



BAVARIAN NORDIC

Company Announcement

October 22, 2014

## **Bavarian Nordic Announces Additional Details Concerning the Issue of Shares to Johnson & Johnson Development Corporation**

*Summary: Further details on the placement of Bavarian Nordic shares to Johnson & Johnson Development Corporation ("J&J") in connection with an agreement for co-development and commercialization of the Company's MVA-BN<sup>®</sup> vector in respect of Ebola. J&J will subscribe for Bavarian Nordic shares in the amount of DKK 251,000,000. However, Bavarian Nordic will issue a maximum of 1,673,333 shares of DKK 10 each (equal to approximately 6.4 per cent of the existing share capital of the Company). The number of subscribed shares may be lower than 1,673,333 shares depending on the final subscription price. The new shares will be subscribed for in cash at the market price which is based on the simple average of the volume weighted average price of the Company's shares on Nasdaq Copenhagen ("Nasdaq") (Bloomberg VWAP for BAVA.DC, referred to as "VWAP") during a period of five consecutive trading days starting on 22 October 2014, subject to a minimum subscription price of DKK 150 per share of DKK 10 corresponding to the closing price of the Company's shares on Nasdaq on 21 October 2014.*

**KVISTGAARD, Denmark, October 22, 2014** - In connection with Company Announcement No. 22/2014 concerning the agreement for co-development and commercialization of the Company's MVA-BN<sup>®</sup> vector in respect of Ebola entered into between Bavarian Nordic A/S (Nasdaq: BAVA) and Crucell Holland B.V., and J&J's subscription for Bavarian Nordic shares according to the share subscription agreement, Bavarian Nordic hereby discloses the following additional information regarding the issue of shares to J&J:

Bavarian Nordic's issue of new shares is directed towards J&J, a US company registered under the laws of the state of New Jersey, which will subscribe for Bavarian Nordic shares in the amount of DKK 251,000,000. Bavarian Nordic will issue a maximum of 1,673,333 shares of DKK 10 each (equal to approximately 6.4 per cent of existing share capital of the Company), however, the number of subscribed shares may therefore be lower than 1,673,333 shares depending on the final subscription price.

The new shares will be subscribed for in cash at the market rate of the shares. The market rate is based on the simple average of volume weighted average price of the Company's shares on Nasdaq (Bloomberg VWAP for BAVA.DC, referred to as "VWAP" and as defined by Bloomberg) during a period of five consecutive trading days starting on 22 October 2014, subject to a minimum subscription price of DKK 150 per share of DKK 10 corresponding to the closing rate of the Company's shares on Nasdaq on 21 October 2014.

The new shares will be issued by Bavarian Nordic's Board of Directors pursuant to authority granted by Bavarian Nordic's shareholders at the annual general meeting on 24 April 2014. The new shares will be issued against cash payment without any pre-emptive rights for Bavarian Nordic's existing shareholders, and no person or entity other than J&J will participate in the private placement. The subscription price for the shares is payable in cash on 29 October 2014.

The new shares will carry the same rights as all other shares issued by Bavarian Nordic. The new shares are freely transferable negotiable instruments and entitle the holder to receive dividend from the date of issue. Under the terms of the share subscription agreement, J&J has accepted certain restrictions on the sale and transfer of the shares (for instance a lock-up period).

Bavarian Nordic's current share capital amounts to DKK 261,128,630 (equal to 26,112,863 shares of DKK 10 each) and will after completion of the private placement amount from DKK 261,128,630 to DKK 277,861,960.

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After completion of the private placement, J&J will hold up to approximately 6.0 per cent of Bavarian Nordic's share capital.

When the new shares have been issued upon expiry of the subscription period, the Company will announce the final amount of the capital increase and the final subscription price. After registration with the Danish Business Authority, an application for admission to trading and listing of the new shares on Nasdaq Copenhagen will be submitted. Registration with the Danish Business Authority is expected to take place on 29 October 2014 and the first trading day is expected to be 31 October 2014.

Since the issue involves less than 10 per cent of Bavarian Nordic's shares, no prospectus will be prepared.

The new shares are issued under an agreement for co-development and commercialization of the Company's MVA-BN<sup>®</sup> vector in respect of Ebola, see Bavarian Nordic's Company Announcement No. 22/2014 of the same date for further details.

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#### **About Ebola**

The Ebola virus belongs to a virus family called *Filoviridae* and can cause severe hemorrhagic fever in humans and nonhuman primates. Ebola has a mortality ranging from 50% to 90% according to the World Health Organization. The virus is highly prioritized by the U.S. Government, who has defined the virus as a "Category A" agent that poses a risk to national security. Currently, there exists no approved treatment or vaccine against the disease.

#### **About Bavarian Nordic**

Bavarian Nordic is an international biotechnology company developing and manufacturing novel cancer immunotherapies and vaccines for infectious diseases. Lead product candidates are PROSTVAC<sup>®</sup>, an immunotherapy product candidate for advanced prostate cancer that is the subject of an ongoing pivotal Phase 3 clinical trial, and IMVAMUNE<sup>®</sup>, a non-replicating smallpox vaccine candidate in Phase 3 development, which is being developed and supplied for emergency use to the U.S. Strategic National Stockpile under a contract with the U.S. Government. The vaccine is approved in Canada under the trade name IMVAMUNE and in the European Union under the trade name IMVANEX.

Bavarian Nordic's shares are listed on NASDAQ OMX Copenhagen under the symbol BAVA (Reuters: BAVA.CO, Bloomberg: BAVA.DC). The company has a sponsored Level 1 ADR program listed in the US (OTC) under the symbol BVNRY.

For more information, visit [www.bavarian-nordic.com](http://www.bavarian-nordic.com).

#### **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. 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.