

Bavarian Nordic Granted EUR 30 Million Loan from The European Investment Bank

- Non-dilutive funding will support the construction and validation of a commercial fill-finish manufacturing facility for the Company's vaccines
- The Company upgrades its expectations to year end cash preparedness

COPENHAGEN, Denmark, August 9, 2018 - Bavarian Nordic A/S (OMX: BAVA, OTC: BVNRY) announced today the securing of a loan facility of EUR 30 million from the European Investment Bank (EIB), the long-term lending institution of the European Union owned by its Member States. The EIB's financing is guaranteed under the European Fund for Strategic Investments.

The loan facility will support Bavarian Nordic's investments into the new fill-finish manufacturing facility, which is currently under construction, and which is expected to be operational in 2021. The facility will expand the Company's current manufacturing competences, and will enable Bavarian Nordic to handle the final drug production of IMVAMUNE® smallpox vaccine and other vaccines in the future. Initially, the facility will be validated for final drug production of freeze-dried IMVAMUNE to be delivered under the current contract with the U.S. Government.

The loan facility is unsecured, and may be utilized in up to three tranches within a specified time horizon. The loan is offered on favorable terms with a fixed or variable interest payment and a margin of 3.21%. The repayment period may be up to seven years from disbursement of the tranches.

As a result of the loan facility agreement, the Company upgrades its expectations to year-end cash preparedness from DKK 1,850 million (USD \$288 million*) to DKK 2,100 million (USD \$327 million*).

*USD/DKK = 6.43 as of August 8, 2018

About Bavarian Nordic

Bavarian Nordic is a fully integrated biotechnology company focused on the development of innovative and safe therapies against cancer and infectious diseases. Using our live virus vaccine platform technology, MVA-BN®, we have created a diverse portfolio of proprietary and partnered product candidates intended to improve the health and quality of life for children and adults. We supply our IMVAMUNE® non-replicating smallpox vaccine to the U.S. Strategic National Stockpile and other government stockpiles. The vaccine is approved in the European Union (under the trade name IMVANEX®) and in Canada. Registration studies are currently underway in the U.S. In addition to our long-standing collaboration with the U.S. government on the development of IMVAMUNE® and other medical countermeasures, our infectious disease pipeline comprises a proprietary RSV program as well as vaccine candidates for Ebola, HPV, HBV and HIV, which are developed through a strategic partnership with Janssen. Additionally, in collaboration with the National Cancer Institute, we have developed a portfolio of active cancer immunotherapies, designed to alter the disease course by eliciting a robust and broad anti-cancer immune response while maintaining a favorable risk-benefit profile. Through multiple industry collaborations, we seek to explore the potential synergies of combining our immunotherapies with other immune-modulating agents, e.g. checkpoint inhibitors. 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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