



*An open
world
through
vaccines*

Q1
22

Q1 Report | May 9, 2022



BAVARIAN NORDIC

Disclaimer

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.

Bavarian Nordic has transformed - and the journey continues!

2022

- A pivotal year with significant investments in R&D and manufacturing
- Launch of two Phase 3 trials: **RSV** and **COVID-19**
- Tech transfer of freeze-dried **JYNNEOS** to unlock \$299m option
- Complete investments in manufacturing expansion to enable tech transfer of **Rabipur/RabAvert** and **Encepur**
- Financial guidance that reflects the investments

OUR VISION:

By 2025, we aspire to be one of the largest pure play vaccine companies improving and saving lives by excelling in R&D innovation, manufacturing and commercialization

850+
employees



4

marketed products:
rabies, TBE,
smallpox, Ebola



Commercial scale
manufacturing
and World-wide
distribution
network



Commercial
infrastructure
supporting key
markets in US
and EU



Strong financial
position to
execute on
growth strategy



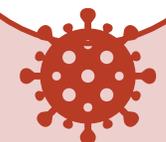
RSV

High unmet
medical need in
older adults



COVID-19

Booster vaccine
supported by the
Danish State



First quarter 2022: Strong pipeline progress

Q1

Key highlights



Breakthrough Therapy Designation granted by the FDA

License and supply agreement entered with Nuance Pharma for China and selected Asian markets

Phase 3 trial initiated in April, aiming to complete enrolment of 20,000 subjects by YE2022



Phase 2 additional results reported, confirming rationale for ABNCoV2 as a universal booster

Omicron results reported
Boosting to levels associated with high degree of protection (>90%)

Phase 3 preparations ongoing.
Late change in Ph 3 design as comparator vaccine might become available



