ANNUAL REPORT 2016

BAVARIAN NORDIC

FORWARD-LOOKING STATEMENTS

This presentation 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 regarding our short-term objectives and opportunities, financial expectations for the full year and financial preparedness as of year end, as well as 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.

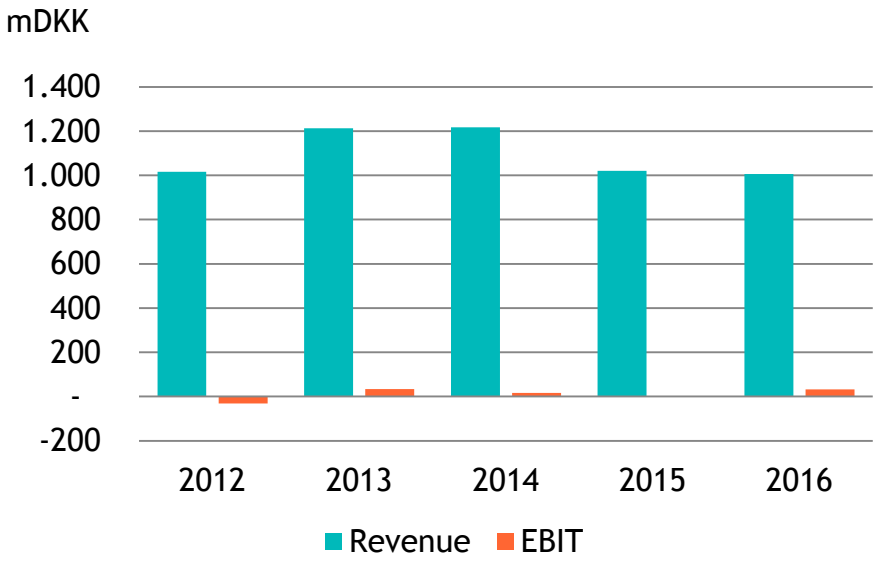
FINANCIALS

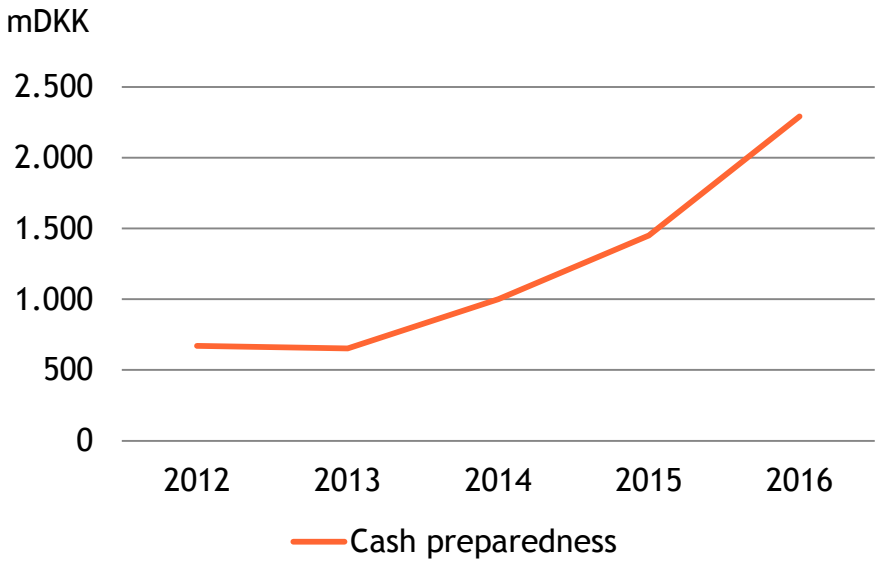
OLE LARSEN, CFO

WE MET OUR FINANCIAL GUIDANCE
AND STRENGTHENED OUR CASH PREPAREDNESS

- Consistent with previous years we have generated revenues above DKK 1 billion and recorded a break-even result

