ANNUAL REPORT **2015**

SUMMARY

BAVARIAN NORDIC

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About the summary

This summary for 2015 contains key messages and selected figures from the statutory audited annual report for 2015. The summary does not replace the annual report, which is published in English only and can be downloaded from the Company's website: www.bavarian-nordic.com.

A STRONG PERFORMANCE

LETTER FROM THE CHAIRMAN

The year 2015 has been a year of exceptionally strong performance for Bavarian Nordic, largely driven by the partnerships we have established with industry giants like Bristol-Myers Squibb and Janssen. We are proud of these deals which have validated our ability to make significant innovation and make products that are meaningful for the healthcare community and for patients.

Our long term relations with the United States were yet again confirmed with new, large research, development and supply contracts. Yet, we see more synergies to be explored, and therefore, as we continue to evaluate our financing options based on market conditions, we recently announced a prospective registered public offering in the United States of our American Depositary Shares, the timing and terms of which have not yet been determined. Together with our solid cash preparedness, proceeds from any prospective share issuance would enable us to rapidly progress new projects, such as MVA-BN RSV and CV-301, as well as continue to expand our manufacturing infrastructure.

In 2015, we established two subcommittees to support the board in its duties: a Finance, Risk and Audit Committee and a Nomination and Compensation Committee. Furthermore, Dr. Frank Verwiel was appointed observer to the board and we intend to nominate him for election at the ordinary general meeting in April 2016. Dr. Verwiel previously served as President & CEO of Aptalis Pharma, Inc., and currently serves as member of the boards of Achillion Pharmaceuticals, Inc., AveXis, Inc. and Obseva SA. He brings specific strong U.S. biotech experience to the board.

Our executive management was changed during the year and now consists of Paul Chaplin, CEO and Ole Larsen, CFO to form a new leadership team that the Board believes is capable of taking the Company forward into the future.

2016 is looking to be another busy year for Bavarian Nordic. We have set new ambitious targets for the company as we believe there are additional opportunities to further unlock significant value from our pipeline and other assets. I would like to thank my fellow board members, executive management and all Bavarian Nordic personnel for their dedication and hard work to continuously drive Bavarian Nordic forward towards these ambitious targets.

Gerard WM van Odijk
Chairman of the Board of Directors

BREAKTHROUGH OF THE YEAR

LETTER FROM THE CEO

In 2015 we closed another successful year and accomplished more than we set out in terms of new delivery and research contracts worth more than USD 180 million, achieving important clinical milestones and entering into new partnerships.

These achievements have helped set the platform for growing an even stronger company in the coming years. We are pleased that this positive development has rewarded our shareholders with an increase of more than 80% in the Bavarian Nordic share price during the year.

An especially rewarding moment was when we received the Breakthrough of the Year award at the European Mediscience Awards ceremony in London. Although this breakthrough was related to our combined efforts with Janssen to develop an Ebola vaccine, we see Bavarian Nordic breaking through many frontiers. The partnerships we have recently entered with Janssen and Bristol-Myers Squibb represent important validations of our technology and manufacturing expertise, which we intend to leverage to broaden the commercial potential of our pipeline in pursuit of our growth strategy.

For the fourth year in a row, we have generated more than DKK 1 billion in revenues, allowing significant investments in our pipeline projects, while also recording a break-even result. Importantly, we have improved our cash preparedness, which allows us to pursue an accelerated development plan for exciting high potential projects like RSV, which represents a large market opportunity as no vaccines currently exist. We expect to report Phase 1 data for RSV in the first half of 2016, leading to the anticipated initiation of Phase 2 studies in different target populations in the second half of 2016..

PROSTVAC – Phase 3 results and more in sight
The paramount event of 2015 was no doubt the entering of the PROSTVAC agreement with Bristol-Myers Squibb. As a global leader in immuno-oncology, Bristol-Myers Squibb provides a powerful partner to explore the full potential of PROSTVAC in the future treatment paradigm of prostate cancer.

Results from the Phase 3 study of PROSTVAC are highly anticipated, and while final data are expected in 2017, we have just recently received results of the first of three planned interim analyses, which confirmed that the study should continue without modification as expected. Meanwhile, through our partnership with the U.S. National Cancer Institute (NCI) three additional Phase 2 studies were initiated, which means that excluding the PROSPECT Phase 3 there are now seven investigational studies evaluating PROSTVAC as either a mono-therapy, or in combination with other anti-androgen or chemotherapy products in various stages of prostate cancer disease. These studies will generate a wealth of data in the coming months / years that will assist in the commercialization of PROSTVAC in the treatment of prostate cancer.