Rabies up 45% in revenues vs. Q1 2021 reflecting market growth

TBE down 30% in revenues vs. Q1 2021 in hesitant market

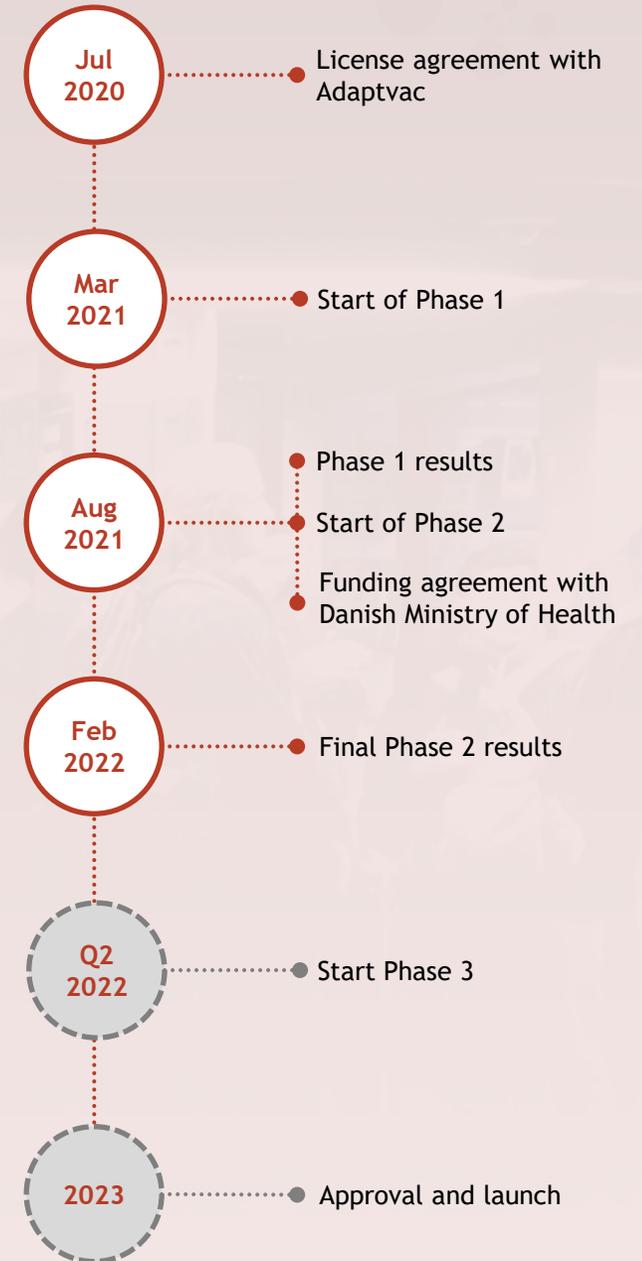


Russell Thirsk appointed new EVP & Chief Operating Officer

ABNCoV2

Next-generation COVID-19 vaccine

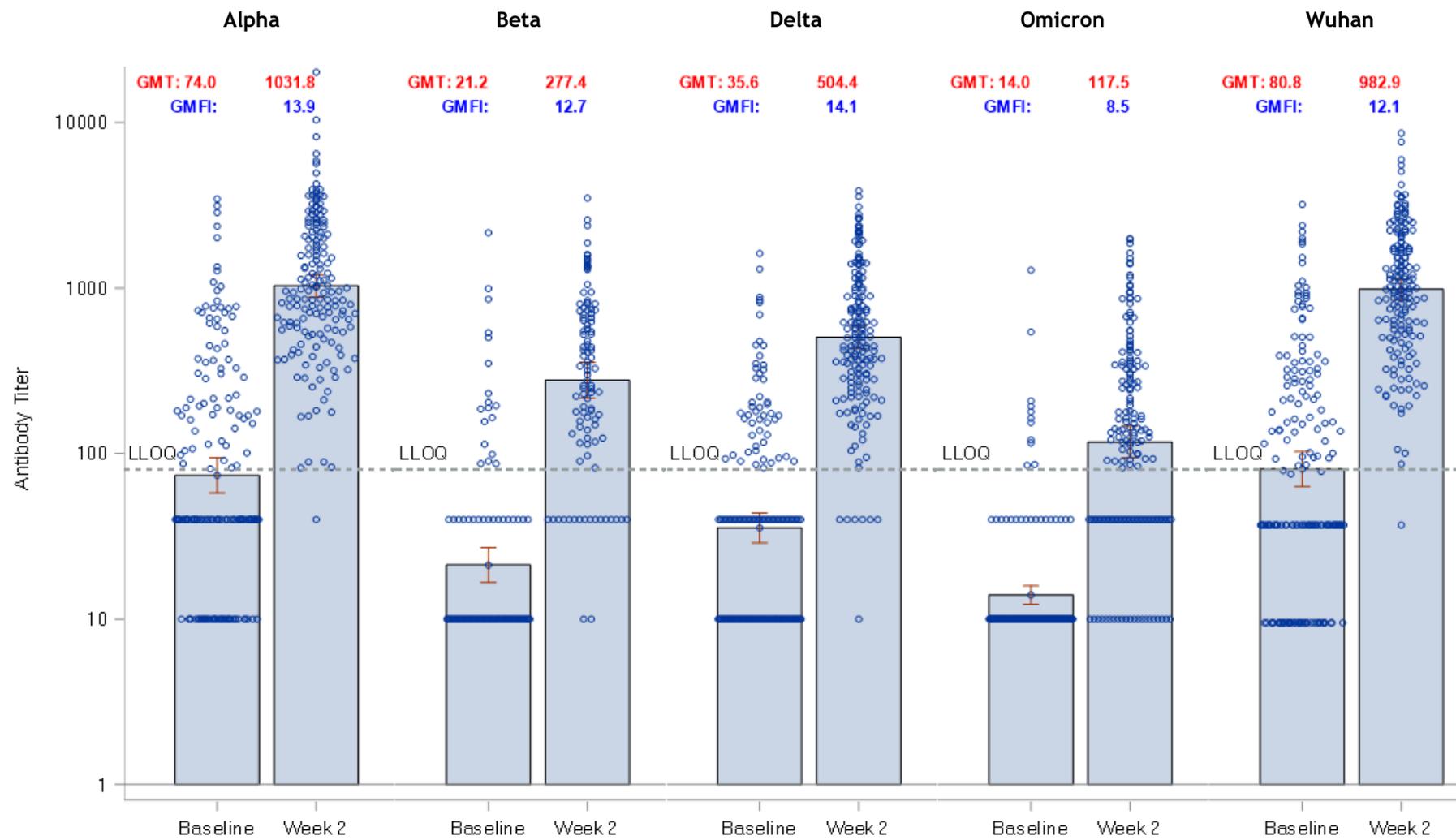
- **New COVID-19 vaccine approaches** are warranted as the durability and level of protection from existing vaccines against variants is sub-optimal/remains unknown
- Market could transition towards a flu-like market with annual boosting of people at risk and the elderly population
- **ABNCoV2 clinical data** show that the vaccine induces a strong boosting effect in previously vaccinated (mRNA or Adeno), increasing the levels of neutralizing antibodies to levels reported to be highly efficacious (>90%)¹ across all variants of concern
- **Funding agreement** with the Danish Ministry of Health with total milestone payments of DKK 800 million
- **Phase 3 trial** planned to start in the second quarter of 2022 in 4,000 previously vaccinated subjects who will receive a booster vaccination with ABNCoV2 or an mRNA-based vaccine, aiming to demonstrate non-inferiority of ABNCoV2 to the licensed mRNA vaccine



