VBI VACCINES

SCI-B-VAC: THIRD GENERATION HBV VACCINE

WORLD VACCINE CONGRESS 2017

NASDAQ: VBIV
TSX: VBV

APRIL 2017

Cautionary Statement Regarding Forward-Looking Information

Certain statements in this presentation contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 or forward-looking information under applicable Canadian securities legislation (collectively, "forward-looking statements") that may not be based on historical fact, but instead relate to future events, including, without limitation, statements containing the words "believe", "may", "plan", "will", "estimate", "continue", "anticipate", "intend", "expect", "goals" and similar expressions. All statements other than statements of historical fact included in this presentation are forward-looking statements.

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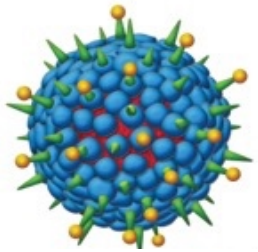
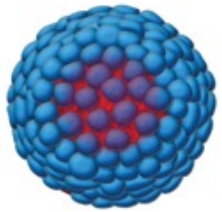
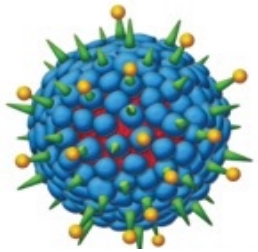
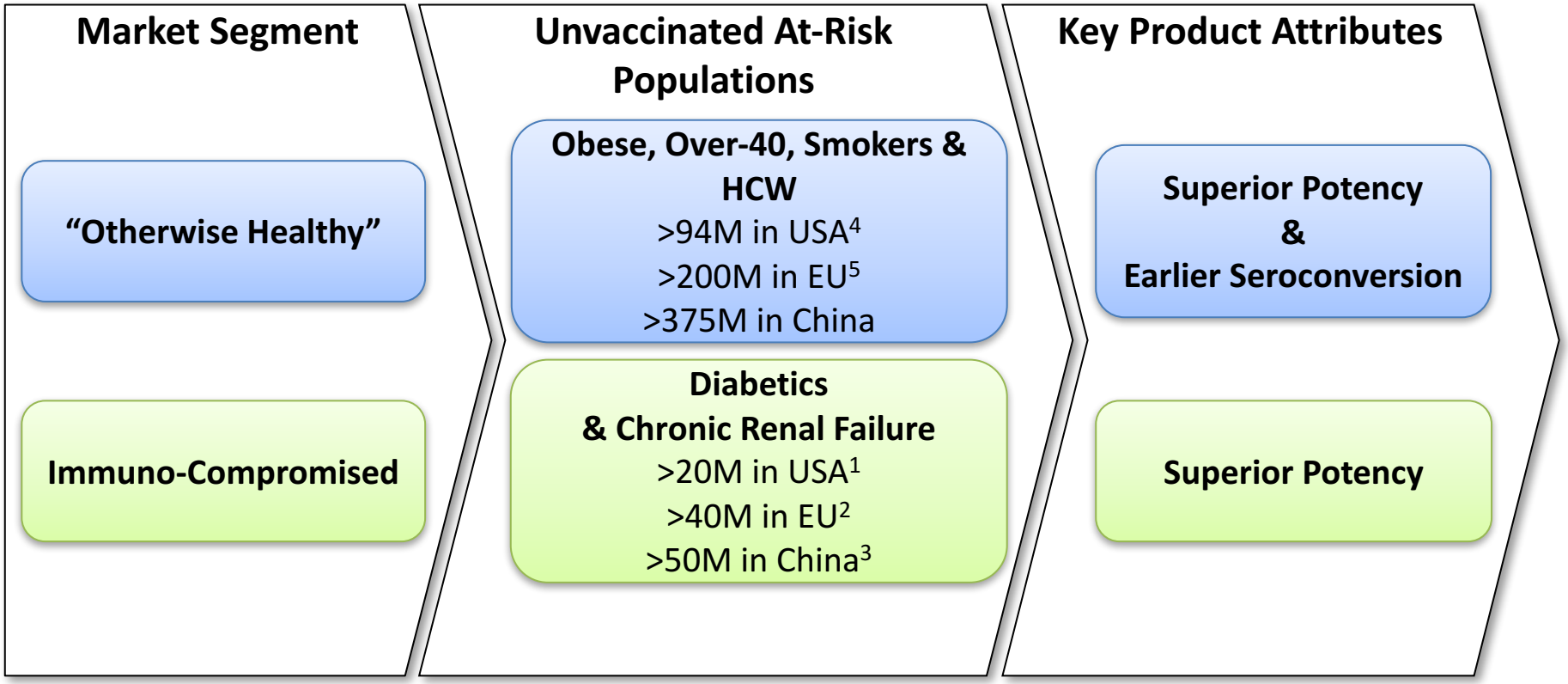
Introduction to Sci-B-Vac™