IMVAMUNE/IMVANEX – an intermezzo year
While revenues in 2015 were primarily driven by our manufacturing and supply of Ebola vaccine to Janssen, IMVAMUNE/IMVANEX remains an important asset to our company. We have come far in the transformation process for the freeze-dried version of the vaccine, which is designed to fulfil the U.S. long-term require-

ments. Under the new USD 133 million contract awarded to us by the U.S. Government in July 2015, we will manufacture bulk vaccine which will be converted into freeze-dried vaccine, once we have fulfilled all requirements to supply the new and improved formulation to the Strategic National Stockpile (SNS) and the anticipated contract for freeze-dried has been formalized.

We also saw Canada place new orders for IMVAMUNE/IMVANEX – not only to maintain, but also expand their stockpile of smallpox vaccine. In 2016 and beyond, we anticipate additional orders from Canada, but also from other countries that have recognized the need for updating their biological preparedness to include a non-replicating smallpox vaccine. Hence we expect IMVAMUNE/IMVANEX to continue to be an important revenue driver in the years ahead, thus supporting further investments in our pipeline.

Expansion of the collaboration with Janssen

Together with our partner Janssen, we have set new industry standards in vaccine development by taking a preclinical Ebola vaccine to Phase 3 within nine months and successfully scaled-up production to manufacture more than 2 million doses of the vaccine regimen during the year. The clinical data strongly support combining our MVA-BN technology with Janssen's technology for Ebola, which encouraged Janssen to take a second license for our MVA-BN technology to develop a therapeutic vaccine against human papillomavirus (HPV) in December. We hope to further expand the strong collaboration with Janssen, who still retain options for licensing our technology for two additional indications.

At the forefront of emerging cancer therapies

Science continues to bring new and improved cancer therapies to the market. Despite these advances, cures remain elusive. Nevertheless, the hopes and efforts to get there are maybe stronger than ever. In January 2016, President Barack Obama announced a new and ambitious initiative called Cancer MoonShot 2020 – a desire to form a coalition of pharmaceutical and biotechnology companies, academic centers and community oncologists seeking to accelerate the potential of combination immunotherapy as the next generation standard of care in cancer patients.

Having worked for almost a decade with the U.S NCI in the development of new cancer therapies, we are pioneers in this field and it is our ambition to stay at the forefront of this development. We have already generated clinical data providing evidence of synergistic advantages by combining our immunotherapy platform with other therapies, and we intend to leverage this experience, initially by accelerating the development of our CV-301 vaccine candidate as combination therapy for multiple cancers. Starting in 2016, we plan to initiate a Phase 2 trial of CV-301 in lung cancer followed by additional trials in other cancer indications.

Further growth and opportunities

So, 2016 is looking to be another busy and important year for Bavarian Nordic with progress planned in all key areas. In fact, by year-end we anticipate more than 20 ongoing clinical trials of our various vaccine candidates, which is an all-time high for Bavarian Nordic. Furthermore, we will continue to build and expand our experience in vaccine manufacturing, which not only increases our flexibility, but also positions us well for additional collaborations in the future.

All these efforts have built a solid foundation for Bavarian Nordic. I would like to thank both our employees and shareholders for their continued support and contribution to the success of our company. I hope you will stay on that path with us and that the journey will stay rewarding.

Paul Chaplin
President & CEO

VACCINES FOR A BETTER WORLD

At Bavarian Nordic we develop, manufacture and commercialize novel vaccines for the prevention of life-threatening infectious diseases and the treatment of cancer. We focus on diseases for which the unmet medical need is high and for which we can harness the power of the immune system to induce a response.

We have developed our live virus vaccine platform over more than 20 years with the goal of protecting the world's general and at-risk populations by providing highly immunogenic and differentiated technologies with a favorable safety profile.

Our expertise in this field has led to a long-standing relationship with the U.S. Government, pursuant to which we have been awarded more than USD 1.2 billion in contracts. Our revenue from these contracts and from our commercial partnerships has enabled us to invest significant capital into research and development activities, the expansion of our production infrastructure and the advancement of our clinical pipeline.

A GLOBAL TOUCH

Diseases are global, and so are we. Based on research and development from scientists in Bavaria, Germany, we were founded and headquartered in Denmark in 1994. Our activities have since broadened to include our own commercial-scale manufacturing facility in Denmark, clinical development in California, USA and offices in Washington, DC, USA, employing a total of approximately 400 employees.

We are listed on Nasdaq Copenhagen under the ticker symbol BAVA.

BIOTECH WITH AN EDGE

3 POXVIRUSES

Our poxvirus-based vaccine platform **technology** has the potential to address a variety of infectious diseases and cancers.