ABNCoV2 Phase 2 - variants of concern

Strong boosting effect across all variants of concern

- Strong boosting effect across all variants of concern
- Level of neutralizing antibodies at levels reported to be associated with high level of protection (>90%)¹
- Level of neutralizing antibodies lowest for beta and omicron.



MVA-BN RSV

A global, blockbuster opportunity

- **RSV** remains a large disease burden in older people and immunocompromised individuals
- Hospitalizations and deaths are comparative to that of influenza
- No approved prophylactic vaccine

- **MVA-BN RSV** uses a differentiated approach, designed to stimulate a broad immune response and protect against severe respiratory disease
- Comprehensive clinical data generated, including a human challenge trial in 2021, which demonstrated 79% efficacy in reducing symptomatic RSV infections

Phase 3 trial and global commercialization strategy

- Phase 3 trial has started enrolling in April 2022. Trial is expected to enrol 20,000 subjects in the USA and Germany and will run over one RSV season
- Seeking to commercialize with partners
- License and supply agreement entered with Nuance Pharma for China and selected Asian countries

Phase 3 trial ongoing

License and supply agreement entered in China and other Asian countries



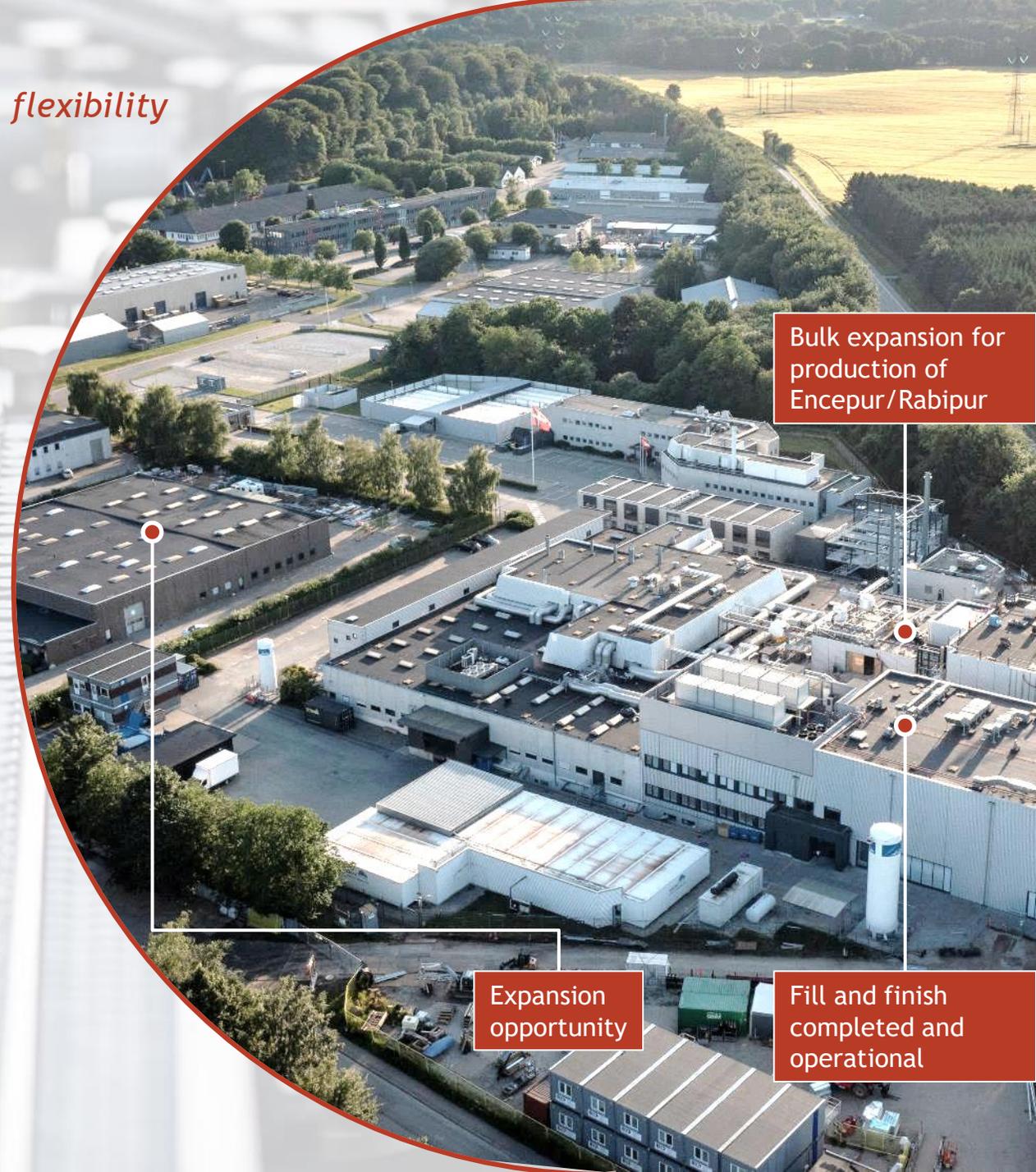
BAVARIAN NORDIC

End-to-end manufacturing

Completed and ongoing expansions aim to secure sufficient flexibility and capacity to support our vision

Key activities 2022

- Complete the investment in new bulk facility
- Re-open existing bulk facility in the autumn after segregation of the two bulk facilities allowing them to operate independently
- Advance the Rabies and TBE tech transfer project according to plan, including qualification of packaging of both products
- Fill ABNCoV2 doses for Phase 3 clinical trial
- Continue implementation of freeze-dried JYNNEOS to unlock future BARDA orders



Bulk expansion for production of Encepur/Rabipur

Expansion opportunity

Fill and finish completed and operational

Financials and Outlook



Revenue split Q1

- The rabies business demonstrated a strong performance in both US and Germany offsetting a slower than expected start of the TBE market during Q1

Revenue distribution, first quarter

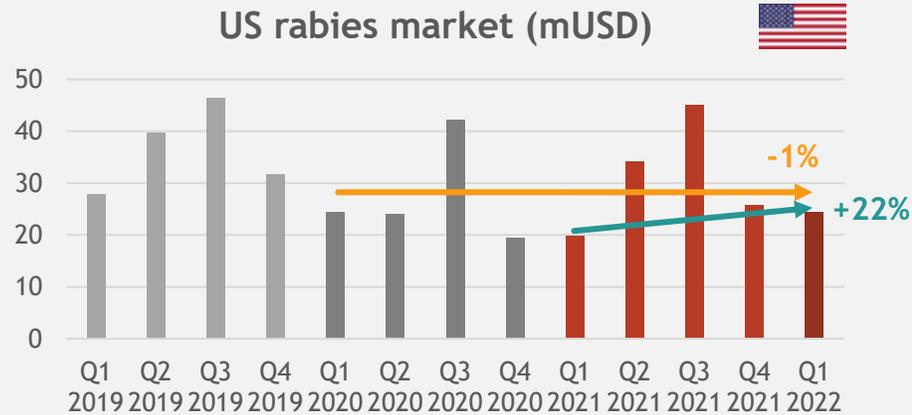
mDKK	Q1 2022	Q1 2021	Growth
Rabipur/RabAvert	117	80	45%
Encepur	69	98	-30%
Mvabea	30	-	-
Sale of third-party products	14	-	-
JYNNEOS/IMVANEX/IMVAMUNE	-	336	-
Milestone payments	83	-	-
Contract work	7	20	-67%
Total	320	535	-40%