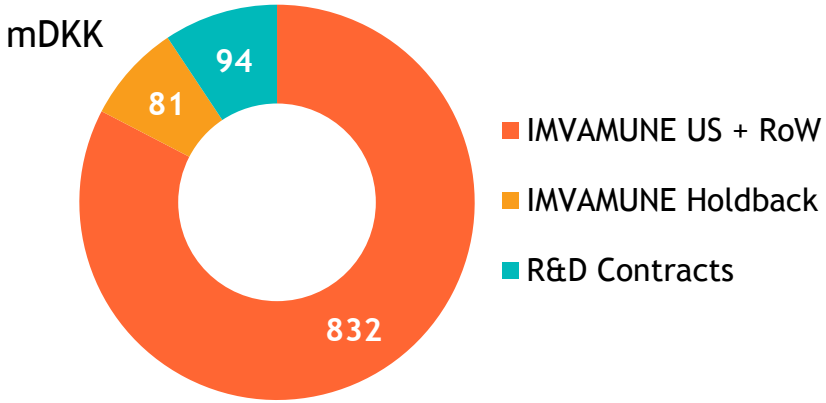
- Cash preparedness was significantly strengthened and has more than tripled over the last three years



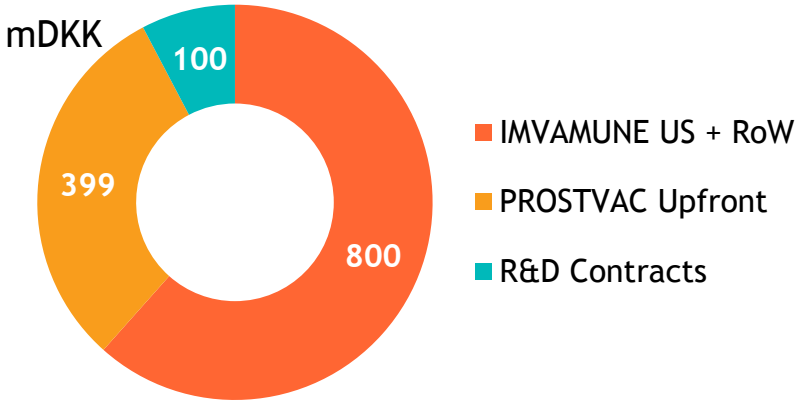


FINANCIAL SUMMARY AND OUTLOOK

Revenue 2016



Revenue 2017



	2016	2017		2016	2017
mDKK	guidance	actual	guidance	mUSD guidance	mUSD actual	mUSD guidance
Revenue	1,000	1,007	1,300	142	143	184
EBIT	0	33	350	0	5	50
Cash preparedness at year-end	2,300	2,292	2,400	326	325	340

Cash preparedness includes cash, cash equivalents, investments in securities and the aggregate amount of undrawn credit lines.

STRONG PIPELINE PROGRESS

PAUL CHAPLIN, CEO AND PRESIDENT

STRONG PROGRESS IN 2016
DRIVEN BY MULTIPLE LAYERS OF VALUE

- Expansion, advancement and diversification of pipeline
- Continued strong financial performance
- Significant pipeline news flow expected in 2017

Key value drivers in 2017 and beyond

IMVAMUNE

PROSTVAC

CV301

MVA-BN RSV

Existing & future partnerships

Janssen Pharmaceutical Companies of Johnson & Johnson

Bristol-Myers Squibb

Roche

PREPARING FOR THE NEXT GENERATION OF IMVAMUNE SMALLPOX VACCINE

- Received new USD 100 million bulk order from the U.S. Government
- Completed enrollment of the final Phase 3 study of liquid-frozen formulation required prior to submission for U.S. approval
  - Data read out H2 2017
  - Submission of BLA in Q2 2018 with fast-track designation
  - Approval and receipt of Priority Review Voucher
- RFP process for freeze-dried IMVAMUNE is expected to start in 2017

MOVING TOWARDS FINAL DATA FOR PROSTVAC

ADDITIONAL COMBINATION STUDIES CONTINUES TO EXPAND POTENTIAL

- The first and second interim analyses of the Phase 3 study have been completed and the study continues as planned
- Interim #3 and final analysis expected before year-end
- Three new Phase 2 studies of PROSTVAC were initiated during the year
- Now 10 ongoing trials and additional trials are in the planning
- Data from combination studies are expected from 2017 and onwards

PROSPECT Phase 3 Trial

A Randomized, Double-blind, Global Phase 3 Efficacy Trial of PROSTVAC in Metastatic Castration-Resistant Prostate Cancer (N=1,297)