7 CLINICAL STAGE PROGRAMS

Our clinical **pipeline** currently contains seven clinical programs which are subject to more than 15 ongoing clinical studies.

30 M DOSES

We have produced more than 30 million vaccine doses at our **manufacturing** facility to-date.

1 APPROVED PRODUCT

Our first **product**, IMVAMUNE/IMVANEX smallpox vaccine is approved in EU and Canada and has generated a significant and sustained revenue stream from deliveries to the U.S. under their national emergency rules.

2 COMMERCIAL PARTNERSHIPS

Our recent **partnerships** with Janssen and Bristol-Myers Squibb provide commercial validation to our technology and manufacturing and as well as new opportunities for expanding our pipeline.

COMPETITIVE ADVANTAGES

As a fully integrated biotechnology company, we have several key competitive advantages in developing, producing and commercializing live virus vaccines:

EXISTING REVENUE GENERATION ADVANCES OUR GROWTH

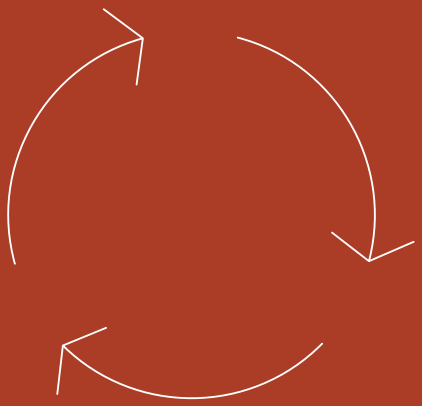
Our existing revenue generation from our government research and development and supply contracts and from our commercial partnerships can be used to invest in the advancement of our current development pipeline.

FULLY OPERATIONAL, COMMERCIAL-SCALE PRODUCTION FACILITY

Our ability to effectively and efficiently produce our live virus vaccines has been demonstrated by our production of 28 million doses of IMVAMUNE/IMVANEX smallpox vaccine and more than 2 million doses of our MVA-BN Filo product candidate for Ebola to date.

MODULAR AND PROPRIETARY VACCINE TECHNOLOGY

Our vaccine platform takes a modular approach to live virus vaccine development and is based on the use of three types of poxviruses (MVA-BN, vaccinia and fowlpox) that can be used in various combinations for both the primer and booster applications.



ONGOING RELATIONSHIPS WITH GOVERNMENT AGENCIES

We have entered into research and development contracts with the U.S. Government worth more than USD 1.2 billion in revenue. Contract partners include HHS, NIH, BARDA, NCI, DOD, and the DHS.

VALIDATING COLLABORATIONS WITH BRISTOL-MYERS SQUIBB AND JANSSEN

We have a global commercialization agreement for PROSTVAC with Bristol-Myers Squibb. In addition, we have a partnership with Janssen, under which we have out-licensed our MVA-BN vaccine technology for Ebola and HPV vaccines.

A MULTI-PRONGED STRATEGY

MAINTAIN THE GLOBAL LEADERSHIP OF OUR IMVAMUNE/IMVANEX FRANCHISE

We intend to maximize the value of this franchise by developing a longer lasting freeze-dried formulation, potentially expanding the addressable patient population in the United States. Furthermore we intend to expand the end market of IMVAMUNE/IMVANEX to include other countries and governments across the world, most notably in Europe.

RAPIDLY ADVANCE OUR PIPELINE OF INFECTIOUS DISEASE PROGRAMS

We intend to utilize our proprietary vaccine platforms to expand the infectious disease vaccine pipeline to meet high unmet medical needs such as RSV. We also intend to achieve global leadership in Ebola preparedness through our collaboration with Janssen, with whom we will also continue to explore our MVA-BN technology, initially focusing on a therapeutic HPV vaccine.

MAXIMIZE PROSTVAC'S COMMERCIAL POTENTIAL AS MONOTHERAPY AND IN COMBINATION REGIMENS

We believe that PROSTVAC has significant commercial potential as both a monotherapy and as part of a combination regimen in multiple stages of prostate cancer. We therefore seek to maximize this potential through our collaborations with Bristol-Myers Squibb and National Cancer Institute.

ESTABLISH A BROAD AND DEEP CANCER IMMUNOTHERAPY FRANCHISE

We intend to expand and advance our pipeline by demonstrating that our vaccine candidates, CV-301 and MVA-BN Brachyury, can be synergistic with other cancer immunotherapies.

CONTINUE TO EVALUATE VALUE-MAXIMIZING COLLABORATIONS/PARTNERSHIPS

We have established collaborations with the NCI, NIH, BARDA, Bristol-Myers Squibb and Janssen, and believe that these relationships are key to maximizing the value of our assets. We seek to enter additional collaborations to maximize value after we have established clinical proof of concept in humans for earlier-stage programs.

