At the intersection of

INNOVATION AND COLLABORATION

BAVARIAN NORDIC

Summary of the Annual Report 2017
This summary contains key messages and selected figures from the statutory audited annual report for 2017.

The summary does not replace the annual report, which is published in English only and is available from the Company's website: **www.bavarian-nordic.com**.

CONTENTS

Page 4
Building a promising
future on a solid foundation

Page 10
Expanding the pipeline
with new studies in 2018

Page 14
Partnerships and collaborations
remain integral factors
for Bavarian Nordic's success

Page 20
A new fill-finish facility will
ensure the future production
capacity for the company's vaccines

BUILDING A PROMISING FUTURE ON A SOLID FOUNDATION

LETTER FROM THE CEO & CHAIRMAN

2017 was another landmark year for Bavarian Nordic, comprised of the achievement of a number of significant milestones including new contracts, expansion of industry partnerships and solid progress in the clinical pipeline, but also the disappointment of PROSTVAC and its failure to benefit patients as monotherapy.

Paul Chaplin
President & CEO

Gerard van Odijk
Chairman of the Board of Directors

While the Company has made tremendous strides from its beginnings, there will always be setbacks, as is the nature of drug discovery. However, we have built what we believe to be a robust company, with multiple value-creating assets and a platform which helps differentiate us from the traditional binary nature of many biotech companies. The progress made in 2017, both internally and with our partners, has set the stage for numerous opportunities to benefit patients across the globe, and we are proud to share that progress with you.

The results of the PROSPECT study, while disappointing to us all, represent a development setback in our steadfast ambitions to improve treatments for cancer patients. As we put PROSTVAC monotherapy behind us, we are optimistic about our clinical strategy for immunotherapy combinations with both CV301 and Brachyury, which are now truly unfolding with the initiation of multiple new combination studies in 2018.

We are working with AstraZeneca, Bristol-Myers Squibb, and Roche in combination studies of CV301 and PROSTVAC with checkpoint inhibitors. Our collaborators continue to see the possibilities in our platform and are supplying us with drugs for our combination trials. We are looking forward to exploring the potential synergistic effect of CV301 in multiple indications working with different partners as part of our strategy to grow a broad cancer immunotherapy pipeline.

A new long-term contract for the supply and final development of freeze-dried IMVAMUNE was awarded, paving the way for future revenue growth. We have initiated planning of the expansion of our Kvistgaard site with a fill and finish plant, which will secure the future manufacturing needs for IMVAMUNE and other products. In parallel we are working to complete the Biologics License Application (BLA) for liquid-frozen IMVAMUNE for submission to the FDA later this year with potential approval in 2019 which would represent another significant milestone for our smallpox vaccine program.

"The progress made in 2017 has set the stage for numerous opportunities to benefit patients across the globe

Our partnership with Janssen continues to go from strength to strength. With the expansion of our collaboration to include two new commercial targets, HIV and Hepatitis B, we now have a total of four license agreements in place with nearly US$ 1 billion in outstanding milestones, in addition to potential future royalties, making our relationship with Janssen a long-term value driver for the Company.

Our most advanced commercial program, MVA-BN RSV also made further progress. MVA-BN RSV is highly differentiated compared to other RSV vaccine candidates and has shown to induce strong and broad immune responses against RSV in an elderly population. Combined with the positive Phase 2 data reported during the year, we have positioned ourselves in the forefront of the development of an RSV vaccine, aiming to fulfil this highly unmet medical need, with infections resulting in hundreds of thousands of hospitalizations and tens of thousands of deaths, annually around the globe. Additional important data from the Phase 2 study, including data from subjects receiving a booster dose will emerge during 2018. In parallel, we are exploring the feasibility of a human challenge trial later in 2018, which may provide important information to the design of a Phase 3 field efficacy trial.

With solid revenues from our core business and the recognition of the upfront payment from Bristol-Myers Squibb, we came out of 2017 with a stronger financial position than ever, which provides us great flexibility to execute on our strategy going forward.

As we progress our pipeline and platform, our ability and desire to make innovative therapies grow stronger. By nature, our technology presents endless opportunities, but our focus remains on diseases with an unmet need in our continued endeavor to help improve the health and quality of life for children and adults.