Sci-B-Vac™ is a 3rd Generation HBV Vaccine Expressing All Major Surface Antigens of HBV – A Better Viral Mimic, Leads to Improved Potency

1st Generation HBV Vaccines		• Inactivated HBV particles derived from serum of infected individuals • Native human glycosylation • Include HBsAg, Pre-S1, Pre-S2 • Highly Potent
2nd Generation HBV Vaccines		• Recombinant HBV VLPs produced in yeast • Includes only HBsAg with yeast glycosylation • Highly Potent in children • Less potent in adults & immunocompromised
Sci-B-Vac™		• Recombinant HBV VLPs produced in (CHO) cells • Naturally mammalian glycosylated • Include HBsAg, Pre-S1, Pre-S2 • Highly Potent in all studied populations

Aging Cohorts of Unvaccinated Adults Define Key Market Segments for an Improved HBV Vaccine

Universal Pediatric Vaccination in 1990's Still Leave Majority of Adults Exposed (Adult Vaccination Rates in US & EU = 20 – 24%)



1) http://www.diabetes.org/diabetes-basics/statistics/ 2) http://www.euro.who.int/en/health-topics/noncommunicable-diseases/diabetes
3) Yang, et al (2010), N Engl J Med, 362:1090-1101 4) https://www.cdc.gov/mmwr/volumes/65/ss/ss6501a1.htm 5) http://www.biomedcentral.com/1471-2458/8/132
6) Global Health Observatory Data http://apps.who.int/gho/data/view.main.80300?lang=en

The Unmet Need: High-Risk Populations of Non-Responders & Low Responders to Yeast-derived, Alum Adjuvanted, HBsAg Vaccination

EXEMPLAR SEROPROTECTION RATES:

- Immuno-compromised
  - Patients with chronic liver disease ..... ~50%
  - Chronic renal failure, dialysis & diabetes 34-81%
  - Pre-transplantation candidates 28-36%
  - Post-transplantation patients ..... ~10%
- "Otherwise Healthy" ~50-85%
  - Obese
  - Over age 40
  - Smokers
  - Travellers & HCW

Sources:
Yang et al, Scientific Reports (2016)
http://www.ncbi.nlm.nih.gov/pmc/articles/PMC4914839/
WHO - http://www.who.int/csr/disease/hepatitis/whocdscsrlyo20022/en/index4.html
http://jama.jamanetwork.com/article.aspx?articleid=409965
http://jama.jamanetwork.com/article.aspx?articleid=409967