DISEASES ARE GLOBAL

Regional outbreaks of emerging diseases, such as Ebola and Zika viruses, have recently caused worldwide concern, and demonstrate that there is a lack of preparedness and funding of medical countermeasure development. Joint global efforts are required to meet the challenges of tomorrow's diseases.

>30 MILLION

Globally, more than 30 million people are infected with respiratory syncytial virus (RSV) every year. There is no licensed vaccine for the virus, which causes a similar number of hospitalizations and deaths as influenza.

INFECTIOUS DISEASES

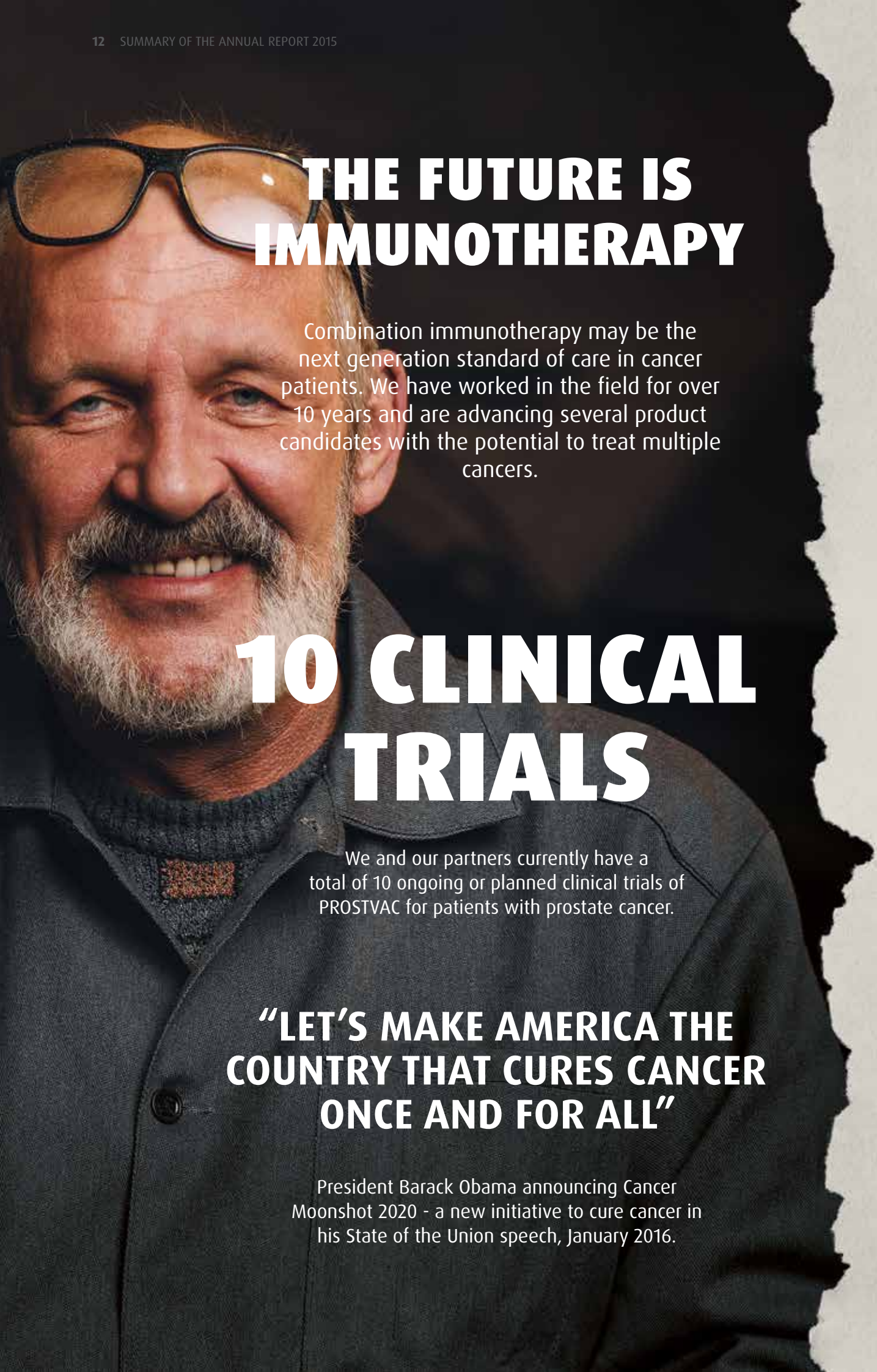
We have leveraged our live virus vaccine platform to create a commercial smallpox vaccine and a pipeline of infectious disease vaccine candidates. While most of the development is sponsored by the U.S. Government or our partner Janssen, we have initiated our own program for the development of an RSV vaccine, which we believe represents a large commercial market.