We would like to express our appreciation of the exceptional effort all employees have contributed throughout the year. Furthermore, we thank all other stakeholders that collectively have trusted and supported the Company.

Paul Chaplin
President & CEO

Gerard van Odijk
Chairman of the Board of Directors

THIS IS BAVARIAN NORDIC

We develop, manufacture and commercialize a diverse portfolio of novel vaccines for the prevention and/or treatment of life-threatening infectious diseases and cancer.

Our goal is to improve the health and quality of life for children and adults, focusing on indications for which the unmet medical need is high and for which we can harness the power of the immune system to induce a response.

Our proprietary vaccine platform takes a modular approach to live virus vaccine development and is based on the use of different types of poxviruses, notably our MVA-BN viral vector with a favorable safety profile. These viruses can be used in various combinations for both the prime and booster applications in both cancer and infectious diseases.

Our expertise in this field has led to a 15+ year long relationship with the U.S. Government, pursuant to which we have been awarded more than USD 1.8 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.

PRODUCT PIPELINE

Product	Indication
Proprietary pipeline	
IMVAMUNE liquid-frozen*	Smallpox
IMVAMUNE freeze-dried	Smallpox
MVA-BN RSV	Respiratory Syncytial Virus
CV301 + pembrolizumab	Lung cancer (NSCLC)
CV301 + atezolizumab	Bladder cancer
CV301 + durvalumab	Colorectal cancer
CV301 + nivolumab	Colorectal cancer
BN-Brachyury	Chordoma
PROSTVAC combinations	Prostate cancer
Partnered programs	
MVA-BN Filo monovalent	Ebola
MVA-BN Filo multivalent	Ebola/Marburg
MVA-BN HPV + AdVac	Chronic HPV infection
MVA-BN HIV + AdVac	HIV-1
MVA-BN HBV + AdVac	Hepatitis B

* Approved in Canada and the European Union (marketed as IMVANEX® in the EU). Phase 3 completed in the U.S.

Our pipeline comprises multiple product candidates which are subject to more than 20 ongoing clinical studies in infectious diseases and cancer. Many of our programs are supported by external funding through either corporate or governmental partnerships.

STRATEGY AND FOCUS AREAS

Our strategy aims to secure and maintain a sustainable foundation and includes both several significant near-term triggers as well as long-term prospects within all the following key focus areas:

1

Maintain the global leadership of our smallpox vaccine franchise

We intend to maximize the value of this franchise by developing a longer lasting freeze-dried formulation of our IMVAMUNE smallpox vaccine, potentially expanding the market opportunity in the United States, and to expand the end market to include other countries and governments across the world, most notably in Europe.

A balanced portfolio strategy

Our various focus areas provide a balanced risk-reward profile for the Company. Revenues from our U.S. smallpox business and other government-sponsored research and development contracts constitute a sound foundation for expanding our pipeline into areas with large commercial potential with medium-to-high risk depending on the disease target. While partnering where necessary and building strong collaborations will continue to be a key part of our commercial strategy, it is also our ambition to market and sell certain in-house developed drugs in selected regions in the future.

2

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 by own development and through our collaboration with Janssen, with whom we continue to explore our MVA-BN technology.

3

Establishing a broad and deep cancer immunotherapy franchise

We intend to expand and advance our pipeline by demonstrating that our cancer vaccine candidates can be synergistic with other cancer immunotherapies.

THE COMMERCIAL FOCUS IS WORTHWHILE

Partnerships and collaborations with governments and pharmaceutical companies are becoming an ever more important part of Bavarian Nordic's business model and represent essential value drivers for the Company in the coming years.

The Company's development of several late-stage development programs in both cancer and infectious diseases is starting to accelerate. This expanding pipeline represents an opportunity for the Company to determine which assets it will continue to develop on its own, and which assets represent a potential partnering opportunity. To leverage this potential, and to maximize the value of the MVA-BN platform, the Company appointed Tommi Kainu as Chief Business Officer in 2017.

Bringing science and business together

Born in Finland, Tommi has resided in Denmark for several years. A trained physician, he brings both a scientific and business background having worked at both the U.S. National Institutes of Health and The Boston Consulting Group, advising major global pharmaceutical and biotech companies on portfolio strategy, business development, late stage development and commercialization. He is impressed with what Bavarian Nordic has achieved thus far in collaborations with governments and industry, advancement of the technology and pipeline as well as the Company's manufacturing capabilities, which all are important factors for Tommi in his work to build and expand commercial relations going forward.

