BAVARIAN NORDIC

Q3 Results

Conference Call

November 16, 2023



Agenda



Business highlights

Paul Chaplin, President & CEO



Commercial performance and financials

Henrik Juuel, EVP & CFO

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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.

Business highlights

Paul Chaplin, President & CEO



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On track to deliver record-breaking result in 2023

4,615
MDKK in revenue

+148%
vs. 9M 2022

1,552
MDKK in EBITDA

34%
EBITDA margin

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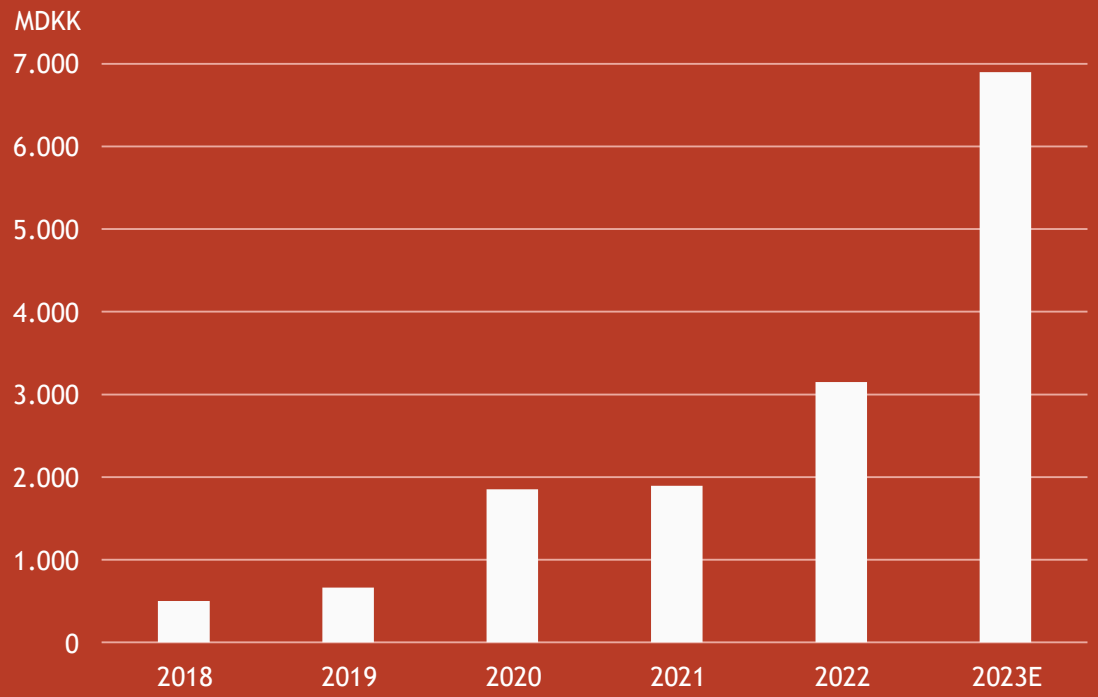
*“ Travel health grew by **56%** driven by rebound in global travel, strong brand performance and portfolio expansion.*

Solid growth in annual revenues



Business overview

Travel health

Leading global provider of travel vaccines

Rabipur® RabAvert®	Rabies
Encepur®	Tick-borne encephalitis (TBE)
Vaxchora (Cholera Vaccine, Live, Oral)	Cholera
Vivotif (Typhoid Vaccine Live Oral Ty21a)	Typhoid
Ixiaro	Japanese Encephalitis (valneva)
Dukoral	Cholera (valneva)
Heplisav-B	Hepatitis B (DYNAVAX)

Public preparedness

Preferred partner with governments and international organizations

Mpox and smallpox	JYNNEOS™ IMVANEX® IMVAMUNE™



Public preparedness

A private mpox market emerges while government stockpiling against smallpox remains a priority

Public contracts

- Bulk order received from the U.S. valued at USD 120 million to **partly replenish** inventory used for the mpox outbreak.
- Expansion of **rescEU** contract for EU stockpiling of smallpox vaccines with EUR 21 million secured for 2024.

Private mpox market

- New ACIP recommendation for **routine use** in the U.S: of JYNNEOS® in adults at risk of mpox infection.
- Targeting U.S. **commercial launch** of JYNNEOS in 1H 2024, pending approval of the updated recommendations.