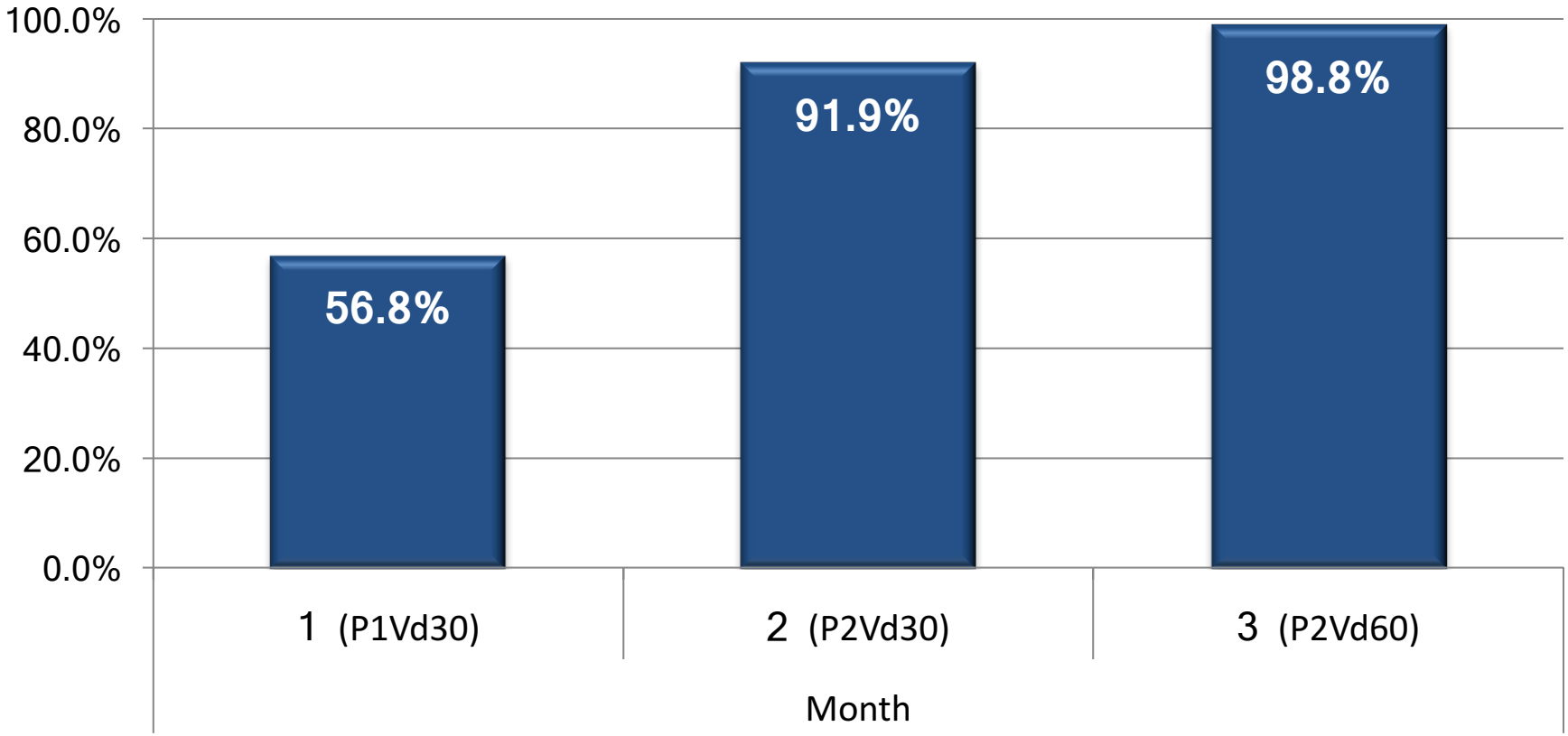
Key Attributes of Sci-B-Vac

Opportunity for an Improved HBV Vaccine in Adult Populations

- Improved Potency vs 2nd Generation Vaccines
- Rapid Onset of Immunity
- Potent in high-risk, non-responsive & immuno-compromised populations
- Safe, well-known adjuvant: Alum Hydroxide
- Exceptional Safety
  - Administered to over 300,000 (approx 50% neonates)

Sci-B-Vac Evokes Rapid Immunity – Recent Ph IV Study Showed Over 90% Sero-Protection After 2-Doses in Adults 18 - 40