– The integrated approach makes Bavarian Nordic an exciting company, says Tommi, referring to the fact that the Company not only does research and development, but also has its own commercial scale manufacturing facility, which is now being expanded with the addition of a fill/finish line.

"There is significant unutilized potential in our platform technology MVA-BN which is yet to be explored

– In partnering discussions, the full value chain is an attractive asset for us, because it removes a lot of the hurdles you often face in collaborations. With us, partners get a plug and play solution, which reduces risks and uncertainties, and provides a more reliable foundation for the collaboration. We saw that in our Ebola partnership with Janssen in 2014 which quickly evolved to include three additional, commercial indications, he continues.

More U.S. contracts on the horizon

Bavarian Nordic has a strong track record in collaborating with multiple agencies within the U.S. government on the development of vaccines for emerging diseases; an area of excellence for the Company which Tommi believes will continue.

– As we are now transitioning to a freeze-dried formulation of IMVAMUNE, we believe the U.S. government intends to restore the stockpile as it expires, and over time also expand it to cover the requirements for protecting the entire immunocompromised part of the U.S. population. And so our smallpox vaccine business will remain an important revenue driver for many years to come. Furthermore, our MVA-BN technology platform has significant unutilized potential which is yet to be explored, thus presenting an additional opportunity for us to benefit from collaboration with U.S. agencies on new projects in the future.

RSV coming into focus

With a strong vaccine platform, there are plenty of future commercial opportunities to explore. In addition, some of the Company's pipeline programs like RSV will require a commercial partner in the years ahead. There are no approved vaccines for RSV on the market, and analysts foresee a multi-billion-dollar market. Just the elderly population, which Bavarian Nordic is initially targeting, is such a large unmet medical need that it could represent a blockbuster market on its own.

– Our vaccine, which is unique in its design, has rapidly advanced through the initial clinical stages and generated highly promising results. We are immensely proud of this program and have very high hopes for it, yet we know that a global market such as this will require a commercial partner to adequately fulfill such a pressing need. While we are in a strong position to continue to progress this program towards registration we will, in parallel, continue discussions to find the right partner for the commercial setting, says Tommi.

"
The integrated approach makes Bavarian Nordic an exciting company

Tommi Kainu
Chief Business Officer


405 Touch Washer
Quick
Define
Maintenance
Instrument
H_2O

"With us, partners get a plug and play solution, providing a more reliable foundation for the collaboration

Reigniting the interest in cancer vaccines
The conclusion of the Phase 3 study of PROSTVAC in 2017 ruled out its potential as a monotherapy in prostate cancer, but the Company still has a strong belief in its cancer vaccine platform. A belief which also resonates with the commercial partner Bristol-Myers Squibb who continues to monitor the development of PROSTVAC and its combination trials, but also sees potential in CV301 in combination with their immune checkpoint inhibitors. The first results from these studies are anticipated later in 2018 which, if successful, could take the collaboration in new directions.

The launch of immune checkpoint inhibitors (ICIs) has revolutionized cancer treatments, and some patients have remarkable responses from being treated with this new class of drugs. Bristol-Myers Squibb has taken a good share of this market with OPDIVO® and YERVOY® which have been approved in multiple cancer indications. But only around 25% of the patients respond to the treatment and thus there is still significant room to improve the performance of ICIs. Early studies suggest that the combination with other immune-modulating agents could pave the way for such improvement.

– All our clinical trials that combine CV301 with immune checkpoint inhibitors are looking at multiple efficacy endpoints to see if we can improve the lives of patients throughout the duration of their disease, including the possibility of increasing the overall response rate (ORR) in patients. This is a relatively short-term endpoint, clinically speaking, and this could give us an early signal as to how the combination strategy is working, Tommi ends.

The first study to deliver initial ORR data is a study in lung cancer. Other trials will follow in a year or two, potentially confirming the future role of cancer vaccines in the therapeutic landscape.