Rabies vaccine

Market development and performance

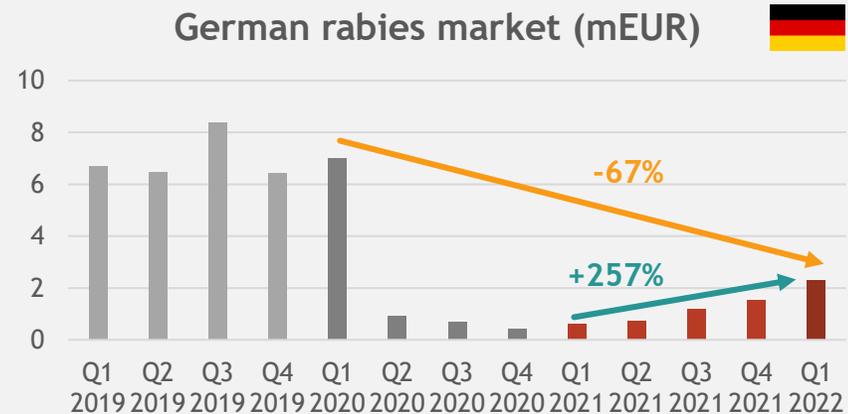


Rabies market



Both **post-exposure** and **pre-exposure** segments were impacted by US lock-down and lack of domestic and international travel.

However, the market remains more resilient than the European market and is approaching pre-covid level with the recent strong growth.



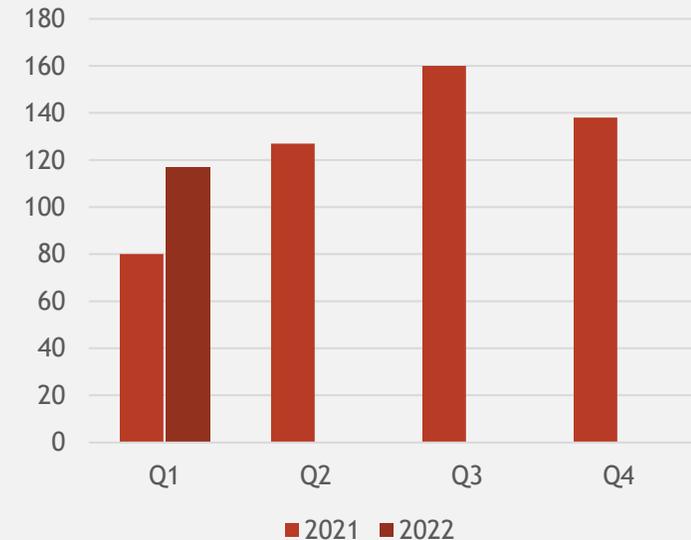
Pre-exposure market eroded during Q2 2020 and has suffered severely from COVID-19 travel restrictions, but has shown strong signs of recovery over the past quarters.

Data source: IQVIA

Rabipur/RabAvert sales (mDKK)

Q1 2022	Q1 2021	Growth
117	80	45%

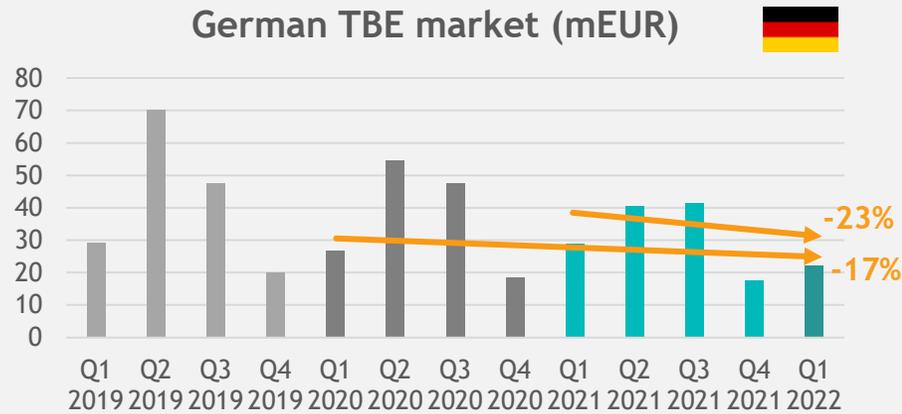
- Significant market growth in key markets during Q1
- US market share approx. 64%, in line with the level seen prior to competition facing stockout situation in the autumn of 2020.



TBE vaccine

Market development and performance

TBE market



The German market continues the trend with weak demand as seen since Q2, 2021. Negative growth of -23% versus PY.

