

Bavarian Nordic A/S - Notice Convening Ordinary General Meeting

COPENHAGEN, Denmark, 26 March, 2018 - Pursuant to Articles 10-14 of the Articles of Association, the shareholders of Bavarian Nordic A/S are hereby convened to the annual General Meeting to be held on

Tuesday, April 17, 2018 at 4 PM CET

at Comwell Borupgaard, Nørrevej 80, DK-3070 Snekkersten, Denmark with the following agenda:

- 1) The Board of Directors' report on the Company's activities in the past year.
- 2) Presentation of the Annual Report for adoption.
- 3) A proposal from the Board of Directors regarding the application of profit or covering of loss pursuant to the Annual Report as adopted.
- 4) A resolution to discharge the Board of Directors and the Board of Management from their obligations.
- 5) Any proposal from the Board of Directors or shareholders.

The Board of Directors has proposed the following resolutions:

- a. Proposal to increase and extend the authorisations of the Board of Directors in Article 5a of the Articles of Association, so that the Board of Directors is authorised to increase the share capital of the Company by nominally DKK 32,245,060 until 30 June 2019.
 - b. Proposal to increase and extend the authorisation of the Board of Directors in Article 5b of the Articles of Association, so that the Board of Directors until 31 December 2019 is authorised to issue warrants, which entitle the holders to subscribe for shares in the Company at a nominal value of up to DKK 6,000,000. Warrants may not be granted to members of the Company's Board of Directors but only to members of the Executive Management and to employees of the Company or the Company's subsidiaries.
 - c. Proposal to amend the general guidelines for incentive remuneration of the Board of Directors and the Executive Management.
 - d. Proposal to approve remuneration of the Board of Directors and the Board Committees for the current financial year.
 - e. Proposal to amend Article 8 of the Articles of Association due to change of address of the Company's register of shareholders.
 - f. Proposal to authorise the Board of Directors to repurchase Company shares.
- 6) Election of Members to the Board of Directors.
 - 7) Election of Auditors.

Elaboration on selected items of the agenda:**Re 5a) Proposal to increase and extend the authorisations of the Board of Directors in Article 5a to increase the share capital**

The Board of Directors proposes to increase and extend the authorisations of the Board of Directors in Article 5a of the Articles of Association, so that the Board of Directors is authorised to increase the share capital of the Company in one or more issues by a total of nominally DKK 32,245,060 until 30 June 2019. The proposal entails amending Article 5a of the Articles of Association as follows:

"Subsection 1

For the period ending on 30 June 2019, the Board of Directors shall be authorised to increase the Company's share capital in one or more issues with a total of nominally DKK 32,245,060 (3,224,506 shares of DKK 10 each) by the subscription of new shares. The existing shareholders shall have pre-emption rights to subscribe for the amount by which the share capital is increased, proportional to their shareholdings. The share capital shall be increased by cash payment at a subscription price which may be lower than the value of the shares.

The terms and conditions of the subscription for shares shall be determined by the Board of Directors.

The new shares shall be negotiable instruments, shall be registered in the names of the holders and shall be entered in the Company's register of shareholders. No restrictions shall apply to the transferability of the new shares, and no shareholder shall be obliged to have his shares redeemed - in whole or in part. The shares shall carry the right to dividend as from the date fixed by the Board of Directors, but not later than the first financial year following the capital increase.

Subsection 2

For the period ending on 30 June 2019, the Board of Directors shall be authorised to increase the Company's share capital in one or more issues with a total of nominally DKK 32,245,060 (3,224,506 shares of DKK 10 each) by the subscription of new shares. The existing shareholders shall not have pre-emption rights to subscribe for the amount by which the share capital is increased.

The share capital may be increased by cash payment or in other ways, such as by conversion of debts or in payment of a contribution in kind. The share capital shall in any event be increased at a subscription price, which is not lower than market value.

The terms and conditions of the subscription for shares shall be determined by the Board of Directors.