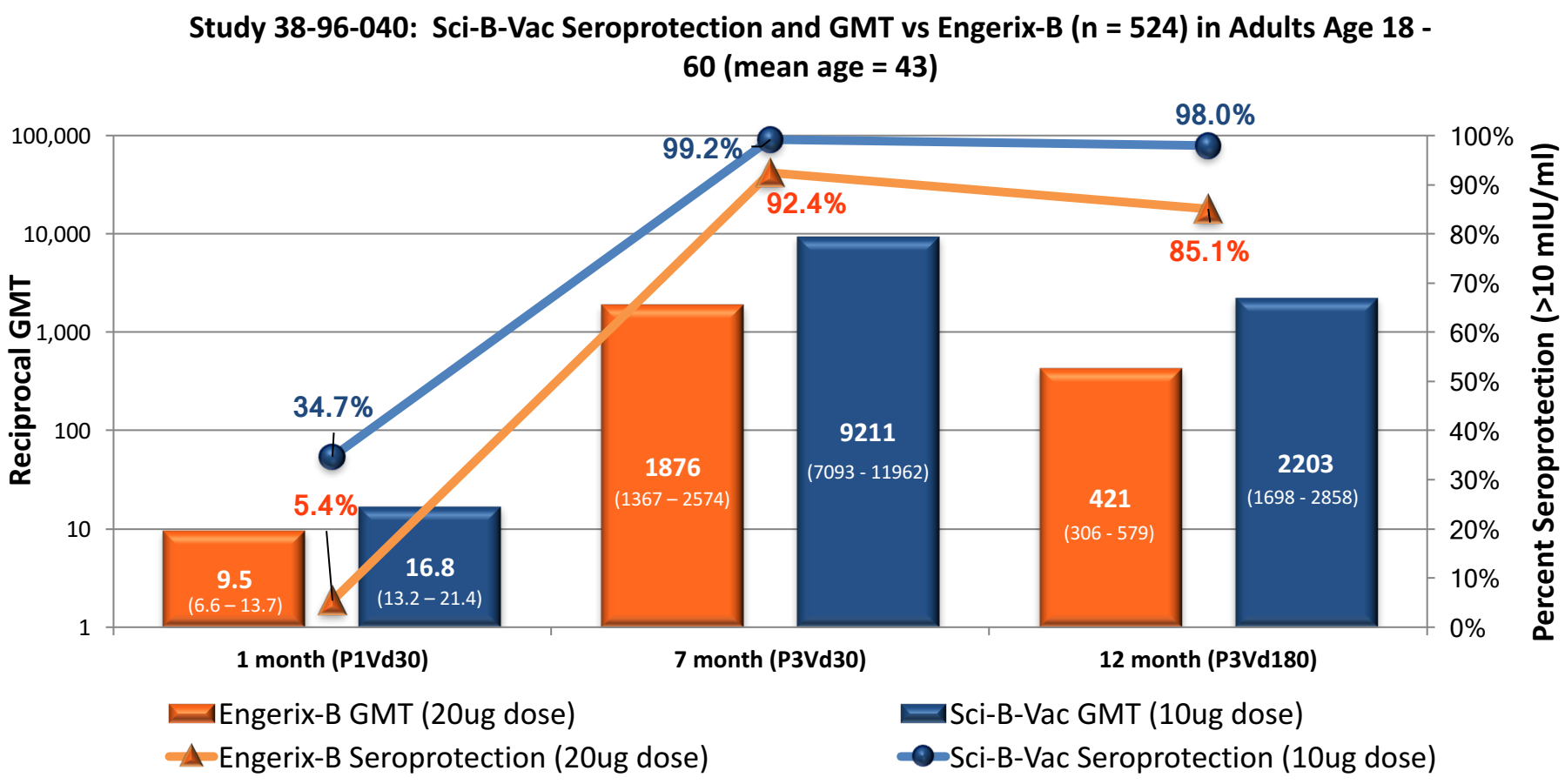
Sci-B-Vac Phase IV Study in Israeli Adults (age 18-40, N=88)
Seroprotection (>10 mIU/mL)