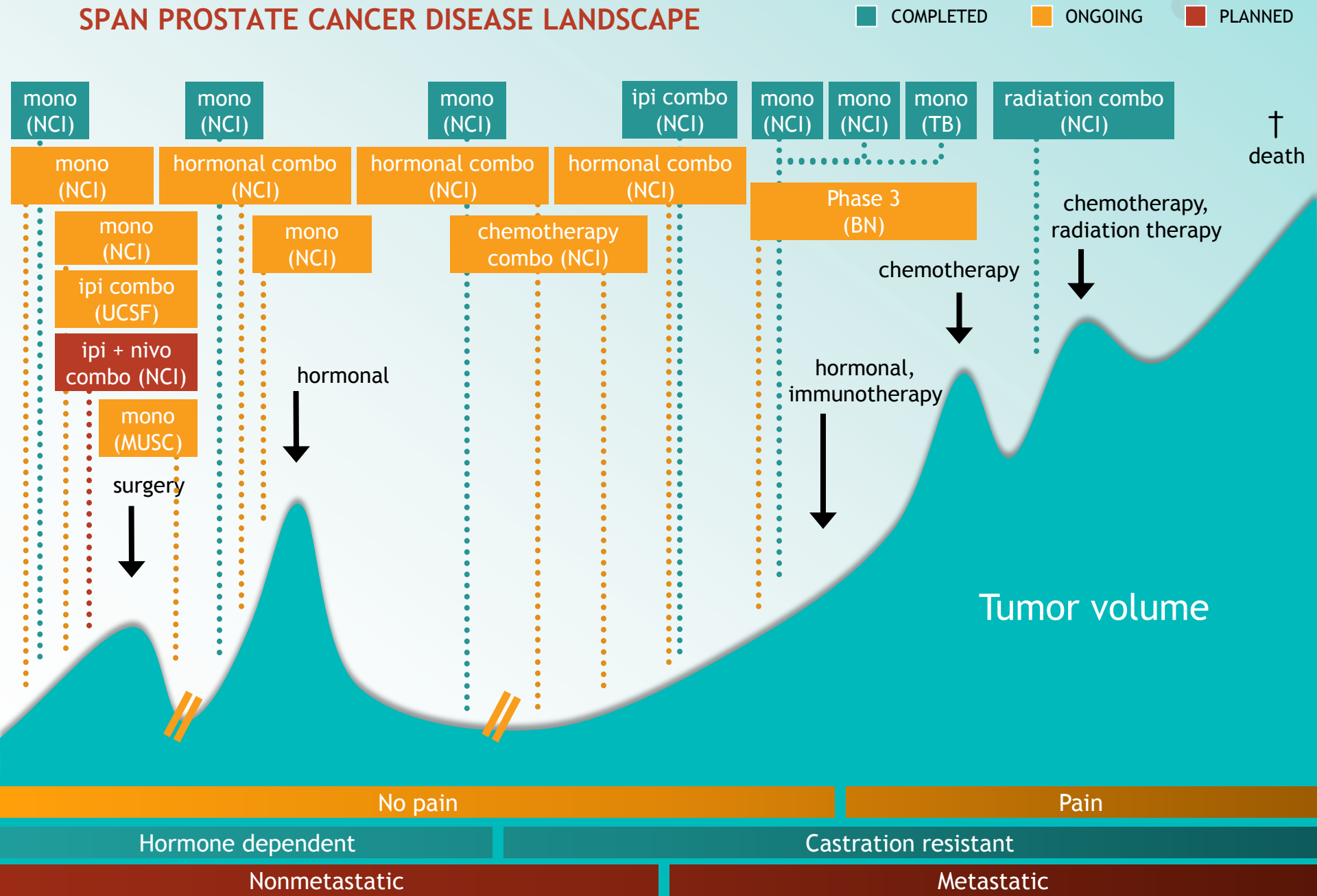
Primary endpoint: Overall survival

Interim Analysis #1	214 events	40%	✓
Interim Analysis #2	321 events	60%	✓
Interim Analysis #3	427 events	80%	Mid-2017
Final Analysis	534 events	100%	2H 2017

Estimated timing of events

PROSTVAC STUDIES

SPAN PROSTATE CANCER DISEASE LANDSCAPE

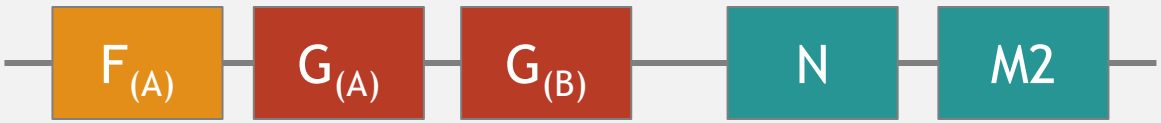


RSV - A SIGNIFICANT OPPORTUNITY

- Reported promising Phase 1 data
- Completed enrollment of a Phase 2 study in 400 elderly subjects
- Results are expected in mid-2017 and will provide important information for larger efficacy studies
- Also exploring pediatric population