The new shares shall be negotiable instruments, shall be registered in the names of the holders and shall be entered in the Company's register of shareholders. No restrictions shall apply to the transferability of the new shares, and no shareholder shall be obliged to have his shares redeemed - in whole or in part. The shares shall carry the right to dividend as from the date fixed by the Board of Directors, but not later than the first financial year following the capital increase.

Subsection 3

When exercising the authorisations given in Articles 5a(1) and 5a(2) the Board of Directors is overall authorised to increase the share capital of the Company with a total of nominally DKK 32,245,060 (3,224,506 shares of DKK 10 each)."

Re 5b) Proposal to increase and extend the authorisation of the Board of Directors in Article 5b of the Articles of Association, so that the Board of Directors is authorised to issue warrants

The Board of Directors proposes to increase and extend the authorisation of the Board of Directors in Article 5b of the Articles of Association, so that the Board of Directors until 31 December 2019 is authorised to issue warrants, which entitle the holders to subscribe for shares in the Company at a nominal value of up to DKK 6,000,000. The Board of Directors also proposes to extend the Board of Directors' authorisation to reuse or reissue any lapsed and unexercised warrants under the terms and within the time limitations set out in this authorisation. The proposal entails authorising the Board of Directors to increase the share capital of the Company as a consequence of the issuance of warrants until 1 April 2023. Consequently, Article 5b of the Articles of Association is amended as follows:

"During the period ending 31 December 2019, the Company may issue warrants, in one or more portions by resolution of the Board of Directors. The warrants may be issued to the management and employees of the Company or its subsidiaries for the subscription of a nominal value of up to DKK 6,000,000 shares (600,000 shares of DKK 10 each) by cash contribution at a subscription price and on such other terms as the Board of Directors may determine. Any issuance of warrants to the management shall be made in accordance with the Company's policy for incentive remuneration of the Board of Directors and the Management, prepared in accordance with section 139 of the Danish Companies Act and approved by the general meeting, cf. Article 17a of the Articles of Association. Warrants may not be granted to members of the Company's Board of Directors (except for employee representatives (if such have been elected) who receive warrants in their capacity as employees of the Company or of the Company's subsidiaries).

Holders of warrants shall have pre-emption right to subscribe for the shares, issued based on the warrants, meaning that the pre-emption rights to subscribe to warrants and new shares for existing shareholders are deviated from.

As a consequence of the exercise of awarded warrants, the Board of Directors is authorised during the period until 1 April 2023 to increase the share capital by a nominal value of up to DKK 6,000,000 shares (600,000 shares of DKK 10 each) in one or more portions by resolution of the Board of Directors by cash contribution at a subscription price and on such other terms as the Board of Directors may determine without pre-emption right for the existing shareholders.

The new shares issued based on warrants shall have the same rights as existing shares according to the Articles of Association. The new shares shall be negotiable instruments, shall be registered in the names of the holders and shall be entered in the Company's register of shareholders. No restrictions shall apply to the transferability of the new shares and no shareholder shall be obliged to have his shares redeemed - in whole or in part. The new shares shall carry the right to dividend from the time of subscription.

Subject to the rules in force at any time, the Board of Directors may reuse or reissue lapsed and unexercised warrants if any, provided that the reuse or reissue occurs under the terms and within the time limitations set out in this authorisation. Reuse is to be construed as the Board of Directors' entitlement to let another party enter into an existing agreement on warrants. Reissue is to be construed as the Board of Directors' option to reissue new warrants, under the same authorisation, if previously issued warrants have lapsed."

Re 5c) Proposal to amend the general guidelines for incentive remuneration of the Board of Directors and the Executive Management

The Board of Directors proposes to amend the general guidelines for incentive remuneration of the Board of Directors and the Executive Management on the following points:

- a. In exceptional cases, a new member of the Executive Management may, in connection with his/her commencement of employment, be offered a cash sign-on compensation. Any sign-on compensation must be included in the maximum amount of 1 year's base wage which in the current Remuneration Policy applies to cash bonuses to the Executive Management in exceptional cases.
- b. In exceptional cases, members of the Executive Management may receive warrants with a value of up to 1 additional year's base wage at the time of allocation, so that - in exceptional cases - it is possible to grant warrants with a value of up to a maximum of 2 year's base wage at the time of allocation.