2 million
U.S. adults are considered at risk of mpox infection[1]

23%
of adults at risk have received the recommended two doses of JYNNEOS[1]



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1. https://www.cdc.gov/mmwr/volumes/72/wr/mm7213a4.htm?s_cid=mm7213a4_w

Smallpox stockpiling commitments

As the long-term public-private partnership with the U.S. continues, ties are strengthened with other governments and organizations.

Moving to freeze-dried version
- Starting manufacturing in 2024 of first option (119 mUSD of total 299 mUSD)
- Bulk inventory partly replenished through 120 mUSD order in 2023; additional orders expected to fully restore inventory.

10-year contract framework
- PHAC contract with 290 mUSD base for delivery in 2023-2025 plus annual options totaling 180 mUSD expiring in 2031.
- DoD contract with annual options totaling 20 mUSD.

EU frameworks in place to complement scattered national strategies
- HERA framework contract of up to 2 million doses of which ~700,000 doses are committed in 2023. Pending 2024 commitment.
- rescEU contracts for 21 mEUR entered with delivery in 2024.

Ongoing dialogues
- France
- China
- Other countries



Travel health update

Global travel on the rise, strong brand performance, expanding portfolio, and successful integration drive growth and profitability.

Tech transfer on track

- Five-year transition for RabAvert/Rabipur and Encepur manufacturing agreed with GSK at acquisition in 2020.
- Completed transfer of drug product manufacturing for RabAvert/Rabipur.
- Transfer of drug substance manufacturing ongoing for both products.
- On track for assuming full manufacturing cycle in 2025 as projected; expected to improve margins.

Leveraging synergies in Emergent travel health acquisition

- Expanded US presence and increased scale in EU markets
- Transfers of marketing authorizations for Vivotif and Vaxchora ongoing targeting completion by end of 2023.
- Right-sizing completed across R&D In EU and the US; will generate annual run-rate savings of approximately **DKK 70 million**.

2022
Highest number of doses sold in the US in 1 year
RabAvert®

H1 2023
Highest number doses sold ever in one half-year
RabAvert®
Rabipur®

Q2 2023
Highest number of doses sold in a quarter since January 2019
Encepur®

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Chikungunya

Chikungunya is a mosquito-borne virus which is becoming increasingly endemic and with large quality of life impact.

Mosquito-borne

- Chikungunya virus (CHIKV) is transmitted primarily through the bite of infected *Aedes aegypti* and *Aedes albopictus* mosquitos.



Aedes aegypti



Aedes albopictus

Increasing prevalence

- Virus transmission reported in over 110 countries and territories representing 75% of the global population[1,2]



Impact on quality of life

- Low fatality, but with significant quality of life impact with fever and debilitating joint pain

85%
suffer from acute symptoms of fever and debilitating joint pain[3]

>40%
develop chronic symptoms lasting for ≥3 months, even up to several years

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1. WHO, Global distribution of Chikungunya virus, https://www.who.int/health-topics/chikungunya, accessed May 2023.
2. Puntasecca CJ et al. Measuring the global burden of chikungunya and Zika viruses: A systematic review. PLoS Negl Trop Dis.
3. Hossain et al 2017

CHIKV VLP – chikungunya vaccine candidate

CHIKV VLP - highly differentiated vaccine candidate with potentially compelling immunogenicity owing to its VLP structure.

Regulatory submissions planned in 2024

- Two Phase 3 studies were completed in 2023, both meeting their primary endpoints.
- FDA and EMA submissions on track for 2024
- Initiated a Phase 3 rollover study to evaluate the long-term safety and immunogenicity of the vaccine candidate and assess booster regimens up to five years after primary vaccination.