THE FILL FINISH LINE IS IN SIGHT

The road to success for any biotech company is long and ever-changing, and is paved with challenges and setbacks along the way. This also holds true for Bavarian Nordic. Yet, the Company has managed to conquer the challenges and come through with its vision to become a fully-fledged bio-tech company with a validated technology, diverse product portfolio, several industry collaborations and a state-of-the art manufacturing facility, facing a range of emerging new opportunities.

The key to this success? A solid partnership with the U.S. Government on development and supply of IMVAMUNE® smallpox vaccine has formed the backbone of the Company for 15 years, yielding contracts of nearly USD 1.8 billion to date, of which more than USD 500 million are yet to be booked and will contribute to the revenue stream in the coming years.

– One of the first milestones under the initial IMVAMUNE contract awarded by the U.S. Government in 2003 was to show we were able to manufacture and release 5,000 doses of the vaccine. Now, we are annually producing millions of doses. I think that summarizes quite well how far we have come, says Paul Chaplin, President and Chief Executive Officer of Bavarian Nordic.

Most recently, in September 2017, the U.S. Biomedical Advanced Research and Development Authority (BARDA) awarded the Company a USD 539 million contract for the supply of freeze-dried IMVAMUNE to the U.S. Strategic National Stockpile (SNS). This new formulation of the vaccine which offers a longer shelf life will eventually replace the 20 million doses of liquid-frozen IMVAMUNE in the original stockpile which has now expired. The first steps towards making this upgrade were made already in 2009, when BARDA provided the first round of funding for the development of the freeze-dried vaccine.

Now having completed the required clinical work with the new freeze-dried vaccine, and with a validated manufacturing process in place, the Company is basically prepared to supply the new vaccine, and even has a large stock of bulk vaccine prepared, produced under previously awarded contracts, totaling USD 233 million. Additional bulk vaccine for USD 100 million will be produced over the course of 2017 and 2018 as part of the new base contract. However, one thing remains before the vaccines are ready for delivery to the SNS.

The 2017 contract

Bulk vaccine production	USD 100 million	(awarded)
Fill/finish of freeze-dried vaccines	USD 299 million	(option)
Process transfer and validation of production	USD 33 million	(option)
Phase 3 support	USD 37 million	(awarded)
Additional research support	USD 70 million	(option)

The final piece of the puzzle
Since starting deliveries of IMVAMUNE to the SNS in 2010, Bavarian Nordic has relied on a contract manufacturer for final drug production and filling of the vaccines. Now, with the transition to a new and improved version, that requires a different manufacturing process, the Company is preparing to take upon this task itself; the current facility in Denmark is being expanded with a fill/finish manufacturing line, which will be able to serve both large- and small scale production orders in the future.

– Having mastered production of biological vaccines over for a number of years, the next logical step is to control the entire production cycle. The opportunity we have to complete our manufacturing capabilities by adding this final step in our production is a significant milestone, says Paul Chaplin.

Bavarian Nordic is investing approximately USD 75 million in the project in the coming years, and the U.S. Government will via the recently awarded contract support the process transfer and validation activities with USD 33 million. This strategic investment will allow Bavarian Nordic to recognize the benefits of the full value chain of the manufacturing process, to maintain full control of the product cycle throughout, and to ensure the future capacity for the Company's pipeline assets.

– Being able to handle the entire process from raw material to final drug product gives ourselves and our customers great satisfaction, and I am happy that we are now able to lay the final piece of the puzzle, says Paul Chaplin.

The facility is expected to be operational in 2021 after which deliveries of the freeze-dried vaccines to the SNS are expected to start. This will also trigger options of USD 299 million under the new contract for freeze-drying of the bulk vaccine, which will be recognized as income as deliveries occur in the years ahead. Meanwhile, the U.S. government retains an option to procure more bulk vaccine which could be finalized at a later stage.

Collectively, the bulk supply orders from 2015-2017 are expected to yield approximately 13 million final vaccine doses, and so the Company expects additional orders over time, initially to replace the expired 20 million doses of IMVAMUNE. However, the U.S. Government has previously announced a long-term goal for stockpiling of sufficient non-replicating smallpox vaccine to protect 66 million people, corresponding to 132 million doses, which could represent a much larger market for IMVAMUNE over time. This leaves the Company with an attractive short, mid- and long term potential from the smallpox vaccine business.