The proposed amended guidelines can be downloaded from www.bavarian-nordic.com/agm.

Re 5d) Proposal to approve remuneration of the Board of Directors and the Board Committees for the current financial year

The Board of Directors proposes to maintain the level of the annual base fee to the members of the Board of Directors for the financial year 2017; (i) the annual base fee to members of the Board of Directors will be DKK 300,000; (ii) the remuneration to the Chairman will be two and a half times the annual base fee (DKK 750,000); and (iii) the remuneration to the Deputy Chairman will be one and a half times the annual base fee (DKK 450,000).

The Board of Directors proposes that the members of the two board committees will receive an additional annual committee fee of DKK 100,000. The remuneration to the Chairmen of the board committees will, however, be one and a half times the annual committee fee (DKK 150,000).

In addition to the basic fee to the Board of Directors, the Board proposes that the Board as part of the remuneration receives Restricted Stock Units equal to 50% of the annual base fee of DKK 300,000 (for the Chairman, however, equivalent to 50% of two and a half times the annual base fee and the Deputy Chairman equivalent to 50% of one and a half of the base annual fee) in accordance with the Company's general guidelines for incentive pay.

Further, the Board of Directors proposes that each member of the Board of Directors receives (i) an attendance fee of DKK 5,000 for each board and/or committee meeting he/she attends to, which in no event can exceed DKK 5,000 per day or (ii) for members of the Board of Directors, who travel overseas in order to participate, a fee of USD 5,000. Furthermore, the Company pays the travelling expenses incurred by the board members in connection with board- and/or committee meetings, and any social costs associated with the remuneration of the Board of Directors and the board committees (e.g. mandatory contributions to social security in other countries).

Re 5e) Proposal to amend Article 8 of the Articles of Association due to change of address of the Company's register of shareholders

The Company's register of shareholders is kept by Computershare A/S. Computershare A/S has changed its address. The Board of Directors therefore proposes that the current Article 8 of the Articles of Association is amended to the following:

"Article 8

As resolved by the Board of Directors, the Company's register of shareholders may be kept either by the Company, or by a secretary outside the Company to be designated by the Board of Directors. The Company's register of shareholders is kept by Computershare A/S, CVR no. 27088899."

Re 5f) Proposal to authorise the Board of Directors to repurchase Company shares

The Board of Directors proposes that the Board of Directors is authorised on behalf of the Company to acquire own shares in the Company.

It is therefore proposed that the following authorisation is granted to the Company's Board of Directors pursuant to Article 198 of the Danish Companies Act:

"The General Meeting hereby authorises the Board of Directors to acquire own shares on behalf of the Company in accordance with Article 198 of the Danish Companies Act. The Company may only acquire own shares for a total nominal value of up to 10 % of the Company's share capital for the time being. The remuneration paid in connection with the acquisition of own shares may not deviate by more than 10 % from the price of the Company's shares on Nasdaq Copenhagen at the time of acquisition.

This authorisation is granted to the Company's Board of Directors for the period until the next annual General Meeting."

Re 6) Election of Members of the Board of Directors

The Board of Directors proposes that Gerard van Odijk, Anders Gersel Pedersen, Erik G. Hansen, Peter Kürstein, Frank Verwiel and Elizabeth McKee Anderson are re-elected.

Claus Bræstrup has informed the Board of Directors that he is not seeking re-election.

The existing members of the Board of Directors, who are up for re-election, are as follows:

Gerard van Odijk

Gerard van Odijk, M.D. is a Dutch national, born in 1957. Independent member of the board since 2008 and chairman since 2014. Current term expires in 2018. Chairman of the Nomination and Compensation Committee since 2015.

Positions: Independent advisor for the pharmaceutical industry and former president and chief executive officer of Teva Pharmaceuticals Europe B.V. Chairman of the board of HTL-Strefa S.A. and Curaeos B.V.

Special competences: Medical qualifications and extensive executive background within publicly traded companies in the international pharmaceutical industry.