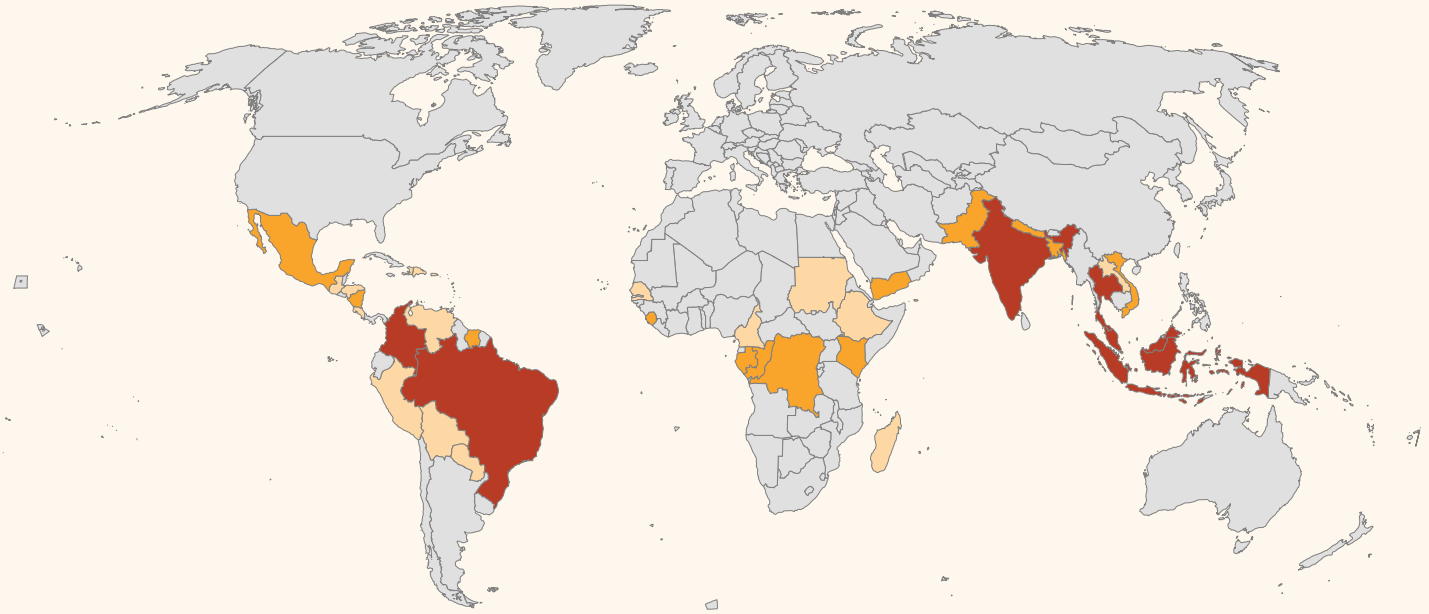
Phase 3 study design and results

- Two studies in adults and adolescents (12-64 years) and older adults ≥65 years.
- Randomized to receive CHIKV VLP or placebo, single dose, intramuscular
- Both studies met their primary endpoints, demonstrated by high seroconversion rates by day 22
- 6-months follow-up show robust and durable antibody levels in 86% of subjects (12-64 years)
- CHIKV VLP was well-tolerated and adverse events were mainly mild or moderate in nature.

Phase 3 results	12-64 years (n=3,254)	≥65 years (n=413)
Clinicaltrials.gov identifier	NCT05072080	NCT05349617
Seroprotective CHIKV neutralizing antibodies, day 22	**98%**	**87%**
Seroprotective CHIKV neutralizing antibodies, day 15	97%	82%

Chikungunya risk for travelers

Heatmap for countries with Chikungunya outbreaks between 1999-2020



A total of 153 outbreaks across 43 countries[1]

High risk
(4+ outbreaks)

- India
- Brazil
- Colombia
- Malaysia
- Indonesia
- Philippines
- Thailand

~60%
of all outbreaks occurred in these seven countries

Medium risk
(2 or 3 outbreaks)

17 countries

Low risk
(1 outbreak)

19 countries

Source: CEPI - The global epidemiology of chikungunya from 1999 to 2020 (https://doi.org/10.1371/journal.pntd.0010069), ECDC, PAHO

1. Long outbreak periods were counted as years in which outbreak occurred in one area i.e., an outbreak from 2010-11 was counted as two outbreaks. For some countries (India, Brazil, etc.) outbreaks in multiple regions were counted as separate outbreaks.

Chikungunya market size

Chikungunya travel vaccine market 2028 estimate

Markets:



136M
travelers to endemic countries

Includes travelers to 43 countries with history of outbreaks between 1999-2020.

50M
travelers at risk

High-risk countries (4+ outbreaks) represent largest share of travelers at risk (~80%).

3.8M
doses

Base case scenario assumes approx. 8% vaccination rate among travelers at risk, comparable to other travel vaccine uptake rates.

USD 400 - 600 million
annual market size

Source: Bavarian Nordic analysis.

Endemic vaccine market

Significant need for chikungunya vaccine in endemic markets

Different segments with different price points, e.g. private versus public segments supplied through support from supranational organizations.

Broader access to vaccination will be pursued through partnerships.