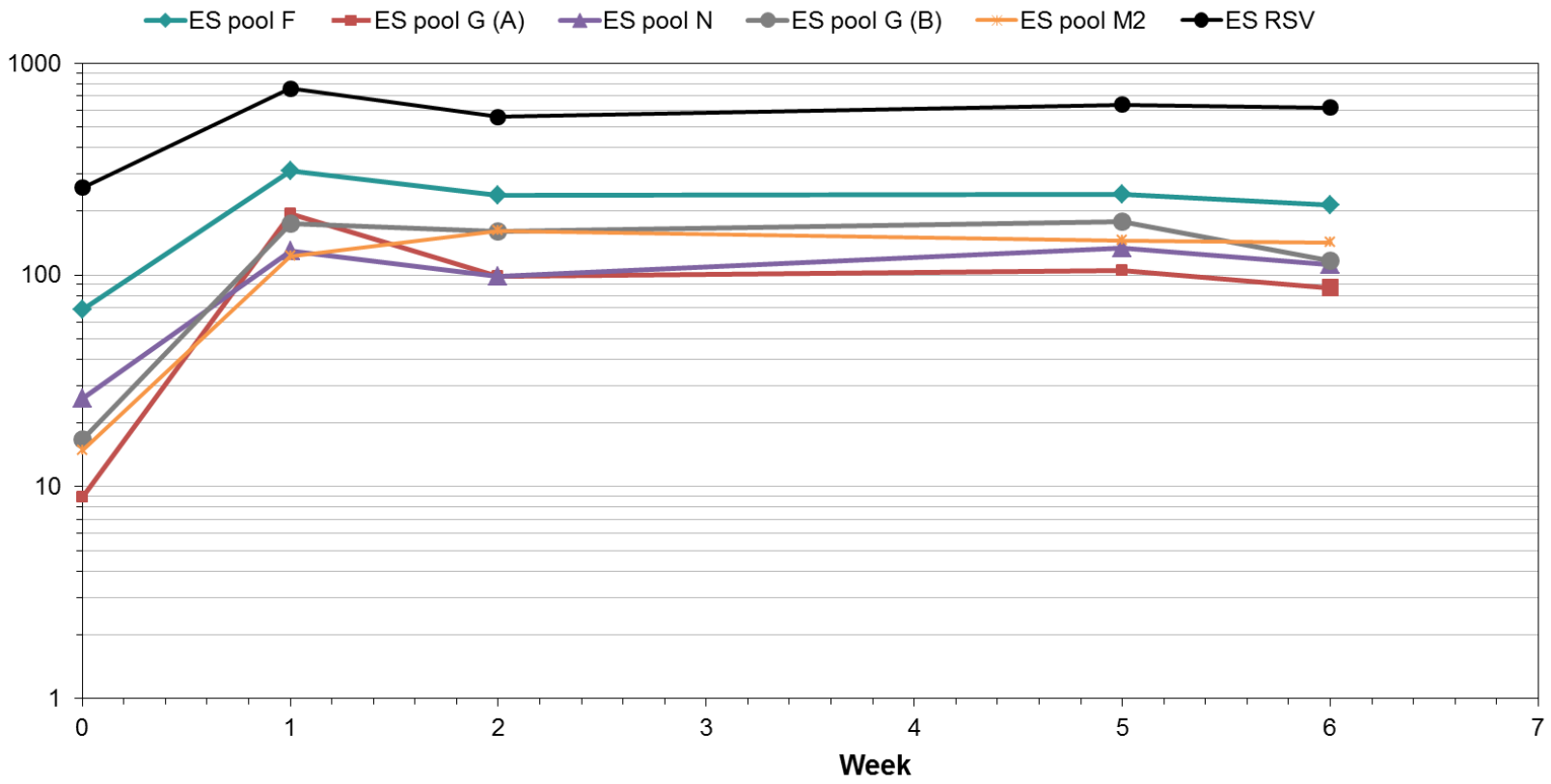
MVA-BN RSV – a highly differentiated approach

- Encodes two main surface proteins F & G
- Encodes the G surface protein from both RSV subtype A&B – poor cross reactivity between RSV subtypes
- Encodes two highly conserved internal RSV proteins (N & M2) – good inducers of T cell responses