Product	Indication	Phase 1	Phase 2	Phase 3	Market
IMVAMUNE/IMVANEX liquid-frozen*	Smallpox				●
IMVAMUNE/IMVANEX liquid-frozen**	Smallpox			●	
IMVAMUNE/IMVANEX freeze-dried	Smallpox		●		
MVA-BN Filo	Ebola/Marburg			●	
MVA-BN RSV	Respiratory Syncytial Virus (RSV)	●			

* Approved in Canada and the European Union
** Phase 3 in the U.S.

Janssen
PHARMACEUTICAL COMPANIES OF Johnson & Johnson

In October 2014 we entered into a license agreement with Janssen for our MVA-BN Filo vaccine for use on a prime-boost vaccine regimen against Ebola. The collaboration was further expanded in December 2015, where Janssen took a license for MVA-BN for use in a therapeutic HPV vaccine.



THE FUTURE IS IMMUNOTHERAPY

Combination immunotherapy may be the next generation standard of care in cancer patients. We have worked in the field for over 10 years and are advancing several product candidates with the potential to treat multiple cancers.

10 CLINICAL TRIALS

We and our partners currently have a total of 10 ongoing or planned clinical trials of PROSTVAC for patients with prostate cancer.

"LET'S MAKE AMERICA THE COUNTRY THAT CURES CANCER ONCE AND FOR ALL"

President Barack Obama announcing Cancer Moonshot 2020 - a new initiative to cure cancer in his State of the Union speech, January 2016.

CANCER IMMUNOTHERAPIES

Using our live virus vaccine platform, we have built a pipeline of novel, off-the-shelf immunotherapy candidates for major cancers with large unmet medical needs. Targeted active immunotherapy candidates for the treatment of cancer are part of a promising field of research, which harnesses the power of the immune system to fight cancer. By eliciting a robust and broad anticancer immune response, immunotherapies aim to decrease the tumor growth rate, potentially resulting in a prolonged overall survival while maintaining a favorable risk-benefit profile.

This offers a strong scientific rationale to evaluate active immunotherapy not only as monotherapy, but also in combination with other treatments, including immune checkpoint inhibitors, hormonal therapy, chemotherapy, and radiation therapy.

Product	Indication	Phase 1	Phase 2	Phase 3	Market
PROSTVAC	mCRPC*			●	
PROSTVAC	Localized prostate cancer		●		
PROSTVAC (neoadjuvant)	Localized prostate cancer		●		
PROSTVAC	Non-metastatic castration sensitive prostate cancer		●		
PROSTVAC + enzalutamide	Non-metastatic prostate cancer		●		
PROSTVAC + docetaxel	Metastatic castration sensitive prostate cancer		●		
PROSTVAC + enzalutamide	mCRPC		●		
PROSTVAC + ipilimumab	Prostate cancer	●			
CV-301	Bladder Cancer		●		
MVA-BN Brachyury	Solid Tumors	●			

* mCRPC: Metastatic castration-resistant prostate cancer

Bristol-Myers Squibb

In March 2015, we signed an agreement with Bristol-Myers Squibb providing them an exclusive option to license and commercialize PROSTVAC globally. In addition, we agreed to conduct exploratory combination studies of PROSTVAC with or without agents from Bristol-Myers Squibb's immuno-oncology portfolio.

OUR STRATEGY IN ACTION

We met all our operational goals in 2015 and thus reported solid progress in all key programs.

STRATEGY	2015 PROGRESS	
Maximize PROSTVAC's commercial potential as monotherapy and in combination regimens	**PROSTVAC**	✓ Phase 3 enrollment concluded ✓ Signed commercial agreement with Bristol-Myers Squibb ✓ Initiated Phase 2 study in localized prostate cancer
Establish a broad and deep cancer immuno-therapy franchise	**CV-301**	✓ Developed a new vaccine construct with improved manufacturing yield.
	MVA-BN Brachyury	✓ Phase 1 data reported
Maintain the global leadership of our IMVAMUNE/IMVANEX franchise	**IMVAMUNE/IMVANEX**	✓ Completed deliveries of 28 million doses to the U.S. SNS ✓ Additional deliveries to Canada and new supply order ✓ New USD 133 million bulk vaccine order from U.S. Government ✓ Reported first Phase 3 study for liquid-frozen formulation ✓ Report EUA enabling Phase 2 data (freeze-dried)
Rapidly advance our pipe-line of infectious disease programs	**MVA-BN RSV**	✓ Phase 1 initiated
Continue to evaluate value-maximizing collaborations	**MVA-BN Filo** (Ebola)	✓ Rapid advancement from preclinical to Phase 3 clinical development in nine months ✓ 2 million doses produced and delivered ✓ Subcontract with Janssen/BARDA
	HPV	✓ Entered HPV collaboration agreement with Janssen
	MVA-BN Filo (Ebola and Marburg)	✓ Expansion of development contract with NIAID