Working towards FDA approval
The build-up and expansion of the production of IMVAMUNE has been a cornerstone for the Company and the collaboration with the U.S. Government. However, no less important is the development of the vaccine, which has been supported by the government all along, and is now also approaching its finish line. The second and final Phase 3 study was successfully completed in February 2018, paving the way for approval. The Company plans to file a Biological License Application to FDA in the second half of 2018 and, if approved, the Company would also be eligible to receive a Priority Review Voucher, which could be used to accelerate the review of a future BLA, and is also transferrable.

UNDER CONSTRUCTION

Our new fill-finish facility is expected to be operational in 2021.

THE BAVARIAN NORDIC SHARE

Bavarian Nordic is listed on the Nasdaq Copenhagen exchange under the symbol BAVA. On December 18, 2017, Bavarian Nordic was included in the leading Danish stock index OMXC25.

The Company's share capital was DKK 322,450,650 by year-end 2017, comprising 32,245,065 shares with a nominal value of DKK 10 each. Each share carries one vote.

By December 31, 2017, there were 1,459,682 outstanding warrants, which entitle warrant holders to subscribe for 1,459,682 shares of DKK 10 each. Thus, the fully diluted share capital amounted to DKK 337,047,470 at year-end.

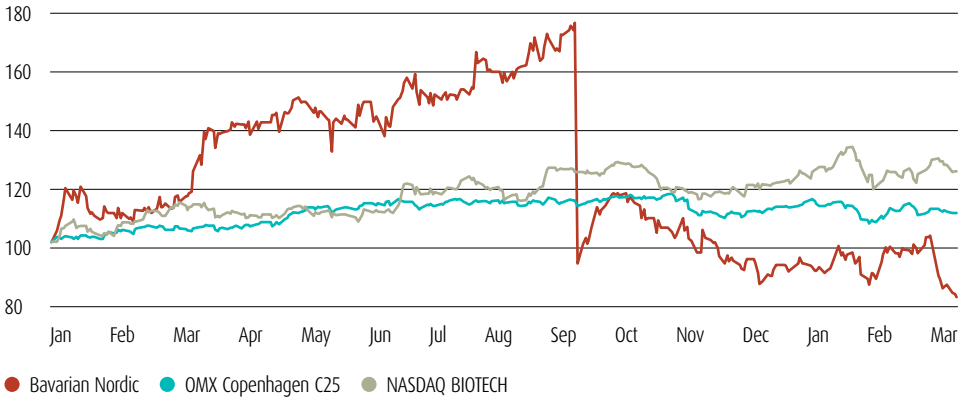
Bavarian Nordic has established a sponsored Level 1 American Depositary Receipt (ADR) program. The ADRs are available for trading in the US over-the-counter (OTC) market, where three ADRs represent one Bavarian Nordic share. The ADR ticker symbol is BVNRY.

Ownership

As of December 31, 2017, Bavarian Nordic had 47,814 registered shareholders owning 26,554,176 shares. 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 and Johnson & Johnson Innovation – JJDC, Inc., New Brunswick, NJ, US.

Bavarian Nordic holds 23,300 own shares as treasury shares, corresponding to 0.07% of the share capital. The shares have been repurchased to hedge obligations under incentive scheme for the Company's board and executive management.

Share price development compared to indices 2017-2018



Annual General Meeting
The annual general meeting will be held on Tuesday, April 17, 2018 at 4:00 PM CET, at the Comwell Borupgaard, Nørrevej 80, DK-3070 Snekkersten. Additional information will become available on the Company's website no later than 3 weeks before the annual general meeting.

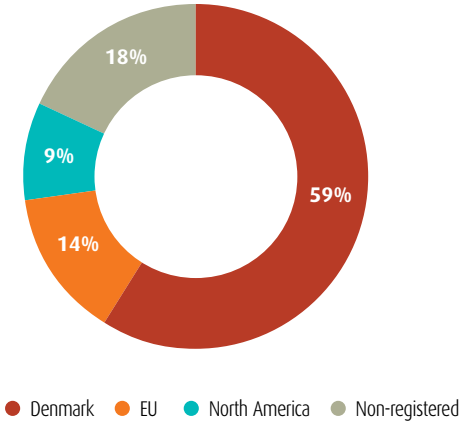
Investor relations
The Company seeks to maintain an active dialogue with shareholders, analysts, prospective investors and other stakeholders by providing open, honest and accessible information to ensure that they have the requisite knowledge to assess the Company. The Company seeks to do so by, among other things, ensuring timely and correct communication about relevant strategic, economic, financial, operational and scientific affairs of the Company. Corporate management and Investor Relations are widely available to existing as well as potential shareholders via participation in investor conferences, roadshows, investor meetings and conference calls.