Clinical Study: SciB018

Opportunity for Improved Potency vs 2nd Generation Vaccines in Adult Populations

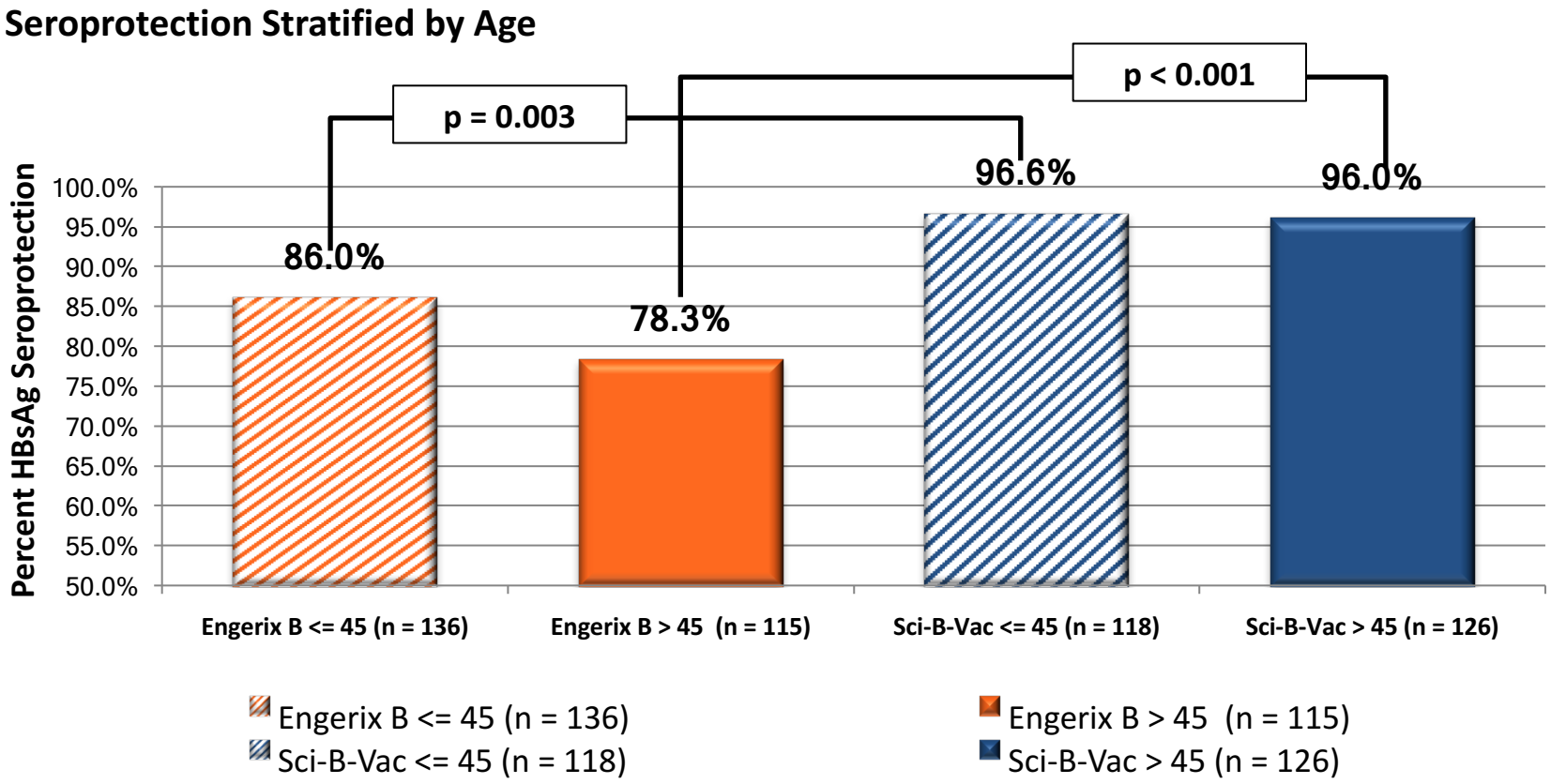
Additional Clinical Development to Define Benefits in Key Adult Populations



Clinical Study: 38-96-040

Older Adults are one Population that may Benefit from Sci-B-Vac™: Superior Seroprotection Rates