Access to physicians have improved, but many vaccines, including TBE, are suffering from weak demand from patients.

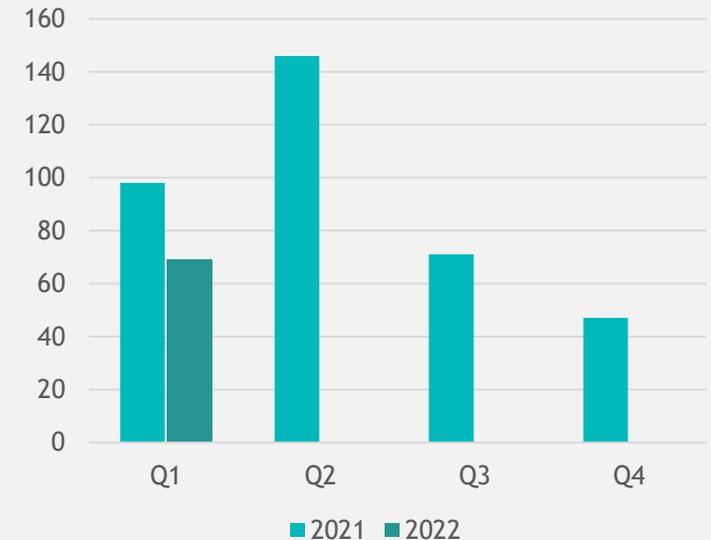


Data source: IQVIA

Encepur sales (mDKK)

Q1 2022	Q1 2021	Growth
69	98	-30%

- Decrease versus prior year caused by continued negative market development in Germany and inventory movements at wholesaler and partner level (Valneva).
- Market share remains stable around 29% in Germany



Marketing and distribution partnerships

Expanding commercial portfolio through marketing and distribution partnerships



HEPLISAV-B (Dynavax) ●
Hepatitis B vaccine

Launch in May 2022



DUKORAL (Valneva) ● ●
Cholera vaccine



IXIARO (Valneva) ● ●
Japanese encephalitis vaccine



Profit & Loss

mDKK	Q1 2022	Q1 2021
Revenue	320	535
Production costs	292	377
Gross profit	28	158
Research and development costs	105	122
SG&A costs	115	124
Total operating costs	220	246
Other operating income	-	
EBIT	(192)	(88)
Net financial items	(79)	(42)
EBT	(271)	(130)
Tax	1	1
Net profit for the period	(272)	(131)
EBITDA	(94)	1

Revenue was DKK 320 million. Decrease vs. Q1 2021 due to no revenue from smallpox contracts in accordance with current contracts, however partly offset by revenue from Ebola contracts, partnered products and milestone payment under RSV agreement with Nuance.

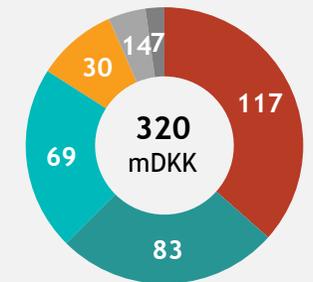
Production costs totaled DKK 292 million, impacted by planned shut down of bulk facility.

R&D costs decreased due to RSV Phase 3 material production occurring in 2021.

SG&A costs of DKK 115 million, decrease primarily driven by lower costs for running the commercial organization and activities.

EBITDA was a loss of DKK 94 million.

Revenue Q1 2022
DKK million



- Rabipur/RabAvert
- Milestone payments
- Encepur
- Mvabea
- Third-party products
- Contract work

Cash flow and balance sheet

Selected cash flow figures

mDKK	Q1 2022	Q1 2021
Cash flow from operating activities	24	(120)
Cash flow from investment activities	(291)	(1,069)
Free cash flow	(267)	(1,189)
Cash flow from financing activities	75	1,146
Net cash flow for the period	(192)	(43)

Cash flow from operating activities was positive by DKK 24 million. Working capital improved by DKK 108 million compared to year-end 2021.

Cash flow spend on investment activities was negative by DKK 291 million and includes investments in property, plant and equipment, DKK 150 million, mainly related to the ongoing expansion of the drug substance facility for future production of Rabipur/RabAvert and Encepur. Investment in other intangible assets amounted to DKK 152 million and includes the ongoing Rabipur/RabAvert and Encepur technology transfer project, the development project for the COVID-19 vaccine and IT system investments.