20-40M
doses
annually



Commercial performance & financials

Henrik Juuel, EVP & Chief Financial Officer

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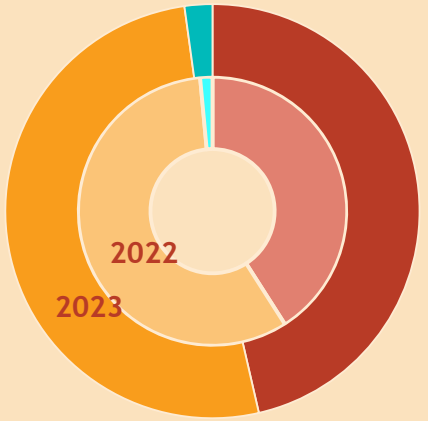
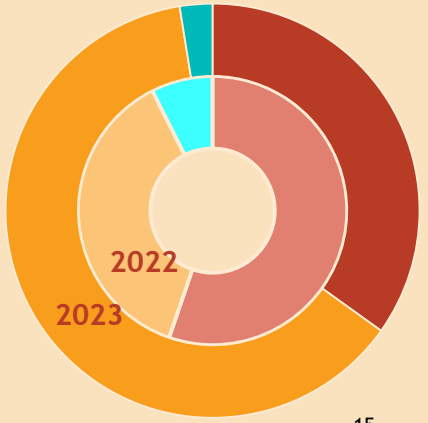
High growth across product portfolio

	Third quarter			First nine months		
mDKK	Q3 2023	Q3 2022	Growth	9M 2023	9M 2022	Growth
Travel health						
Rabipur/RabAvert	432	338	28%	987	689	43%
Encepur	89	62	44%	388	275	41%
Vivotif	54	N/A	N/A	82	N/A	N/A
Vaxchora	12	N/A	N/A	19	N/A	N/A
Third-party products	52	11	356%	133	64	106%
	639	**411**	**55%**	**1,608**	**1,028**	**56%**
Public preparedness						
JYNNEOS/IMVANEX/IMVAMUNE	**708**	**578**	**23%**	**2,890**	**695**	**316%**
Other revenue	**30**	**15**	**104%**	**117**	**138**	**-15%**
Total	**1,376**	**1,004**	**37%**	**4,615**	**1,860**	**148%**