MVA-BN RSV – ADDITIONAL T-CELL DATA

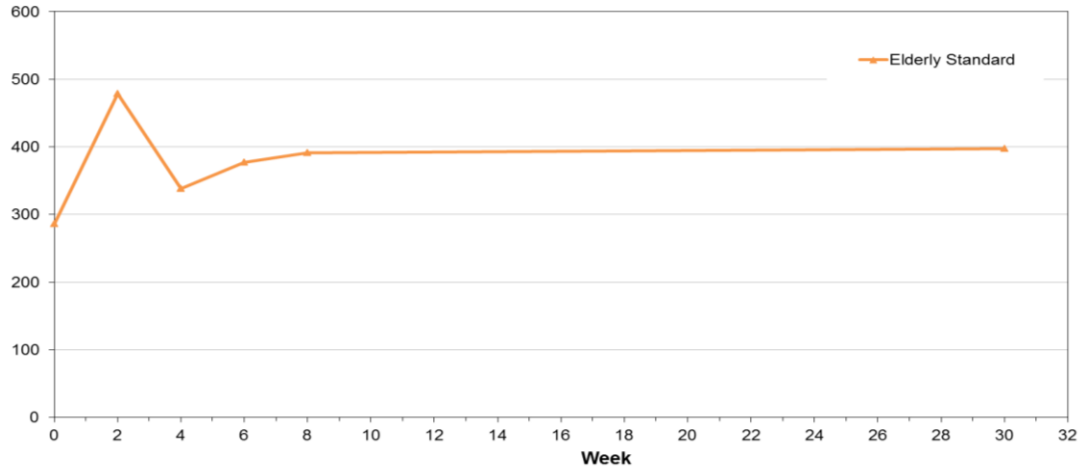
RSV-specific T cell response (ELISPOT)



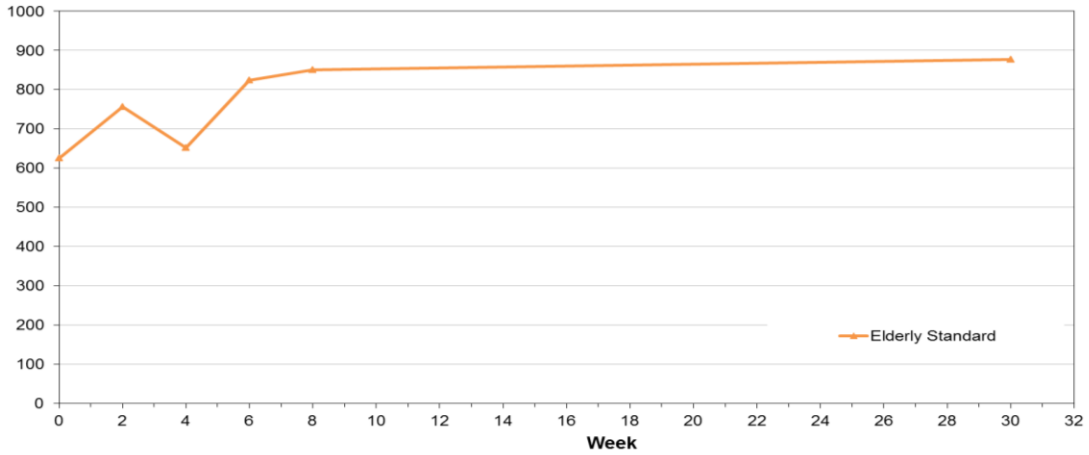
ES = Elderly Standard Dose group; vaccinations given at week 0 and week 4

MVA-BN RSV - PHASE 1 FOLLOW-UP DATA

RSV antibody response by IgA ELISA (GMT)



RSV antibody responses by PRNT (A strain)



vaccinations given at week 0 and week 4

MVA-BN RSV PHASE 2

Randomized, blinded, placebo-controlled dose ranging study

- 400 healthy subjects (≥55 years old)
- Study will help identify optimal dose and schedule

Groups	N	Vaccine Dose	Schedule (Day)		Route
			0	28	
1	80	Low	MVA-BN RSV	Placebo	IM
2	80	Low	MVA-BN RSV	MVA-BN RSV	IM
3	80	High	MVA-BN RSV	Placebo	IM
4	80	High	MVA-BN RSV	MVA-BN RSV	IM
5	80	-	Placebo	Placebo	IM
Total	**400**				