Anders Gersel Pedersen

Anders Gersel Pedersen, M.D., Ph.D. is a Danish national, born in 1951. Independent member of the board since 2010 and deputy chairman since 2014. Current term expires in 2018. Member of the Finance, Risk and Audit Committee since 2015.

Positions: Executive vice president of research and development at H. Lundbeck A/S. Deputy chairman of the board of Genmab A/S and member of the board of ALK-Abelló A/S.

Special competences: Scientific qualifications, particularly in oncology, and extensive board and management experience from publicly traded, international pharmaceutical and biotech industries.

Erik G. Hansen

Erik Gregers Hansen, M.Sc. is a Danish national, born in 1952. Independent member of the board since 2010. Current term expires in 2018. Chairman of the Finance, Risk and Audit Committee since 2015.

Positions: Chairman of the board of Polaris Management A/S, TTiT A/S, TTiT Ejendomme A/S, TTiT Landbrug A/S and Sirius Holding ApS. Deputy chairman of the board of OKONO A/S, Bagger-Sørensen Fonden, Bagger-Sørensen & Co. A/S and its five subsidiaries, member of the board of Lauritzen Fonden, Lesanco ApS, Ecco Sko A/S, Farumgade 2B Holding ApS and its subsidiary, MedCan Pharma A/S and Wide Invest ApS. Member of the executive board of Rigas Invest ApS, BFB ApS, Sirius Holding ApS, Tresor ApS, Tresor Asset Advisers ApS, Polaris Invest II ApS and Hansen Advisers ApS.

Special competences: Training and experience in and thorough understanding of managing finance operations and experience with publicly traded companies.

Peter Kürstein

Peter Kürstein, MBA is a Danish national, born in 1956. Independent member of the board since 2012. Current term expires in 2018. Member of the Nomination and Compensation Committee since 2015.

Positions: Former president and chief executive officer, now chairman of the board of Radiometer Medical ApS. Chairman of the board of Ferrosan Medical Devices Holding A/S. Deputy chairman of the board of FOSS A/S, Experimentarium and Ejendomsselskabet Experimentarium A/S. Member of the board of N. Foss & Co. A/S and Den Erhvervsdrivende Fond Gl. Strand, Experimentarium, One Life, Dansk BørneAstma Center and Art Agenda 2010. Furthermore, he is chairman of the Danish-American Business Forum and the Business Forum for Better Regulation and member of the executive board of Mijamax ApS.

Special competences: Extensive board and management experience from publicly traded, international healthcare companies.

Frank Verwiel

Frank Verwiel, M.D., MBA is a Dutch national and resident of the United States, born in 1962. Independent member of the board since 2016. Current term expires in 2018. Member of the Finance, Risk and Audit Committee since 2016.

Positions: Former president and chief executive officer of Aptalis Pharma, Inc. Chairman of the board of ObsEva SA and member of the board of Intellia Therapeutics, Inc., Achillion Pharmaceuticals, Inc. and AveXis, Inc.

Special competences: Extensive strategic, operational and international experience within the pharmaceutical industry.

Elizabeth (Liz) McKee Anderson

Elizabeth Anderson, M.B.A. is an American national, born in 1957. Independent member of the board since 2017. Current term expires in 2018.

Positions: Former worldwide vice president Global Strategic Marketing and Market Access, Infectious Diseases and Vaccines for Johnson & Johnson. Member of the board of Huntsworth plc and REVOLUTION Medicines, Inc. and Aro Biotherapeutics Company and a member of the advisory Board of NAXION, Inc. Furthermore, she is a member of the board of trustees of the Bryn Mawr Hospital Foundation and The Wistar Institute. Principal of PureSight Advisory, LLC.

Special competences: Extensive strategic, operational and international experience within the pharmaceutical industry.

Re 7) Election of Auditors

The Board of Directors proposes that Deloitte is re-elected as the Company's auditor. The proposal from the Board is made in accordance with the recommendation of the Finance, Risk and Audit Committee. The Finance, Risk and Audit Committee has been free from influence by a third party and has not been subject to any contract with a third party restricting the choice by the general meeting on the selection of a statutory auditor or an audit firm.

