - | 33,850 |
| Recognized as revenue during the period | - | (22,912) | (91,293) |
| **Prepayments from customers end of period** | **118,225** | **51,435** | **16,904** |
| **13. Other liabilities** | | | |
| Financial instruments at fair value | - | 11,651 | 1,351 |
| Liability relating to phantom shares | 12,090 | 16,250 | 23,917 |
| Payable salaries, holiday accrual etc. | 68,929 | 80,511 | 68,491 |
| Gross to net deduction accrual | 121,952 | 63,175 | 37,134 |
| Other accrued costs | 14,003 | 27,030 | 20,101 |
| **Other liabilities** | **216,974** | **198,617** | **150,994** |

## 14. Right-of-use assets and lease liabilities

**Right-of-use assets**

| DKK thousand | Rent facility | Car leasing | Equipment | Total |
|---|---|---|---|---|
| Right-of-use assets as of January 1, 2021 | 73,026 | 1,742 | 1,075 | 75,843 |
| Additions | 917 | 5,086 | - | 6,003 |
| Modifications | 5,088 | 1,114 | - | 6,202 |
| Disposals | (2,412) | - | - | (2,412) |
| Depreciations | (9,875) | (1,263) | (250) | (11,388) |
| Reversal depreciations | 909 | - | - | 909 |
| Exchange rate adjustments | 160 | 49 | (1) | 208 |
| **Right-of-use assets as of March 31, 2022** | **67,813** | **6,728** | **824** | **75,365** |

**Lease liabilities**

| DKK thousand | 30/6 2022 |
|---|---|
| Non-current | 54,464 |
| Current | 23,727 |
| **Lease liabilities** | **78,191** |

**Amounts included in the income statement**

| DKK thousand | 1/1 - 30/6 2022 |
|---|---|
| Interest expense leases | 978 |
| Depreciation recognized on right-of-use assets | 11,388 |
| Cost recognized for short term leases (less than 12 months) | 99 |

In the first half of 2022 the total cash outflow relating to lease was DKKt 11.393 split between interests of DKKt 978 and repayment of DKKt 10,415.

## 15. Transferred financial assets that are not derecognized

The Company has entered into transactions that transferred ownership of securities to a counterparty, while the Company retains the risks associated with the holding of the securities (repo transactions). As the Company retains all risks, the securities remain in the balance sheet, and the transactions are accounted for as loans received against collateral (securities lending). The transactions involve selling the securities to be repurchased at a fixed price at a later date. Counterparties are entitled to sell the securities or deposit them as collateral for loans.

| DKK thousand | 30/6 2022 | 30/6 2021 | 31/12 2021 |
|---|---|---|---|
| Carrying amount of transferred securities | 499,355 | 305,050 | 498,534 |
| Carrying amount of associated liabilities (repo transactions) | (500,000) | (306,706) | (500,000) |
| **Net position** | **(645)** | **(1,656)** | **(1,466)** |

## 16. Financial instruments

**Method and assumption to determine fair value**
The Group has financial instruments measured at fair value at level 1 and level 2.

**Securities (level 1)**
The portfolio of publicly traded government bonds and publicly traded mortgage bonds is valued at listed prices and price quotas.

**Derivative financial instruments (level 2)**
Currency forward contracts, currency option contracts and currency swap contracts are valued according to generally accepted valuation methods based on relevant observable swap curves and exchange rates.

**Fair value hierarchy for financial instruments measured at fair value**

**As of June 30, 2022**

| DKK thousand | Level 1 | Level 2 | Total |
|---|---|---|---|
| Securities | 2,463,283 | - | 2,463,283 |
| Transferred securities that are not derecognized | 499,355 | - | 499,355 |
| **Financial assets measured at fair value through the income statement** | **2,962,638** | **8,386** | **2,971,024** |
| Derivative financial instruments to hedge future cash flow (interest) | - | 1,117 | 1,117 |
| **Financial assets/liabilities used as hedging instruments** | **-** | **1,117** | **1,117** |
| Derivative financial instruments at fair value through the income statement (currency) | - | 9,138 | 9,138 |
| Security lending (repo transactions) | (500,000) | - | (500,000) |
| Liability relating to phantom shares | - | (12,090) | (12,090) |
| **Financial liabilities measured at fair value through the income statement** | **(500,000)** | **(2,952)** | **(502,952)** |

**As of December 31, 2021**

| DKK thousand | Level 1 | Level 2 | Total |
|---|---|---|---|
| Securities | 2,626,261 | - | 2,626,261 |
| Transferred securities that are not derecognized | 498,534 | - | 498,534 |
| Derivative financial instruments at fair value through the income statement (repo) | - | 191 | 191 |
| **Financial assets measured at fair value through the income statement** | **3,124,795** | **191** | **3,124,986** |
| Derivative financial instruments to hedge future cash flow (currency) | - | (646) | (646) |
| Derivative financial instruments to hedge future cash flow (interest) | - | (705) | (705) |
| **Financial assets/liabilities used as hedging instruments** | **-** | **(1,351)** | **(1,351)** |
| Liability relating to phantom shares | - | (23,917) | (23,917) |
| **Financial liabilities measured at fair value through the income statement** | **-** | **(23,917)** | **(23,917)** |