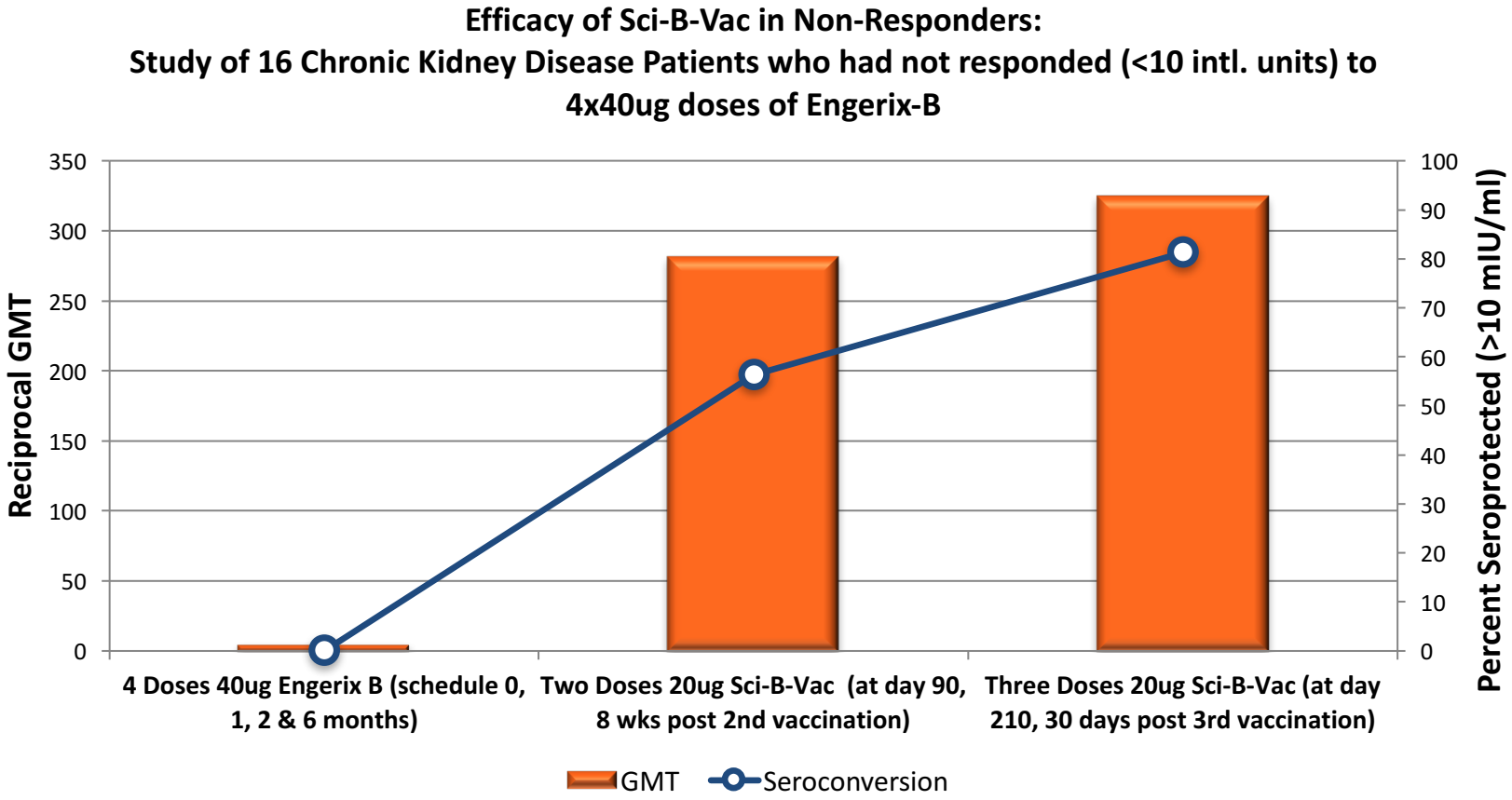
Stratification by Age of Study 38-96-040 Demonstrates Significantly Improved Potency in Older Adults



Study Reference: Phase III 38-96-040

Sci-B-Vac Offers Potential for Improved Potency in High-Risk Groups, Including Diabetics & CKD

