



BAVARIAN NORDIC

*Company Announcement*

## **Bavarian Nordic Publishes Annual Report 2021**

**COPENHAGEN, Denmark, March 4, 2022** - Bavarian Nordic A/S (OMX: BAVA) today published its Annual Report for 2021. Below is a summary of the financial performance for the year and financial outlook for 2022. The financial performance was in line with, or better than, the latest guidance, issued on December 6, 2021. The full report is attached as a PDF file and can be found on the company's website, [www.bavarian-nordic.com](http://www.bavarian-nordic.com).

### **Strong progress on strategic objectives - and a year of significant investments ahead to secure future growth!**

Paul Chaplin, President & Chief Executive Officer of Bavarian Nordic said: "2021 was another eventful year where COVID-19 continued to make its mark on societies and on our business. The markets for Rabipur/RabAvert and Encepur remained affected by the low level of international travel and reduced access to physicians in key markets, whereas our smallpox and Ebola business were robust to the challenges set by the pandemic and enabled us to meet our financial targets for the year. We have continued to expand our operations to support the transfer of Rabipur/RabAvert and Encepur to our own manufacturing line, while also enabling future production of more products that will help fulfil our vision to become one of the largest pure play vaccine companies. The strong progress made in both our RSV and COVID-19 programs during 2021 allows us to advance both programs into Phase 3 in 2022 with the potential to reach the market in a few years and make a significant positive impact on global health. Thus, 2022 will be a year of significant investments, but with the capital raised in 2021 and the support received from the Danish State, we have a strong foundation to execute on our growth strategy. With the anticipation that markets will begin to recover in 2022 and two large Phase 3 trials initiating, we are looking forward to another very exciting year at Bavarian Nordic."

### **Important events after the balance sheet date**

- In January, Bavarian Nordic announced the appointment of Russell Thirsk as new EVP and Chief Operating Officer to replace Henrik Birk, who has chosen to seek challenges outside Bavarian Nordic. Mr. Thirsk will join Bavarian Nordic in April 2022 from GSK, where he has served as Head of Operations at GSK Vaccines in Belgium since 2016, a role he assumed after GSK's acquisition of Novartis' vaccine business, where he served for more than two decades.
- In February, the U.S. Food and Drug Administration granted a Breakthrough Therapy Designation for the Company's vaccine candidate, MVA-BN RSV, for the prevention of respiratory syncytial virus in older adults. A Breakthrough Therapy Designation is designed to expedite the development and regulatory review of medicines that are intended to treat a serious condition.
- In February, Bavarian Nordic announced additional results from the Phase 2 trial of its COVID-19 vaccine candidate, ABNCoV2, which is being developed as a universal booster vaccine. The results confirmed the ability of ABNCoV2 to boost neutralizing antibodies to levels reported to be highly efficacious (>90%) against SARS-CoV-2<sup>1</sup> both when used for primary vaccination and when used as a booster in subjects previously vaccinated with mRNA- or Adeno-based vaccines. While both low (50 µg) and high (100 µg) doses yielded high antibody levels, it has been decided to use the 100 µg to maximize the likelihood of success in the Phase 3 trial, planned to start in the first half of 2022.

## Financial performance

Bavarian Nordic's financial results for 2021 were in line with or better than the Company's most recent guidance, issued on December 6, 2021, which largely represents the lower end of the originally guided intervals.

2021	DKK million		USD million*	
	guidance	actual	guidance	actual
Revenue	1,900	1,898	290	289
EBITDA	70	75	11	11
Securities, cash and cash equivalents	3,100 **	3,217***	213	490

\* Danish kroner (DKK) is the Company's reporting currency. The USD figures provided above are based upon an assumed exchange rate of DKK 6.56 per 1.00 USD, which was the exchange rate as of December 31, 2021.

\*\* Guided securities, cash and cash equivalents position includes gross proceeds from the capital raise in December 2021, thus increasing guidance from approximately DKK 1,400 million to approximately DKK 3,100 million.

\*\*\* Repo pledged securities deducted.

Revenue for the full year was 1,898 million, comprised of DKK 869 million from combined sale of Rabipur/RabAvert and Encepur, DKK 769 million from US Government sale, including JYNNEOS revenue and contract work, and finally DKK 260 million from sale of Mvabea (Ebola vaccine) to Janssen.

The operating result (EBITDA) was DKK 75 million, slightly above latest guidance.

Cash position at year-end was DKK 3,217 million, thus exceeding the guidance of DKK 3,100 million.

For a detailed financial review, see the [annual report](#).

## Outlook for 2022

2022E (all numbers are approximate)	DKK million	USD million
Revenue	1,100 - 1,400	169 - 215
EBITDA	(1,300) - (1,000)	(200) - (154)
Cash and cash equivalents, year-end	1,000 - 1,200	154 - 185

The guided intervals reflect the uncertain impact of COVID-19 on the TBE and rabies markets in 2022. The mid-point of the guidance assumes a partial return to normality for the TBE market and the US rabies market and a slower return to normality for the European rabies business.

The guidance includes the previously announced smallpox vaccine order of DKK 203 million to Public Health Agency of Canada and approximately DKK 100 million from smallpox vaccine orders with BARDA. Only confirmed orders are included in the guidance, i.e. no new US smallpox orders for 2022 are included in the guidance.

Due to close-down of the existing bulk plant until end of August 2022, only limited capacity will be available for bulk manufacturing of MVA-based products (smallpox and Ebola) and hence no revenue is expected from Ebola in 2022. The close-down is a planned step in the expansion of the bulk facility to enable future manufacturing of Rabipur/RabAvert and Encepur.

Limited revenue from partner agreements with Valneva and Dynavax is included. No potential income from RSV partnering is included in the guidance.

Total investments in research and development amount to approximately DKK 1,950 million, including ABNCoV2 capitalized costs of approximately DKK 700 million. Non-capitalized research and development costs amount to approximately DKK 1,250 million of which the RSV project accounts for approximately DKK 850 million.

The outlook is based on the following assumptions on currency exchange rates of DKK 6.50 per 1 USD and DKK 7.45 per 1 EUR.

See the [annual report](#) for a full description of assumptions for the 2022 outlook.

**Conference call and webcast**

The management of Bavarian Nordic will host a conference call today at 2 pm CET (8 am EST) to present the annual results followed by a Q&A session. A listen-only version of the call can be accessed via <https://www.bavarian-nordic.com/investor/events.aspx?event=6387>. To join the Q&A session, use one of the following dial-in numbers: Denmark: +45 32 72 04 17, UK: +44 (0) 844 481 9752, USA: +1 646-741-3167. Participant code is 7599898.

**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](http://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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<sup>1</sup> P. B. Gilbert et al., Science 10.1126/science.abm3425 (2021)