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Majority requirements

Adoption of the proposals referred to in items 1, 2, 3, 4, 5c, 5d, 5f, 6 and 7 requires a simple majority of votes.

Adoption of the proposals referred to in items 5a, 5b and 5e requires a special majority, cf. Section 106 of the Danish Companies Act and Article 16 of the Articles of Association. According to this, the adoption of such proposals requires the affirmative votes of at least two-thirds of the votes cast as well as at least two-thirds of the votes represented at the General Meeting.

Participation, admission cards and voting rights

Shareholders who wish to attend the General Meeting must order admission cards no later than on Friday, April 13, 2018 at 11:59 PM CET in accordance with Article 11 of the Articles of Association. Please be informed that attendance requires ordering an admission card prior to the General Meeting.

Admission cards will be provided to shareholders who are entitled to attend and vote at the General Meeting. Anyone who is registered as a shareholder in the register of shareholders on the date of registration, Tuesday, April 10, 2018, or who has made a request to such effect by that date is entitled to attend and vote at the General Meeting.

Admission cards may be ordered electronically from www.bavarian-nordic.com/agm or by downloading and printing the order form, which is available on the Company's website. The form should be duly completed and submitted to info@bavarian-nordic.com or by fax: +45 33 26 83 80 or by ordinary mail to Bavarian Nordic A/S, Hejreskovvej 10A, DK-3490 Kvistgård, Denmark. Admission cards may also be ordered by telephone: +45 33 26 83 83.

Admission cards will be sent to the email address specified in the shareholder portal upon registration. The admission card must be presented at the General Meeting either electronically on a smartphone/tablet or printed.

Shareholders who have ordered admission cards without specifying their e-mail address can pick up the admission card at the entrance of the General Meeting upon presentation of ID (for example a passport or driver's license).

Ballots for voting at the General Meeting will be handed out at the entrance.

Voting by proxy

Shareholders may vote by proxy. An instrument of proxy issued to the Board of Directors of the Company may only concern a specific General Meeting with an agenda that is known in advance. Shareholders may notify the Company electronically of the appointment of a proxy at www.bavarian-nordic.com/agm or by completing and submitting a written proxy form that can be downloaded on the Company's website. The form may be submitted as mentioned above and must be received by the Company no later than Friday, April 13, 2018 at 11:59 PM CET. The proxy holder may also provide a written and dated instrument of proxy at the General Meeting.

Postal voting

It is also possible for shareholders to vote by post. Postal votes can be submitted electronically via www.bavarian-nordic.com/agm or by completing and submitting a postal voting form that can be downloaded on the Company's website. The form may be submitted as mentioned above and must be received by the Company no later than Friday, April 13, 2018 at 11:59 PM CET. Once the postal vote has been received by the Company, the vote cannot be revoked by the shareholder.

Written questions

Shareholders may submit questions in writing to the Company regarding the agenda, the documents to be presented at the General Meeting or the general position of the Company. Questions may be submitted by post or e-mail to info@bavarian-nordic.com. Questions will be answered at the General Meeting.

Language

Representatives of the Company will conduct the General Meeting in English. Shareholders may choose whether to speak in Danish or in English. During the meeting, simultaneous interpretation from English to Danish and Danish to English will be available.

Information on the website

The following documents and information will be available on the Company's website at www.bavarian-nordic.com/agm from March 26, 2018 to April 17, 2018 (both days included): 1) The notice convening the General Meeting; 2) The total number of shares and voting rights as at the date of the convening notice; 3) All documents to be submitted to the General Meeting, including the annual report for 2017 containing the audited annual and consolidated accounts etc.; 4) The agenda and the full text of all proposals to be submitted to the General Meeting; and 5) Postal and proxy voting forms.

Share capital

The Company's share capital amounts to DKK 322,450,650 divided into shares in the denomination of DKK 1 and multiples thereof. Each share of a nominal value of DKK 10 gives one vote.

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).

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