Cash flow from financing activities Cash flow from financing activities was a contribution of DKK 75 million, primarily funding received from the Danish Ministry of Health. The net change in cash and cash equivalents was negative by DKK 192 million.

Selected balance sheet figures

mDKK	Mar-31 2022	Mar-31 2021
Intangible assets	5,881	5,235
Total assets	11,992	9,748
Equity	7,125	5,921
Non-current liabilities	2,835	2,378
Current liabilities	2,031	1,450
Securities, cash and cash equivalents	3,447	2,589
Debt, bank & institutional	(893)	(395)
Net cash*	2,594	2,194

Increase in **equity** largely attributed to the capital increase through private placements in December 2021 with proceeds of DKK 1.7 billion.

Intangible assets increase due to ABNCoV2 capitalization of development costs and contingent liabilities also related to ABNCoV2 partly off-set by amortization of product rights for Encepur + Rabipur/RabAvert.

Total assets increase is furthermore driven by higher receivables, prepayments to ABNCoV2 contract manufacturers and increased securities, cash and cash equivalents follow two capital raises in 2021.

*Deferred consideration to GSK of DKK 2,566 million not included. Book value of the deferred consideration is calculated using NPV and probability weighted milestone payments.

2022 Outlook

A pivotal year with significant investments to fuel our vision to become one of the largest pure play vaccine companies!

2022 guidance

mDKK	FYE 2022
Revenue	1,100 - 1,400
EBITDA	(1,300) - (1,000)
Cash position (securities, cash and cash equivalents)	1,000 - 1,200

The guidance intervals reflects the continued uncertainty about COVID-19 impact on TBE and rabies markets. The mid-point of the guidance assumes a partial return to normality for the TBE market and the US rabies market and a slower return to normality for the European rabies business.

Revenue includes only confirmed smallpox vaccine orders with BARDA of approx. DKK 100 million and a previously announced order to Public Health Agency of Canada of DKK 203 million. Limited revenue from partner agreements with Valneva and Dynavax. Potential income from RSV partnering is not included

R&D spend of approx. DKK 1,950 million, including ABNCoV2 capitalized costs of approx. DKK 700 million. Non-capitalized costs amount to approx. DKK 1,250 million of which the RSV project accounts for approx. DKK 850 million.

Cash at year-end impacted by milestone payments of approx. DKK 600 million to GSK relating to the acquisition of Rabipur/RabAvert and Encepur; capitalization of tech-transfer activities for acquired vaccines of approx. DKK 250 million; capitalization of ABNCoV2 development costs of approx. DKK 700 million; financial support to ABNCoV2 from the Danish Ministry of Health of approx. DKK 640 million; other tangible investments of approx. DKK 350 million, including finalization of new bulk facility for future manufacturing of Rabipur/RabAvert and Encepur; net working capital expected to remain approx. unchanged with inventory increase of approx. DKK 250 million largely off-set by expected increase in accounts payable; debt level by year-end of approx. DKK 600 million assumed, excluding repo positions.

2022 activities and milestones

Developing innovative life-saving vaccines

RSV

- Initiate Phase 3 enrollment in first half of 2022.
- Complete enrollment of 20,000 subjects by end of 2022.
- Prepare for commercial launch.

COVID-19

- Initiate enrollment for Phase 3 of ABNCoV2 in the first half of 2022.
- Report Phase 3 data in the second half of 2022.
- Prepare for a regulatory submission by end of 2022.
- Prepare for commercial launch.

Freeze-dried JYNNEOS

- Continue transfer of freeze-dried manufacturing process to Bavarian Nordic.

Best in class vaccine manufacturing

- Progress the manufacturing technology transfer of Rabipur/RabAvert and Encepur according to plan, including completing the qualification of packaging of both products.
- Complete investment in the expansion of the bulk manufacturing facility.

Driven by commercial excellence

- Defend and gain market shares for Rabipur/RabAvert and Encepur in key markets.
- Improve awareness of Bavarian Nordic among key stakeholders.
- Assume marketing and distribution of Ixiaro and Dukoral from Valneva in certain markets.
- Launch Heplisav-B in Germany (in-licensed from Dynavax)

Outlook is based on exchange rates of DKK 6.50 per 1 USD and DKK 7.45 per 1 EUR.

Q&A