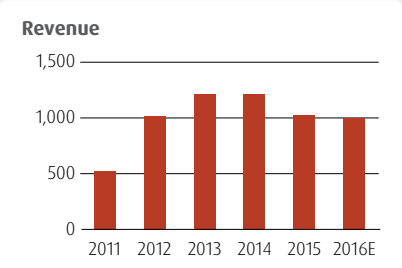
2016/2017 ANTICIPATED DEVELOPMENTS

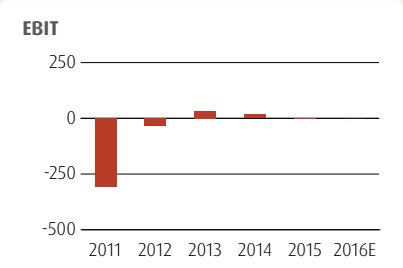
PROSTVAC	→ Phase 3 top-line data (2017) with interim analyses starting in 2016 → New Phase 2 combination studies with NCI/Bristol Myers Squibb (1H2016) → Data from ongoing Phase 2 trials with NCI
CV-301	→ Phase 2 combination with checkpoint inhibitors in NSCLC and additional indications
MVA-BN Brachyury	→ Phase 2 initiation
IMVAMUNE/IMVANEX	→ Manufacture bulk vaccine for the U.S. Government → Finalize manufacturing activities to support transition to freeze-dried version → Additional orders from U.S. and rest of world → Complete enrollment of Phase 3 non-inferiority study
MVA-BN RSV	→ Phase 1 data (1H2016) → Phase 2 initiation (2H2016)
MVA-BN Filo (Ebola)	→ Finalize clinical development of prime-boost vaccine regimen with Janssen
HPV	→ Phase 1 starting in 2017 → Potential expansion of collaboration on two additional infectious diseases
MVA-BN Filo (Ebola and Marburg)	→ Phase 1 initiation for multivalent filovirus vaccine

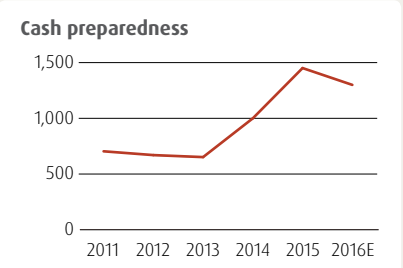
CONSOLIDATED KEY FIGURES

DKK million	2015	2014	2013	2012	2011
Income statement					
Revenue	1,020.6	1,216.8	1,212.5	1,016.6	523.6
Production costs	415.1	495.1	484.7	513.6	403.4
Research and development costs	386.8	478.9	496.6	340.1	261.7
Distribution and administrative costs	217.1	226.1	197.8	194.6	166.8
Income before interest and tax (EBIT)	1.6	16.7	33.4	(31.7)	(308.3)
Financial items, net	76.1	47.7	(27.2)	(17.0)	11.9
Income before company tax	77.6	64.4	6.2	(48.7)	(296.4)
Net profit for the year	59.4	25.9	(46.7)	(240.0)	(268.4)
Balance sheet					
Total non-current assets	585.0	568.1	551.8	644.3	865.2
Total current assets	1,404.3	1,319.1	900.4	894.9	1,111.4
Total assets	1,989.3	1,887.3	1,452.2	1,539.2	1,976.6
Equity	1,342.5	1,252.1	976.3	999.7	1,207.6
Non-current liabilities	56.6	51.9	86.7	54.2	105.4
Current liabilities	590.2	583.3	389.3	485.3	663.6
Cash Flow Statement					
Securities, cash and cash equivalents	1,058.2	979.7	532.1	549.9	584.0
Cash flow from operating activities	105.3	338.7	147.1	20.1	(375.2)
Cash flow from investment activities	(178.1)	(503.7)	(146.5)	71.0	(261.8)
- Investment in intangible assets	(28.3)	(53.6)	(111.0)	(24.3)	(16.5)
- Investment in property, plant and equipment	(31.7)	(52.4)	(44.4)	(20.9)	(31.2)
- Net investment in securities	(119.3)	(397.8)	7.2	116.4	(221.4)
Cash flow from financing activities	26.6	216.2	(7.1)	(9.6)	642.4
Financial Ratios (in DKK) [1)]					
Earnings (basic) per share of DKK 10	2.1	1.0	(1.8)	(9.2)	(12.1)
Net asset value per share	47.9	45.2	37.4	38.3	46.3
Share price at year-end	358	198	89	50	38
Share price/Net asset value per share	7.5	4.4	2.4	1.3	0.8
Number of outstanding shares at year-end, thousands	28,020	27,671	26,094	26,094	26,094
Equity share	67%	66%	67%	65%	61%
Number of employees, converted to full-time, at year-end	409	422	426	450	439

