

## Bavarian Nordic Awards Restricted Stock Units to Executive Management

**COPENHAGEN, Denmark, March 7, 2016** - Bavarian Nordic A/S (OMX: BAVA, OTC: BVNRY) announced today that the Company has awarded restricted stock units to members of the Executive Management.

The Board of Directors of Bavarian Nordic A/S believes that restricted stock units as an incentive will further increase the long-term shared interests between the Executive Management and the Company's shareholders,

Therefore, in accordance with the Company's remuneration policy and the general guidelines for incentive remuneration, the Board of Directors has today decided to postpone the payment of half of the achieved cash bonus for members of the Executive Management for 3 years, converting the postponed bonus into restricted stock units. Each restricted stock unit provides the owner with a right to receive one share in Bavarian Nordic A/S of nominally DKK 10.

The number of restricted stock units has been calculated on the basis of an average of the closing price of the Company's shares over a period of 15 trading days prior to the date of grant. The acquisition of restricted stock units is conditional upon the recipient not having passed away prior to the expiry of a 3-year period after the date of grant. The Board has decided to grant additional restricted stock units free of charge on expiry of the 3 years (so-called "matching shares") upon the recipient not having passed away and the recipient still being employed at the time of the grant of the matching shares (i.e. 3 years from the time of grant). One matching share will be granted for each two acquired restricted stock units. This means that the Executive Management will receive a total of up to 11,144 restricted stock units, including potential matching shares.

The value of one restricted stock unit is DKK 270.2, based on an average of the closing price of the Company's shares over a period of 15 trading days prior to the date of grant.

### About Bavarian Nordic

Bavarian Nordic is a fully integrated biotechnology company focused on the development, manufacturing and commercialization of cancer immunotherapies and vaccines for infectious diseases, based on the Company's live virus vaccine platform. Through long-standing collaborations, including a collaboration with the U.S. government, Bavarian Nordic has developed a portfolio of vaccines for infectious diseases, including the non-replicating smallpox vaccine, IMVAMUNE®, which is stockpiled for emergency use by the United States and other governments. The vaccine is approved in the European Union (under the trade name IMVANEX®) and in Canada. Bavarian Nordic and its partner Janssen are developing an Ebola vaccine regimen, which has been fast-tracked, with the backing of worldwide health authorities, and a vaccine for the prevention and treatment of HPV. Additionally, in collaboration with the National Cancer Institute, Bavarian Nordic has developed a portfolio of active cancer immunotherapies, including PROSTVAC®, which is currently in Phase 3 clinical development for the treatment of advanced prostate cancer. The company has partnered with Bristol-Myers Squibb for the potential commercialization of PROSTVAC. For more information visit [www.bavarian-nordic.com](http://www.bavarian-nordic.com) or follow us on Twitter [@bavariannordic](https://twitter.com/bavariannordic).

### Forward-looking statements

This announcement includes forward-looking statements that involve risks, uncertainties and other factors, many of which are outside of our control, that could cause actual results to differ materially from the results discussed in the forward-looking statements. Forward-looking statements include statements concerning our plans, objectives, goals, future events, performance and/or other information that is not historical information. All such forward-looking statements are expressly qualified by these cautionary statements and any other cautionary statements which may accompany the forward-looking statements. We undertake no

obligation to publicly update or revise forward-looking statements to reflect subsequent events or circumstances after the date made, except as required by law.

**Contacts**

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

Seth Lewis  
Vice President Investor Relations (US)  
Tel: +1 978 341 5271

---

Company Announcement no. 5 / 2016