Q3 sales



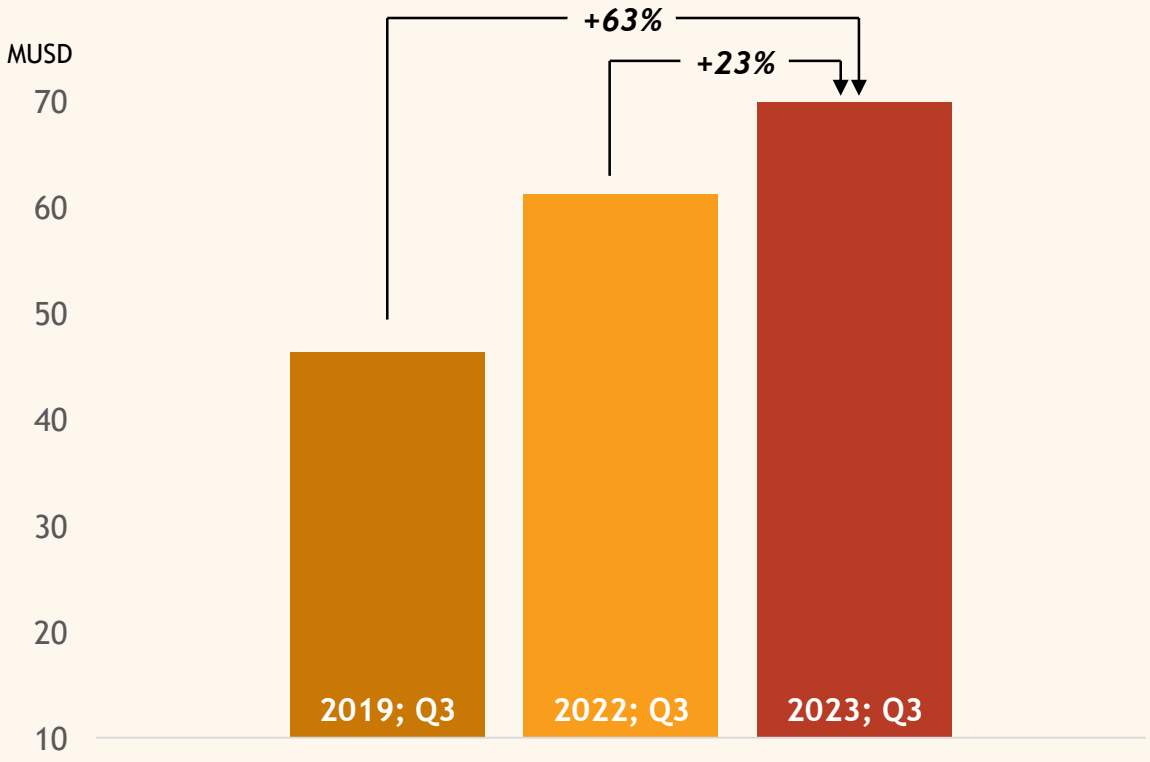
9M sales



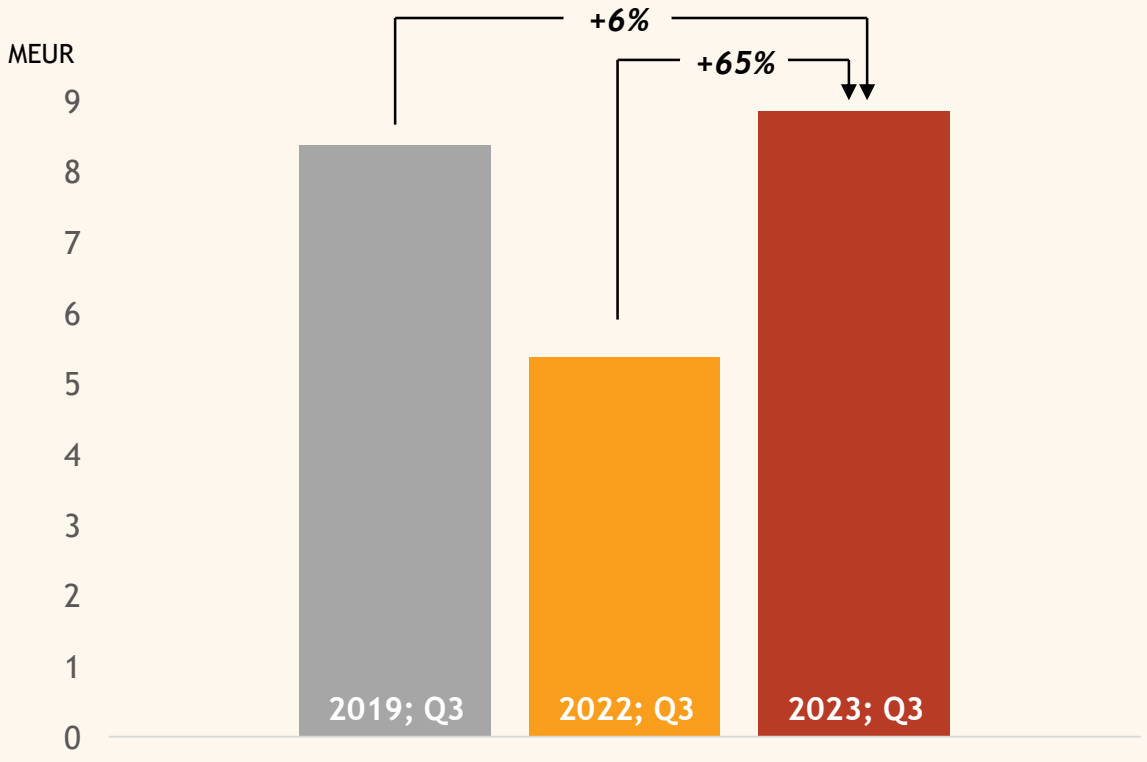
Rabies market

Continued strong growth across markets

US market



German market



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Data source: IQVIA

Rabies sales performance

- Another record quarter for RabAvert/Rabipur across both the US endemic market and the European travel market
- Strong brand performance supporting the market-leading positions in both regions