1) Earnings per share (EPS) is calculated in accordance with IAS 33 "Earning per share". Other financial ratios have been calculated in accordance with "Anbefalinger og Nøgletal 2015" (Recommendations and Financial Ratios 2015)







FINANCIAL RESULTS 2015

Our overall financial results for 2015 were in line with our latest guidance. While the guided revenue and earnings before interest and taxes (EBIT) were maintained throughout the year, we upgraded our expectations to the year-end cash preparedness in May 2015 after entering into a loan facility agreement of EUR 50 million with the European Investment Bank.

Revenue was DKK 1,021 million compared to DKK 1,217 million in 2014. Revenue was composed by DKK 762 million from the sale of MVA BN Filo Bulk Drug Substance to Janssen, DKK 78 million from the sale of IMVAMUNE/IMVANEX and DKK 181 million from ongoing development contracts primarily with the U.S. Government.

The decrease in revenue was partly offset by lower production costs as most of our product sales were delivered as bulk vaccine. We also had lower research and development costs, primarily related to the development of PROSTVAC. As a result, we maintained a positive EBIT.

For a detailed financial review, see page 32 in the annual report.

DKK million	2015 guidance	2015 actual
Revenue	1,000	1,021
EBIT	-	2
Cash preparedness, year-end	1,450	1,451

OUTLOOK FOR 2016

In 2016, we expect revenue at the level of DKK 1,000 million and a break-even result before interest and tax (EBIT).

We expect to produce, deliver and revenue recognize bulk material of IMVAMUNE/IMVANEX to the U.S. Strategic National Stockpile as well as deliver and revenue recognize doses of IMVAMUNE/IMVANEX to the Public Health Agency of Canada in the DKK 750 million range.

Revenue in the range of DKK 250 million is expected from ongoing research and development contracts including the funding awarded for the Phase 3 trial for IMVAMUNE, the contract for freeze-dried IMVAMUNE/IMVANEX, the contracts for Ebola/Marburg as well as part of the upfront payment on the HPV license agreement with Janssen.

Manufacturing and release of commercial products will primarily occur later in 2016 and thus more than 90% of the year's revenue is expected to be recognized in the second half of 2016.

The cash preparedness at the end of the year is expected to be in the level of DKK 1,300 million. Cash preparedness includes cash, cash equivalents, investments in securities and the aggregate amount of undrawn credit lines, but does not include proceeds from any prospective issuance of shares.

As of the reporting date, all known external U.S. dollar exposure is hedged.

Total research and development costs of approximately DKK 580 million are expected of which DKK 475 million will be recognized in the P&L.

SHAREHOLDER INFORMATION

Bavarian Nordic is listed on the Nasdaq Copenhagen exchange under the symbol BAVA. The Company's share capital was DKK 280,196,710 by year-end 2015, which was made up of 28,019,671 shares with a nominal value of DKK 10 each. Each share carries one vote. The share capital was increased in 2015 by DKK 3,483,700 as result of capital increases following exercise of warrants by employees. By December 2015, there were 1,624,605 outstanding warrants, which entitle warrant holders to subscribe for 1,624,605 shares. Thus the fully diluted share capital amounted to DKK 296,442,760 at year-end.

Ownership

As of December 31, 2015, Bavarian Nordic had 27,614 registered shareholders owning 25,382,047 shares, which corresponds to 90.6 per cent of the share capital. The number of registered shareholders increased 24% in 2015. Bavarian Nordic continuously invites its shareholders to have their shares registered with the Company; registration must be through the holder's custodian bank.

As of March 7, 2016, the following shareholders had publicly informed Bavarian Nordic that they own five per cent or more of the Company's shares: ATP Group, Hillerød, Denmark.

Bavarian Nordic does not hold any of its own shares.

