

Annual General Meeting Bavarian Nordic 17 April 2018

Thank you for the floor. My name is Claus Wiinblad, and I am representing ATP.

First of all, thank you to the chairman and the CEO for their reports and the presentation of the results for 2017.

2017 and the beginning of 2018 has not been the best years for Bavarian Nordic. The share price has dropped from a top of DKK 450 to a low of DKK 166.

I think it is important to split the drop in the share price into two different phases.

The first reason is the disappointing result of the negative outcome of the Prosvac Monotherapy trial. The drop in the share price of nearly 50% on 15 September is of course a huge disappointment, but on the other hand it is the way of life in biotech. There is always a risk that data in a study fails with huge consequences for the share price. This is something we must accept, when we choose to invest in biotech.

The second phase for the drop of share price is the recent months drop down to the current low level from around DKK 250 down to DKK 163, which is a 35% drop in the share price. To some extent, this is more concerning because management has been unable to convince the market that 2018 and potentially also 2019 is only a transition year and that the current cash burn is not a long-term concern.

You can say that the current share price puts a question mark on the company's strategy and ability to create long term value. I still believe that the integrated business model is the correct one, but management must be better to explain why the current period really is a transition period and not a new normal.

It is therefore important that Bavarian Nordic can convince the stock market that it is able to create value in the oncological business and manage the company through this phase with the current cash position.

I therefore strongly appreciate the comments from the chairman that there are no plans to raise cash. Since the company will not raise any cash, I also assume that there are no plans of a dual listing in the US.

With these words, I would like to wish management and employees all the best with the work ahead in 2018.

Thank you.

The question was commented on by the Chairman of the Board/The CEO.



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At Pensions & Investments, we are around 100 employees who almost all have a university-level education in the field of economics or the natural sciences. Together, we are responsible for managing over DKK 769bn that we invest in, among other things, bonds, equities, real estate and infrastructure. Our goal is to generate the highest possible returns for our members.

ATP actively participates in the companies' annual general meetings and has an ongoing dialogue with the individual companies in order to discuss strategy and results and to assess the management's focus on shareholder interests.