Rabipur®

94%

market share in Germany

RabAvert®

70%

market share in the US

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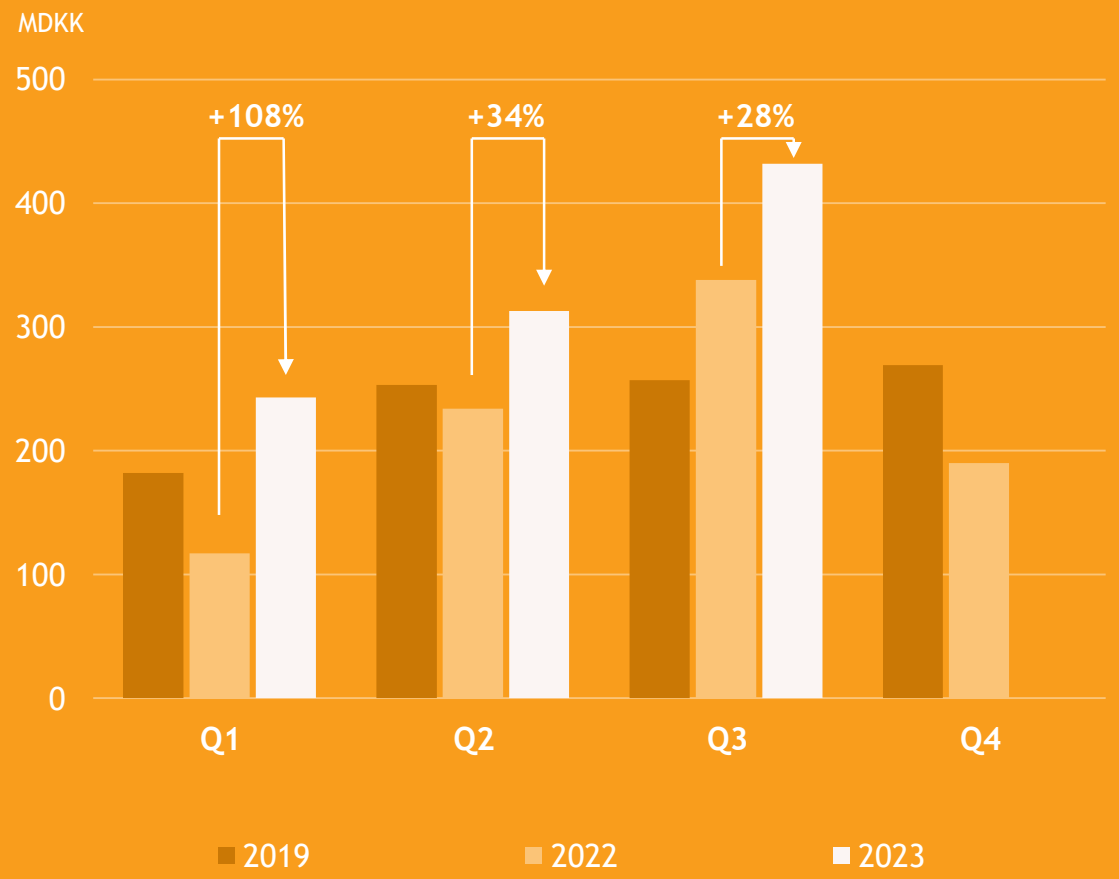
* GPO: Group Purchasing Organization