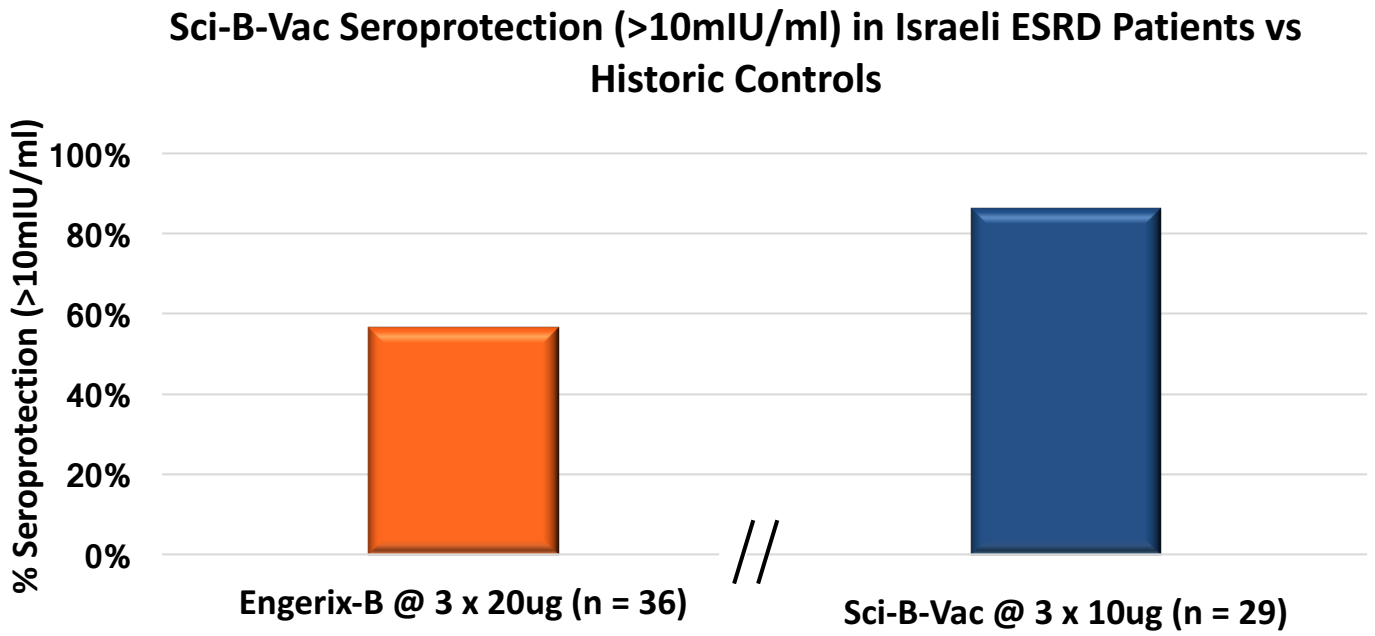
Sci-B-Vac Stimulates Seroproective anti-HBsAg Immunity in CKD Populations That Had Not Responded to Double-Dose of Engerix-B



Study Reference: Post-launch V01

Data in Immuno-compromised: End-Stage Renal Disease

Investigator Led (T. Weinstein, 2004) Study at Rabin Medical Center, Israel Evaluated Seroprotection Rate of Sci-B-Vac™ in 29 ESRD Subjects – Notional Comparison Made to Historic Engerix-B® Responses in Same Department



Data supports further well-controlled study in Immunocompromised/ESRD populations

Study Publication: T. Weinstein, Nephron Clin Pract 2004;97:c67-c72

Synopses of Existing Clinical Studies for Sci-B-Vac™

- 22 clinical trials conducted to date
- 14 open label clinical studies + extension studies
- 5 observer blind clinical studies
- 9 of the above studies conducted in adults, 7 of which will be used to support a phase 3 Clinical Trial Application
- More than 95% of patients are protected within 2 months after first vaccination
- Safe and well tolerated

VBI is Discussing Its Clinical Development Priorities with Regulators in North America & Europe

EMA

- Feb 2017: Received positive EMA Scientific Advice regarding Sci-B-Vac™ Phase III clinical program

Health Canada

- Feb 2017: Received positive response from Health Canada regarding Sci-B-Vac™ Phase III clinical program

FDA

- Expecting feedback on proposed clinical development plans in H1 2017

Prophylactic Sci-B-Vac™ Summary

OPPORTUNITY FOR IMPROVED POTENCY IN ADULT & AT-RISK POPULATIONS

- Potent & Rapid HBV Immunity
  - Improved potency vs 2nd generation HBV vaccines
  - Rapid onset of immunity
  - Stimulation of immunity in non-responders
- VBI is currently developing Sci-B-Vac for prophylactic adult Indication in US/EU
  - History of safety with over 300,000 doses administered (all populations)
  - Established manufacturing protocols at GMP commercial scale
- Integrated regulatory feedback on VBI's proposed clinical development plan is expected from North American & European regulators in H1 2017

VBI Vaccines, Inc.
222 Third Street, Suite 2241
Cambridge, MA 02142
(617) 830-3031