CV301 CANCER IMMUNOTHERAPY

EXPLORING SYNERGIES IN COMBINATION WITH OTHER IMMUNE-MODULATING AGENTS

Lung cancer

- Proof-of-concept study of CV301 plus nivolumab initiated
  - Second-line treatment, potential for first-line treatment
  - Bristol-Myers Squibb to supply nivolumab at no cost

Bladder cancer

- Agreement with Roche to supply atezolizumab for planned study in bladder cancer

BN retains all commercial rights

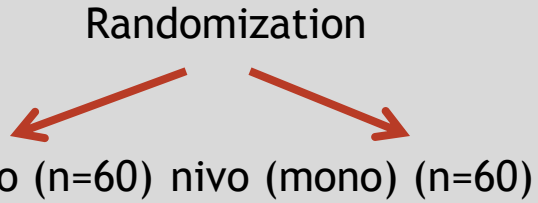
NCSLC	BN sponsored
Bladder	BN sponsored
Other indications	Exploring combinations in company collaborations or with NCI

PROOF-OF-CONCEPT STUDY OF CV301 & NIVOLUMAB IN NSCLC

Phase 1
Safety CV301 single agent (n=18)

Single dose combination with nivolumab (n=22)

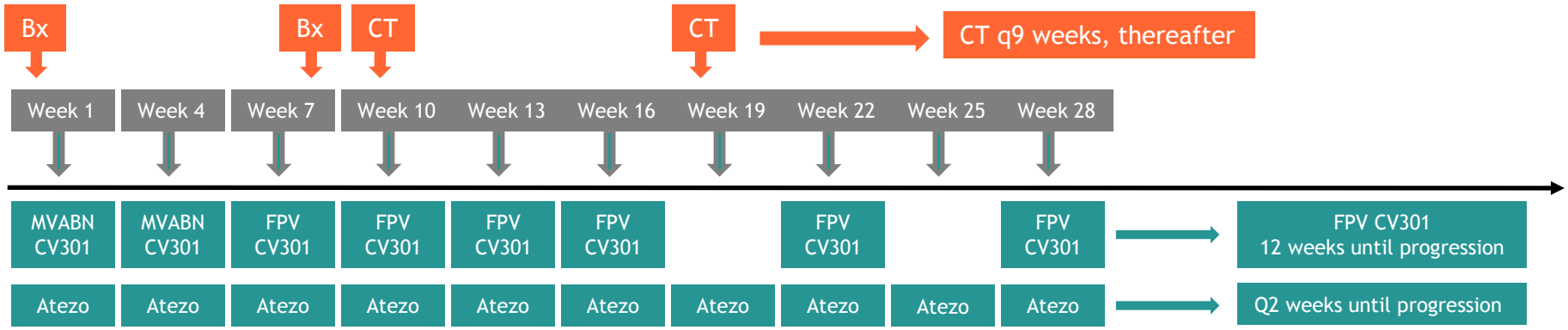
Phase 2
Multi-center trial
Up to 20 sites in USA



Endpoints
- Safety, tolerability
- Primary endpoint: OS
- Secondary endpoints: ORR, DOR, PFS, Immune effects