Services for shareholders
Registered shareholders are offered a range of electronic information services through the shareholder portal, which can be accessed from the Company's website. The portal also offers the opportunity to request admission cards and/or vote by proxy for the general meetings. Shareholders are encouraged to have their shares registered with the Company; registration must be through the holder's custodian bank.

Analysts
Bavarian Nordic is covered by a dozen domestic and international financial analysts who regularly make research 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.

Read more
Visit the investor relations section on our website to gain access to financial reports, releases, investor presentations, and much more: www.bavarian-nordic.com/investor

Distribution of share capital

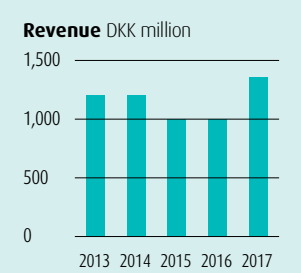


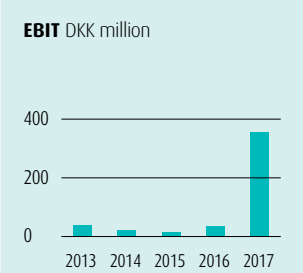
Financial calendar 2018

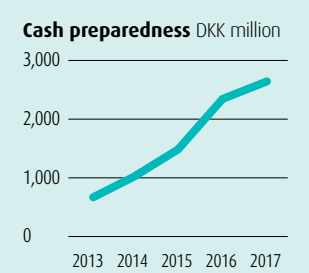
- **April 17, 2018**
  Annual General Meeting
- **May 24, 2018**
  Financial Statements for the first quarter of 2018 (Q1)
- **August 16, 2018**
  Financial Statements for the first half of 2018 (Q2)
- **November 9, 2018**
  Financial Statements for the first nine months of 2018 (Q3)

KEY FIGURES

DKK million	2017	2016	2015	2014	2013
Income statement					
Revenue	1,370.2	1,006.7	1,020.6	1,216.8	1,212.5
Production costs	290.6	297.8	415.1	495.1	484.7
Research and development costs	518.4	463.2	386.8	478.9	496.6
Distribution and administrative costs	207.9	212.8	217.1	226.1	197.8
Income before interest and tax (EBIT)	353.2	33.0	1.6	16.7	33.4
Net profit for the year	181.3	30.6	59.4	25.9	(46.7)
Balance sheet					
Total non-current assets	382.2	541.1	585.0	568.1	551.8
Total current assets	2,770.5	2,282.6	1,404.3	1,319.1	900.4
Total assets	3,152.7	2,823.7	1,989.3	1,887.3	1,452.2
Equity	2,506.3	2,017.2	1,342.5	1,252.1	976.3
Non-current liabilities	399.8	54.7	56.6	51.9	86.7
Current liabilities	246.6	751.8	590.2	583.3	389.3
Cash flow statement					
Securities, cash and cash equivalents	2,583.7	1,899.9	1,058.2	979.7	532.1
Cash flow from operating activities	216.1	267.6	105.3	338.7	147.1
Cash flow from investment activities	(1,345.2)	(448.2)	(178.1)	(503.7)	(146.5)
– of which investment in securities	(1,266.6)	(358.3)	(119.3)	(397.8)	7.2
Cash flow from financing activities	613.4	657.2	26.6	216.2	(7.1)
Financial ratios (in DKK)					
Earnings (basic) per share of DKK 10	5.7	1.0	2.1	1.0	(1.8)
Net asset value per share	77.7	64.3	47.9	45.2	37.4
Share price at year-end	224	249	358	198	89
Share price/Net asset value per share	2.9	3.9	7.5	4.4	2.4
Number of outstanding shares at year-end (thousand units)	32,245	31,354	28,020	27,671	26,094
Equity share	79%	71%	67%	66%	67%
Number of employees, converted to full-time, at year-end	420	437	409	422	426







FINANCIAL RESULTS FOR 2017

We met our financial guidance for 2017 with revenues of DKK 1,370 million and a profit before interest and tax (EBIT) of DKK 353 million.