Share price performance

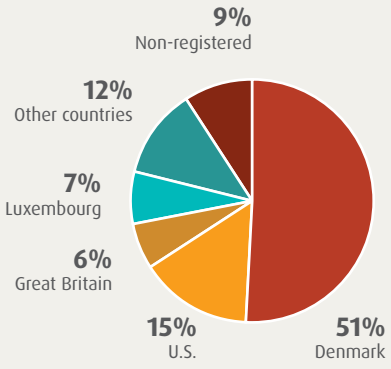
The price of Bavarian Nordic's share increased more than 80 per cent during the year, thus strongly outperforming the peer markets. The share price at year-end 2015 was DKK 357.50, versus DKK 197.50 at year-end 2014. The strong performance was mainly driven by the PROSTVAC agreement entered with Bristol-Myers Squibb in March 2015, but also our new collaboration agreement with Janssen and new IMVAMUNE/IMVANEX contracts, in addition to several pipeline advancements during the year. Despite turbulence on the international stock markets during most of the second half of 2015, which also affected the Bavarian Nordic, our share price recovered well over the last months of the year.

American Depositary Receipts (ADR)

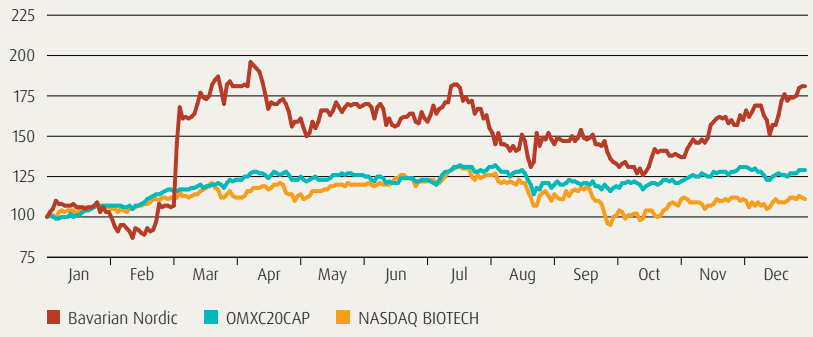
Bavarian Nordic has a sponsored Level 1 American Depositary Receipt (ADR) program with Deutsche Bank Trust Company Americas. An ADR is a receipt issued by a depositary bank representing ownership of a company's underlying shares. ADR programs are created to enable U.S. investors to hold shares in non-U.S. companies and trade them in the same way as U.S. securities.

Bavarian Nordic ADRs are available for trading in the US over-the-counter (OTC) market, where three ADRs represent one Bavarian Nordic share.

Distribution of share capital



Share price development compared to indices



Annual General Meeting
The annual general meeting will be held at 4 pm CET on Wednesday, April 20, 2016, at the Comwell Borupgaard, Nørrevej 80, DK-3070 Snekkersten, Denmark.

Investor relations
The Company seeks to maintain an active dialogue with shareholders, analysts, prospective investors and other stakeholders by providing open, honest and accessible information to ensure that they have the requisite knowledge to assess the Company. The Company seeks to do so by, among other things, ensuring timely and correct communication about relevant strategic, economic, financial, operational and scientific affairs of the Company, subject to due observance of the Company's investor relations policy, which further ensures that the Company complies with the general requirements and recommendations for Danish listed companies.

Analysts
Bavarian Nordic is covered by a number of domestic and international financial analysts who regularly make comments and recommendations based on the Company's performance and factors that may influence its business and future development of the share price. A list of analysts can be found on the Company's website.

Services for shareholders
All registered shareholders can access our shareholder portal which provides opportunity to sign up for a number of electronic information services, as well as request admission cards and/or vote by proxy for the general meetings. The portal is found at www.bavarian-nordic.com/shareholder.

Read more
www.bavarian-nordic.com/investor

Financial calender 2016

20 April 2016	Annual General Meeting
13 May 2016	Financial Statements for the first quarter of 2016 (Q1)
17 August 2016	Financial Statements for the first half of 2016 (Q2)
9 November 2016	Financial Statements for the first nine months of 2016 (Q3)

Contacts

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Forward-looking statement

This summary contains forward looking statements. The words "believe", "expect", "anticipate", "intend" and "plan" and similar expressions identify forward looking statements. Actual results or performance may differ materially from any future results or performance expressed or implied by such statements. The important factors that could cause our actual results or performance to differ materially include, among others, risks associated with product discovery and development, uncertainties related to the outcome and conduct of clinical trials including unforeseen safety issues, uncertainties related to product manufacturing, the lack of market acceptance of our products, our inability to manage growth, the competitive environment in relation to our business area and markets, our inability to attract and retain suitably qualified personnel, the unenforceability or lack of protection of our patents and proprietary rights, our relationships with affiliated entities, changes and developments in technology which may render our products obsolete, and other factors. For a further discussion of these risks, please refer to the section "Risk Management" in the annual report for 2015. Bavarian Nordic does not undertake any obligation to update or revise forward looking statements in this annual report nor to confirm such statements in relation to actual results, unless required by law.

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