



BAVARIAN NORDIC

Company Announcement

Bavarian Nordic Announces Additional Details Regarding the Issue of Shares to Johnson & Johnson Innovation - JJDC, Inc.

COPENHAGEN, Denmark, July 27, 2017 - Bavarian Nordic A/S (OMX: BAVA, OTC: BVNRY) announces additional details regarding the issue of shares to Johnson & Johnson Innovation - JJDC, Inc. ("J&J") in connection with the agreements entered into today with Janssen, under which the Company has granted Janssen the exclusive rights to Bavarian Nordic's MVA-BN[®] technology in two programs focused on hepatitis B (HBV) and human immunodeficiency virus (HIV-1). See company announcement no. 20/2017 for additional details on the agreements.

Bavarian Nordic's issue of new shares is directed towards J&J, a US company registered under the laws of the state of New Jersey, which will subscribe for Bavarian Nordic shares in the amount of USD 33 million. The amount will be exchanged into DKK prior to J&J's subscription of the new shares. Bavarian Nordic will issue a maximum of 3,142,354 shares of DKK 10 each (equal to approximately 9.9 per cent of existing share capital of the Company), however, the number of subscribed shares may therefore be lower depending on the final exchange rate and subscription price.

The new shares will be subscribed for in cash at the market rate of the shares. The market rate is based on the simple average of the volume weighted average price of the Company's shares on Nasdaq Copenhagen (Bloomberg VWAP for BAVA.DC, referred to as "VWAP" and as defined by Bloomberg) during a period of ten consecutive trading days starting on July 27, 2017, subject to a minimum subscription price of DKK 385 per share of DKK 10 corresponding to the closing rate of the Company's shares on Nasdaq Copenhagen on July 26, 2017. When the exchange rate and the subscription price are known the Company will issue a company announcement.

The new shares will be issued pursuant to authority granted by Bavarian Nordic's shareholders at the annual general meeting on April 25, 2017. The new shares will be issued against cash payment without any preemptive rights for Bavarian Nordic's existing shareholders, and no person or entity other than J&J will participate in the private placement. The subscription price for the shares is payable in cash no later than on January 27, 2018.

The new shares will carry identical rights and the same rights as all other shares issued by Bavarian Nordic. The new shares will be freely transferable negotiable instruments and will entitle the holder to receive dividend from the date of issue. Under the terms of the share subscription agreement, J&J has accepted certain restrictions on the sale and transfer of the shares (for instance a lock-up period).

Bavarian Nordic's current share capital amounts to DKK 314,692,130 (equal to 31,469,213 shares of DKK 10 each) and will after completion of the private placement amount to from DKK 314,692,130 to DKK 346,115,670.

When the directed issue of shares is completed, the Company will announce this in a company announcement. After registration with the Danish Business Authority, an application for admission to trading and official listing of the new shares as soon as possible on Nasdaq Copenhagen will be submitted.

Since the issue involves less than 20 per cent of Bavarian Nordic's shares, no prospectus will be prepared.

The closing of the transaction is subject to clearance under the Hart-Scott-Rodino (HSR) Antitrust Improvements Act.

Page 1 of 2

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 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.

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Company Announcement no. 21 / 2017