Sales by quarter

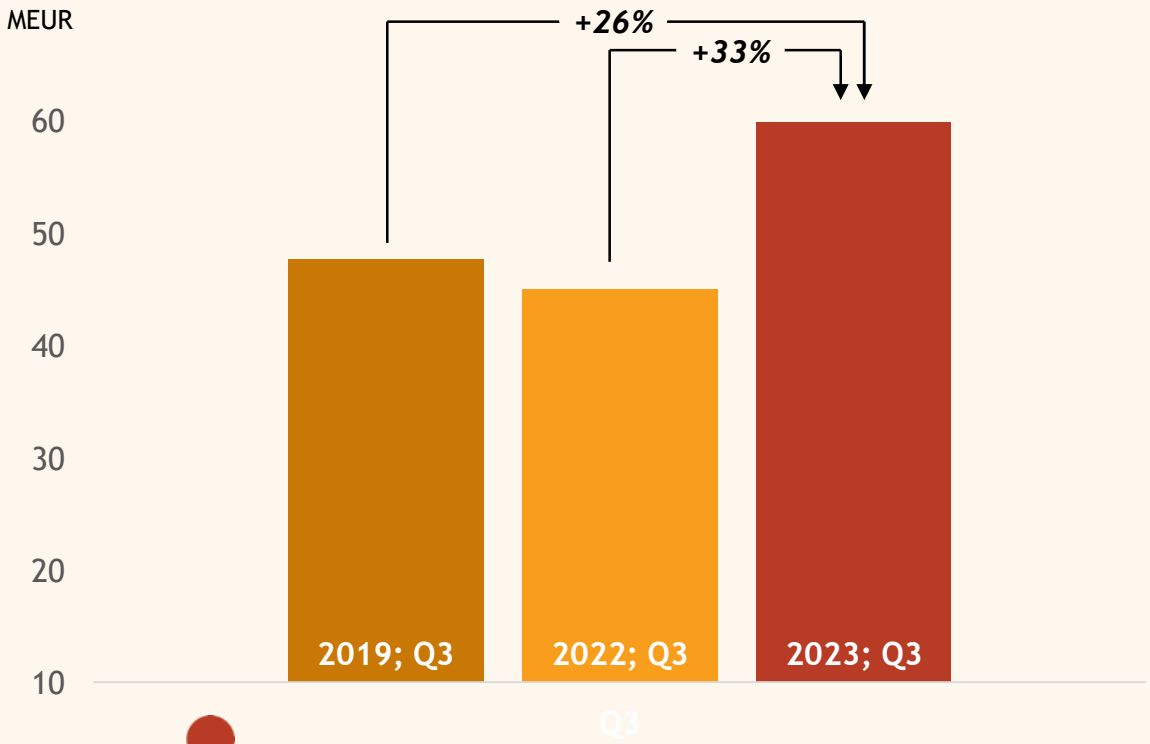


2019 sales numbers provided by GSK

Tick-borne encephalitis (TBE) market

Continued strong growth

German market





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Data source: IQVIA

TBE sales performance

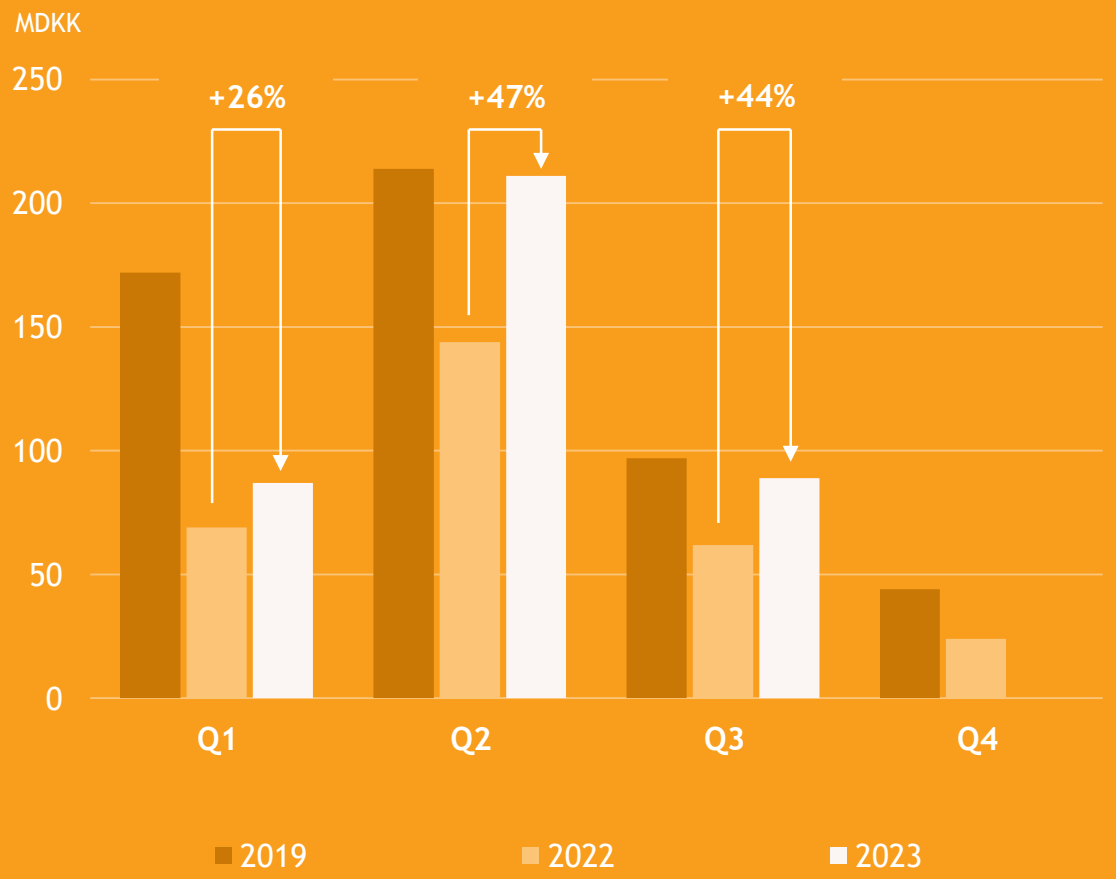
- Steady revenue growth quarter by quarter
- Market share improved, but has not fully recovered after stock-out situation in Q4 2022