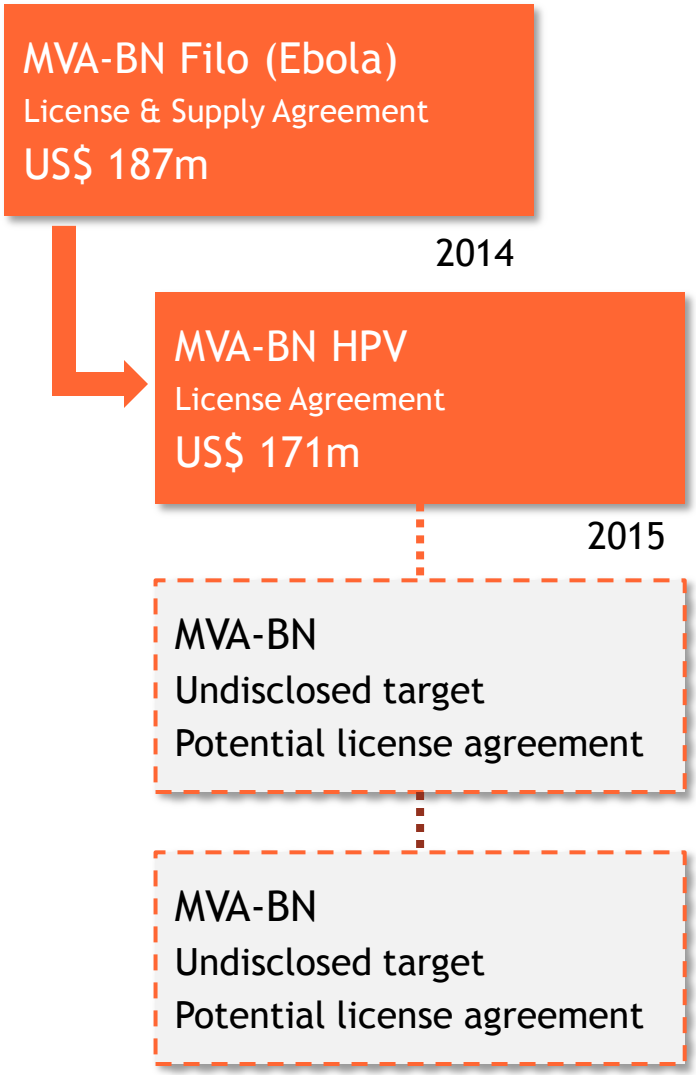
CV301 + ATEZOLIZUMAB (ANTI PD-L1) IN 2ND LINE METASTATIC BLADDER CANCER

- Single-arm, combination of standard therapy (atezolizumab) + CV301
- Primary Endpoint: Improve OS compared with historical control (7.9 months)
- Secondary Endpoints = Early indicators possible:
  - objective response rate (control = 19%),
  - progression free survival (control median = 2.1 months)
- Exploratory = biomarker discovery
  - Inform future trial design and other indications



OUR COLLABORATION WITH JANSSEN

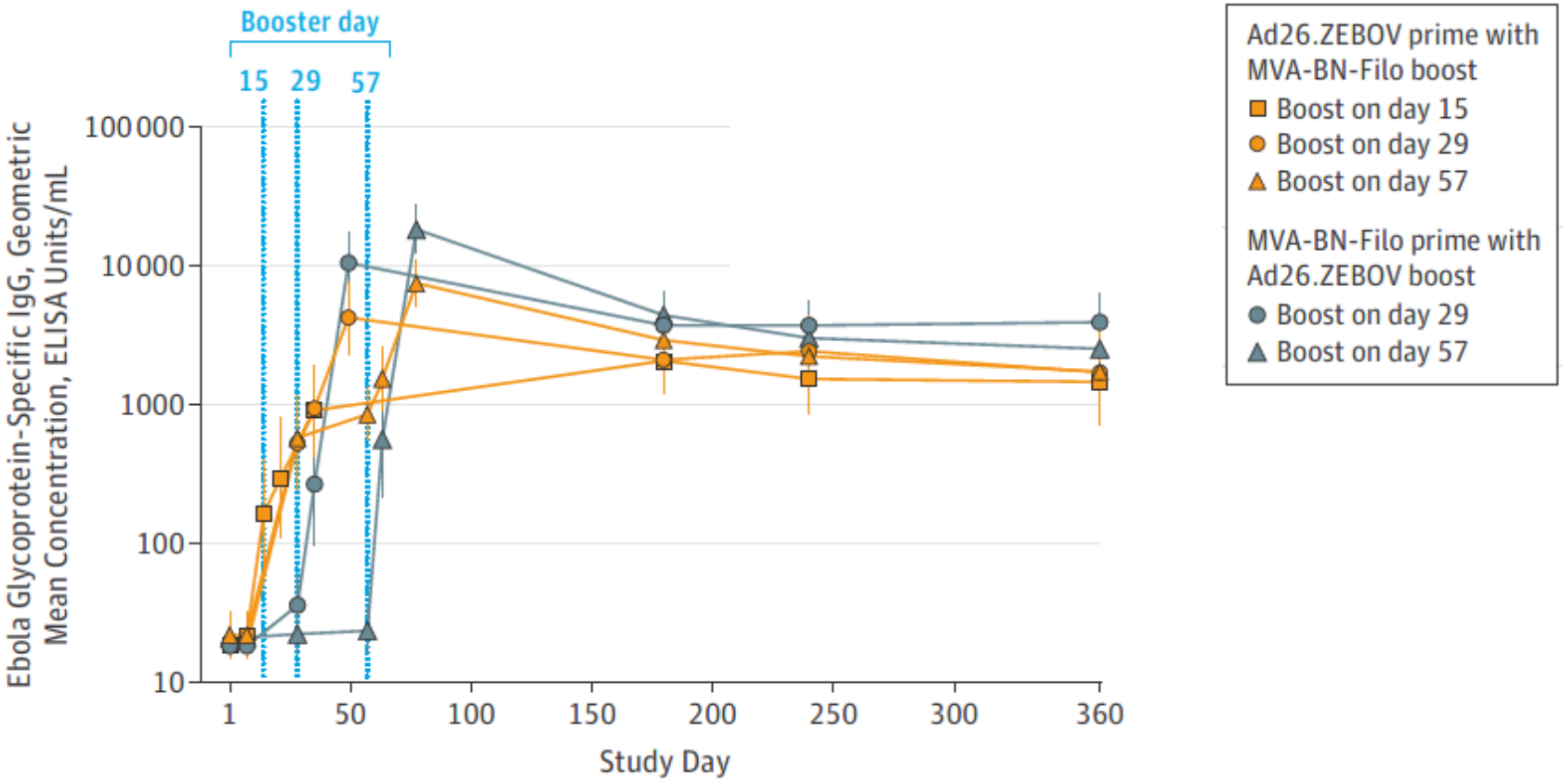
- Janssen completed a submission for Emergency Use Assessment and Listing for the Ebola vaccine to the WHO
  - Phase 3 studies ongoing
  - Initiated Phase 1 study of a multivalent vaccine (Ebola, Sudan and Marburg viruses)
- HPV vaccine to start clinical trials in 2017
- Janssen retains option to license two additional disease targets



