



BAVARIAN NORDIC

Company Announcement

Capital Increase in Bavarian Nordic A/S as a Result of Employee Warrant Exercise

COPENHAGEN, Denmark, August 31, 2016 - Bavarian Nordic A/S (OMX: BAVA, OTC: BVNRY) announced today that the Company's share capital has been increased by nominally DKK 58,480 as a consequence of employees' exercise of warrants.

The capital increase was effected without any pre-emption rights for the existing shareholders of the Company or others. A total of 5,848 new shares were subscribed for in cash at DKK 54.00 per share of nominally DKK 10. The total proceeds to Bavarian Nordic A/S from the capital increase amounts to DKK 0.3 million.

The new shares, which will rank *pari passu* in all respects with existing Bavarian Nordic shares, will be admitted to trading and official listing on Nasdaq Copenhagen as soon as possible.

Pursuant to section 10 of Executive Order no. 1258 of November 9, 2015 on Issuers' Disclosure Obligations, it is hereby announced, that the total nominal value of Bavarian Nordic A/S' share capital after the capital increase is DKK 309,340,600, which is made up of 30,934,060 shares of a nominal value of DKK 10 each, corresponding to 30,934,060 votes.

The revised Articles of Association will be published separately and will subsequently be available on the Company's website.

The content of this announcement does not affect the Company's expectations for the financial results for 2016.

About Bavarian Nordic

Bavarian Nordic is a fully integrated biotechnology company focused on the development, manufacturing and commercialization of cancer immunotherapies and vaccines for infectious diseases, based on the Company's live virus vaccine platform. Through long-standing collaborations, including a collaboration with the U.S. government, Bavarian Nordic has developed a portfolio of vaccines for infectious diseases, including the non-replicating smallpox vaccine, IMVAMUNE[®], which is stockpiled for emergency use by the United States and other governments. The vaccine is approved in the European Union (under the trade name IMVANEX[®]) and in Canada. Bavarian Nordic and its partner Janssen are developing an Ebola vaccine regimen, which has been fast-tracked, with the backing of worldwide health authorities, and a vaccine for the prevention and treatment of HPV. Additionally, in collaboration with the National Cancer Institute, Bavarian Nordic has developed a portfolio of active cancer immunotherapies, including PROSTVAC[®], which is currently in Phase 3 clinical development for the treatment of advanced prostate cancer. The company has partnered with Bristol-Myers Squibb for the potential commercialization of PROSTVAC. For more information visit www.bavarian-nordic.com or follow us on Twitter [@bavariannordic](https://twitter.com/bavariannordic).

Forward-looking statements

This announcement 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 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.

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