## 17. Warrants

**Outstanding warrants as of June 30, 2022**

| | Outstanding as of January 1 | Addition during the period | Warrants exercised | Annulled | Terminated | Trans-ferred | Outstanding as of June 30 |
|---|---|---|---|---|---|---|---|
| Corporate Management | 743,346 | - | - | - | (73,445) | - | 669,901 |
| Other Executive Management | 418,163 | 63,157 | - | - | - | (174,070) | 307,250 |
| Other employees | 1,880,363 | 18,715 | (10,599) | (88,654) | (4,216) | (61,310) | 1,734,299 |
| Resigned employees | 314,612 | - | (280) | - | (34,074) | 235,380 | 515,638 |
| **Total** | **3,356,484** | **81,872** | **(10,879)** | **(88,654)** | **(111,735)** | **-** | **3,227,088** |
| **Weighted average exercise price** | **219** | **190** | **142** | **229** | **247** | **-** | **217** |
| **Weighted average share price at exercise** | | | **201** | | | | |
| Numbers of warrants which can be exercised as of June 30, 2022 | | | | | | | 684,835 |
| at a weighted average exercise price of DKK | | | | | | | 169 |

The total recognized cost of the warrant programs was DKK 21.8 million in the first six months of 2022 (DKK 16.4 million).

**Specification of parameters for Black-Scholes model**

| DKK | Nov 2017 | Nov 2018 | Nov 2019 | Jan 2020 | Nov 2020 | Nov 2021 | Apr 2022 |
|---|---|---|---|---|---|---|---|
| Average share price | 259.50 | 159.00 | 154.05 | 171.20 | 179.84 | 307.20 | 171.35 |
| Average exercise price at grant | 303.00 | 179.60 | 185.40 | 197.00 | 206.82 | 353.06 | 190.11 |
| Average exercise price determined at date of rights issue March 30, 2020 (DKK) | 239.60 | 142.00 | 146.60 | 155.80 | - | - | - |
| Applied volatility rate | 52.4% | 53.3% | 52.2% | 53.0% | 39.8% | 41.8% | 42.3% |
| Expected life (years) | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| Expected dividend per share | - | - | - | - | - | - | - |
| Risk-free interest rate p.a. | -0.55% | -0.43% | -0.69% | -0.65% | -0.66% | -0.53% | 0.39% |
| Fair value at grant[1)] | 80 | 52 | 45 | 53 | 41 | 76 | 47 |

The applied volatility is based on the historical volatility of the Bavarian Nordic share, except for November 2020, November 2021 and April 2022 programs where the volatility is based on the volatility for a peer group.

[1)] Fair value of each warrant applying the Black-Scholes model

## 18. Significant changes in contingent liabilities and other contractual obligations

No significant changes in contingent liabilities and other contractual obligations have occurred since December 31, 2021.

## 19. Significant events after the balance sheet date

On July 1, Bavarian Nordic announced a contract with the U.S. Government for supply of additional 2.5 million doses of JYNNEOS.

On July 15, Bavarian Nordic announced another contract with the U.S. Government for supply of additional 2.5 million doses of JYNNEOS and upgraded its financial guidance for 2022.

On July 18, Bavarian Nordic announced the signing of contracts with multiple governments to supply its monkeypox vaccine and upgraded its financial guidance for 2022.

On July 19, Bavarian Nordic announced the signing of a significant order with a European country for the monkeypox vaccine for delivery in 2023.

On July 22, Bavarian Nordic announced that the Committee for Medicinal Products for Human Use of the European Medicines Agency adopted a positive opinion recommending an extension of the marketing authorization for IMVANEX to include protecting from monkeypox.

On July 25, Bavarian Nordic announced the European Commission had approved the extension of the marketing authorization for IMVANEX to include protecting from monkeypox.

On July 27, Bavarian Nordic announced that the U.S. Food and Drug Administration, after a successful pre-approval inspection, had approved the Company's fill and finish facility, and also that the European Medicines Agency had approved the facility for final drug production of smallpox and monkeypox vaccines.

On August 3, Bavarian Nordic announced the signing of an additional contract with an Asia-Pacific country for supply of monkeypox vaccines in 2023.

On August 23, Bavarian Nordic announced that Elizabeth McKee Anderson had resigned her position as member of the Board.

## 20. Approval of the unaudited condensed consolidated interim financial statements

The unaudited condensed consolidated interim financial statements were approved by the Board of Directors and Corporate Management and authorized for issue on August 24, 2022.

## Statement from the Board of Directors and Corporate Management

The Board of Directors and Corporate Management have, today reviewed and approved the Bavarian Nordic A/S interim report for the period January 1 to June 30, 2022.

The interim report has been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and additional Danish disclosure requirements for interim reports of listed companies, including those of Nasdaq Copenhagen.

In our opinion, the interim report gives a true and fair view of the group's assets and liabilities and financial position as of June 30, 2022, and the results of the group's activities and cash flows for the period January 1 to June 30, 2022.

In our opinion, the management's review provides a true and fair description of the development in the group's activities and financial affairs, the results for the period and the group's financial position as a whole as well as a description of the most important risks and uncertainty factors faced by the group.

Hellerup, August 24, 2022

**Corporate Management:**

Paul John Chaplin
*President & CEO*

Henrik Juuel
*Executive Vice President & CFO*

**Board of Directors:**

Gerard W.M. van Odijk
*Chairman of the Board*

Anders Gersel Pedersen
*Deputy Chairman*

Peter H. Kürstein-Jensen

Frank A.G.M. Verwiel

Anne Louise Eberhard

Thomas Alex Bennekov
*Employee-elected*

Anja Gjøl
*Employee-elected*

Karen Merete Jensen
*Employee-elected*

Linette Munksgaard Andersen
*Employee-elected*