Encepur®

27%

market share in Germany

Sales by quarter



2019 sales numbers provided by GSK

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Profit and loss

mDKK	Q3 2023	Q3 2022	9M 2023	9M 2022	FY 2022
Revenue	1,376	1,004	4,615	1,860	3,151
Production costs	514	384	1,626	1,107	1,450
Gross profit	**862**	**620**	**2,989**	**753**	1,701
Research and development costs	980	360	1,782	650	1,183
SG&A costs	208	132	617	385	589
Total operating costs	**1,188**	**492**	**2,399**	**1,035**	1,772
EBIT	**(326)**	**128**	**590**	**(282)**	(71)
Net financial items	(8)	(109)	(5)	(205)	(261)
EBT	**(335)**	**19**	**585**	**(487)**	(332)
Tax	6	7	11	10	16
Net profit for the period	**(341)**	**12**	**574**	**(497)**	(347)
EBITDA	**380**	**226**	**1,552**	**14**	328
EBITDA margin	28%	23%	34%	0.8%	10%

Record financial performance in Q3 and 9M, 2023.

- Strong revenue growth across all products
- Operating costs impacted by write-down of COVID-19 asset, RSV development, increased commercial activity and recent acquisition
- Strong EBITDA with a margin of 34% for the first nine months
- EBITDA not impacted by COVID-19 write-down
- Positive net profit for the first nine months

Cash flow and balance sheet

Selected cash flow figures

mDKK	9m 2023	9m 2022
Cash flow from operating activities	534	3
Cash flow from investment activities	(802)	(291)
Free cash flow	**(268)**	**(288)**
Cash flow from financing activities	723	301
Net cash flow for the period	**455**	**117**

- Cash flow from operating activities positive despite continued inventory build-up.
- Cash flow from investment activities impacted by acquisition.
- Cash flow from financing activities impacted by capital increase, ABNCoV2 funding and repayment of repo position.
- Positive net cash flow for the period.
- Solid cash position and no debt.

Selected balance sheet figures

mDKK	Sep-30 2023	Sep-30 2022
Intangible assets	6,535	5,865
Total assets	13,399	12,295
Equity	9,336	6,958
Non-current liabilities	1,176	3,024
Current liabilities	2,887	2,313
Securities, cash and cash equivalents	1,506	3,242
Debt, bank & institutional	(18)	(892)
Net cash*	1,489	2,350

* Deferred consideration (book value) of DKK 2,677 million not included

RCF agreement adds to financial flexibility

- **Revolving credit facility (RCF) agreement has been entered in November 2023, recognizing that Bavarian Nordic has become a bankable business.**
- **Provides additional financial flexibility, e.g., to absorb fluctuations in working capital or to handle periodic significant milestone payments related to previous acquisitions.**

DKK 1,000 million revolving credit facility with Danske Bank and Nordea as equal partners
Maturity date: 3 years with options to extend two times for one year, subject to approval from both banks.

DKK 1,000
million

The agreement is prepared for becoming sustainability linked and in the first half 2024,
Bavarian Nordic will work towards linking the facility to its ESG targets and in alignment with the banks.

ESG

Nordea has acted as Coordinator and Documentation agent and Danske Bank as Facility Agent.
Danske Bank will advise on the sustainability linkage.

Danske Bank
Nordea

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Outlook

mDKK	Original guidance 15-Feb 2023	Updated guidance 03-Aug 2023
Revenue	6,000	6,900
EBITDA	2,200	2,300

Guidance assumes that a smaller part of the previously announced smallpox/mpox orders will likely be delivered in first half of January 2024 rather than second half of December due to expected delivery schedules. The effect of this is compensated by a continued strong travel health business.

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A bold ambition supported by multiple drivers

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.

- A leading pure play vaccine company with commercial operations in strategic markets. Covering a broad established portfolio with leading positions
- Attractive underlying growth supported by own products, in-licensed products as well as upcoming products
- Strong focus on organic growth
- Strong EBITDA with margin expansion opportunities, e.g. from economy of scale, yield improvements and transfer of external production
- Profitable business with a strong cash flow generation, positively impacted by growing EBITDA

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Capital Markets Day 2024

COPENHAGEN

Monday
26 February 2024

LONDON

Tuesday
27 February 2024

NEW YORK

Wednesday
28 February 2024

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Q&A