janssen
PHARMACEUTICAL COMPANIES OF Johnson&Johnson

EBOLA PHASE 1 DATA, 1-YEAR FOLLOW-UP

- The longest duration follow-up for any heterologous primary and booster Ebola vaccine schedule



JAMA, March 14, 2017: Immune Responses to Novel Adenovirus Type 26 and Modified Vaccinia Ankara-Vectores Ebola Vaccines at 1 Year

PIPELINE

PRODUCT	INDICATION	ONGOING STUDIES	PRECLINICAL	PHASE 1	PHASE 2	PHASE 3	MARKET	COMMERCIAL RIGHTS
INFECTIOUS DISEASES								
IMVAMUNE liquid-frozen [1)]	*Smallpox*	1						BAVARIAN NORDIC
IMVAMUNE freeze-dried	*Smallpox*	-						BAVARIAN NORDIC
MVA-BN Filo	*Ebola/Marburg*	10						janssen
MVA-BN RSV	*RSV*	1						BAVARIAN NORDIC
MVA-BN HPV	*Chronic HPV Infection*	-						janssen
CANCER IMMUNOTHERAPY								
PROSTVAC mono	*Prostate Cancer*	1						Bristol-Myers Squibb
PROSTVAC mono/combo	*Prostate Cancer*	9						Bristol-Myers Squibb
CV301 + nivolumab	*Lung Cancer (NSCLC)*	1						BAVARIAN NORDIC
MVA-BN Brachyury	*Metastatic Tumors*	-						BAVARIAN NORDIC

1) Approved in the European Union under the trade name IMVANEX® and in Canada under the trade name IMVAMUNE®. Phase 3 registration studies are ongoing in the United States.

ANTICIPATED SELECTED MILESTONES

IMVAMUNE

- U.S. RFP for freeze-dried IMVAMUNE
- Top-line data for Phase 3 non-inferiority study
- Approval and Priority Review Voucher

RSV

- MVA-BN RSV Phase 2 dosing study read out
- MVA-BN RSV additional study initiations

JANSSEN

- Initiate HPV Phase 1 study in cervical cancer
- Potential expanded collaboration with Janssen on two additional infectious disease targets
- Data from Ebola prime-boost vaccine regimen
- Ebola vaccine pending approval for emergency use by WHO

PROSTVAC

- Phase 3 top-line data including interim analyses
- Initiate NCI-sponsored Phase 2 study in combination with ipilimumab and nivolumab
- Data from NCI-sponsored Phase 2 trials

CV301

- Initiate Phase 2 study of CV301 + atezolizumab in bladder cancer
- CV301 + checkpoint inhibitor proof-of-concept studies in additional indications

BRACHYURY

- MVA-BN Brachyury Phase 2 initiation

Q&A

SAVE THE DATE
SEPTEMBER 21, 2017

BAVARIAN NORDIC CAPITAL MARKETS DAY

LE PARKER MERIDIEN HOTEL

NEW YORK CITY