Our cash preparedness at year-end was DKK 2,604 million. Our expectations to the cash preparedness were upgraded in July 2017 to DKK 2,600 million as result of raising DKK 208 million in proceeds from the issue of new shares to Johnson & Johnson Innovation – JJDC, Inc. in connection with the expanded collaboration with Janssen.

OUTLOOK FOR 2018

In 2018, we expect revenues of approximately DKK 500 million and a loss before interest and tax (EBIT) of approximately DKK 385 million.

With our strategic decision to advance the pipeline, we maintain our research and development costs at similar levels as previous years, and with the establishment of a fill-finish facility to be ready in 2021, we are increasing our investments in the coming years. We are doing this in order to prepare to realize the full value of our contract framework with the U.S. government for supply of freeze-dried IMVAMUNE.

The expected revenues are composed of approximately DKK 350 million from our IMVAMUNE business, including production and storage of bulk vaccine for the U.S. Government and delivery of doses to the Public Health Agency of Canada, and approximately DKK 150 million from ongoing research and development contracts.

Our cash preparedness at year-end is expected to amount to approximately DKK 1,850 million, which includes cash, cash equivalents, investments in securities and the aggregate amount of undrawn credit lines.

Research and development costs will be approximately DKK 510 million of which DKK 110 million will be recognized as production costs. Costs are primarily related to the advancement of the clinical studies of MVA-BN RSV, CV301 in lung and bladder cancers and BN-Brachyury.

Financial performance for 2017 and outlook for 2018

DKK million	2017 guidance	2017 actual	2018 guidance
Revenue	1,300	1,370	500
Income before interest and tax (EBIT)	350	353	(385)
Cash preparedness, year-end	2,600	2,604	1,850

WHAT'S NEXT?

ANTICIPATED SELECTED NEWS FLOW

IMVAMUNE
Preparing for filing of BLA

- Filing of Biologics License Application (H2, 2018)
- Award of Priority Review Voucher upon approval (2019)

RSV
Potential for accelerated efficacy data with human challenge study

- Report results from booster-study (H1, 2018)
- Decide on the feasibility of a human challenge study (H2, 2018)

Janssen partnership
Approaching the first clinical trials in commercial targets

- Initiate Phase 1 study of MVA-BN HIV + AdVac (H2, 2018*)
- Initiate Phase 1 study of MVA-BN HPV + AdVac (H2, 2018*)

* Janssen is responsible for the clinical development

The breadth and dynamics of our clinical pipeline offers a multitude of short- and mid-term triggers that are expected to generate a solid news flow over the next 12-18 months.

CV301
Clinical strategy materializing with multiple studies in combination with checkpoint inhibitors

- Initiate Phase 2 study in combination with atezolizumab in bladder cancer (mid 2018)
- Initiate Phase 2 study in combination with durvalumab in colorectal cancer (H1, 2018)
- Initiate Phase 2 study in combination with nivolumab in colorectal cancer (H1, 2018)
- Report initial Phase 2 results (ORR) from combination with pembrolizumab in NSCLC (H2, 2018)

BN-Brachyury
Seeking proof of concept in Chordoma as first indication

- Report results from Phase 1 booster study (H2, 2018)
- Initiate Phase 2 study in Chordoma (H2, 2018)
- Initiate Phase 2 study in second indication (H2, 2018)

PROSTVAC
Combination with checkpoint inhibitors may warrant further investigation

- Report initial results from combination study of PROSTVAC and nivolumab in mCRPC (H1, 2018)

Disclaimer

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 2017. 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.

Bavarian Nordic A/S
Hejreskovvej 10A
DK-3490 Kvistgaard
Denmark

Tel. +45 3326 8383
Fax. +45 3326 8380
CVR no: 16 27 11 87

Addresses of Bavarian Nordic's subsidiaries, locations and offices are available from the Company's website

www.bavarian-nordic.com

BAVARIAN NORDIC