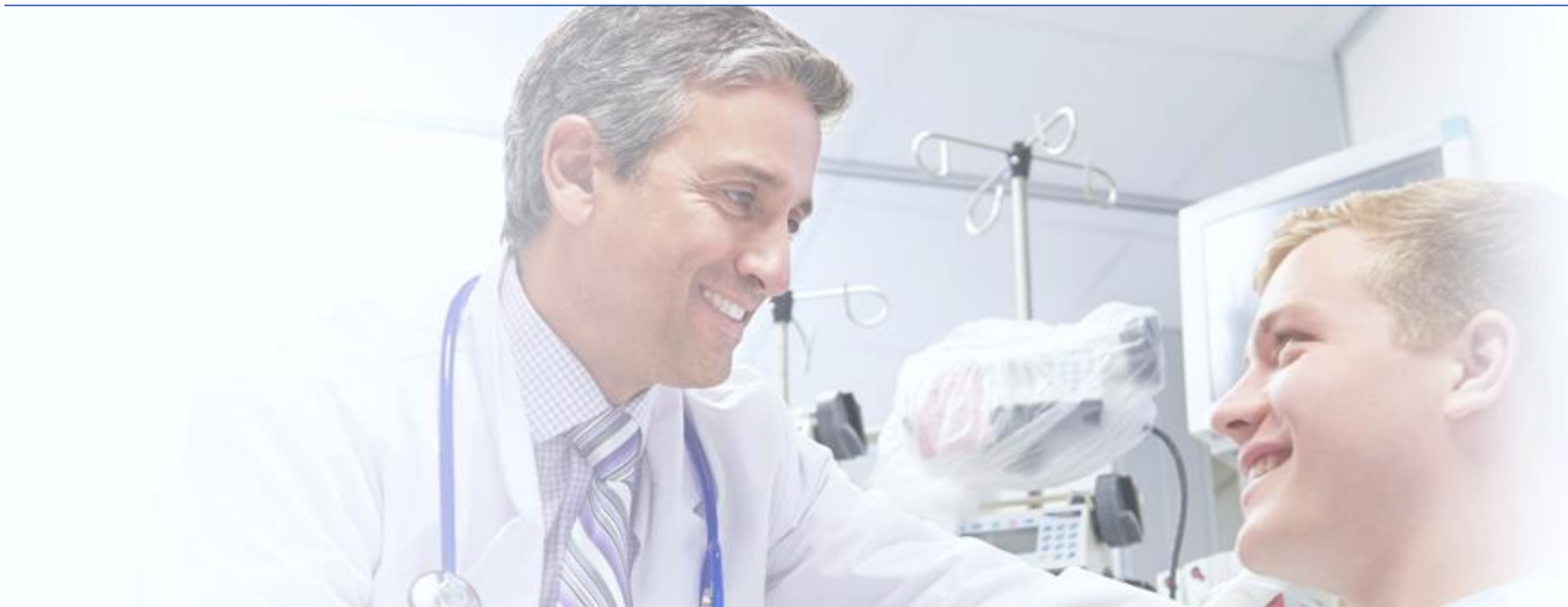


# PAION Earnings Call

Financial Results Q3 2022



Dr. Jim Phillips, CEO | Sebastian Werner, CFO

Conference Call | 16 November 2022

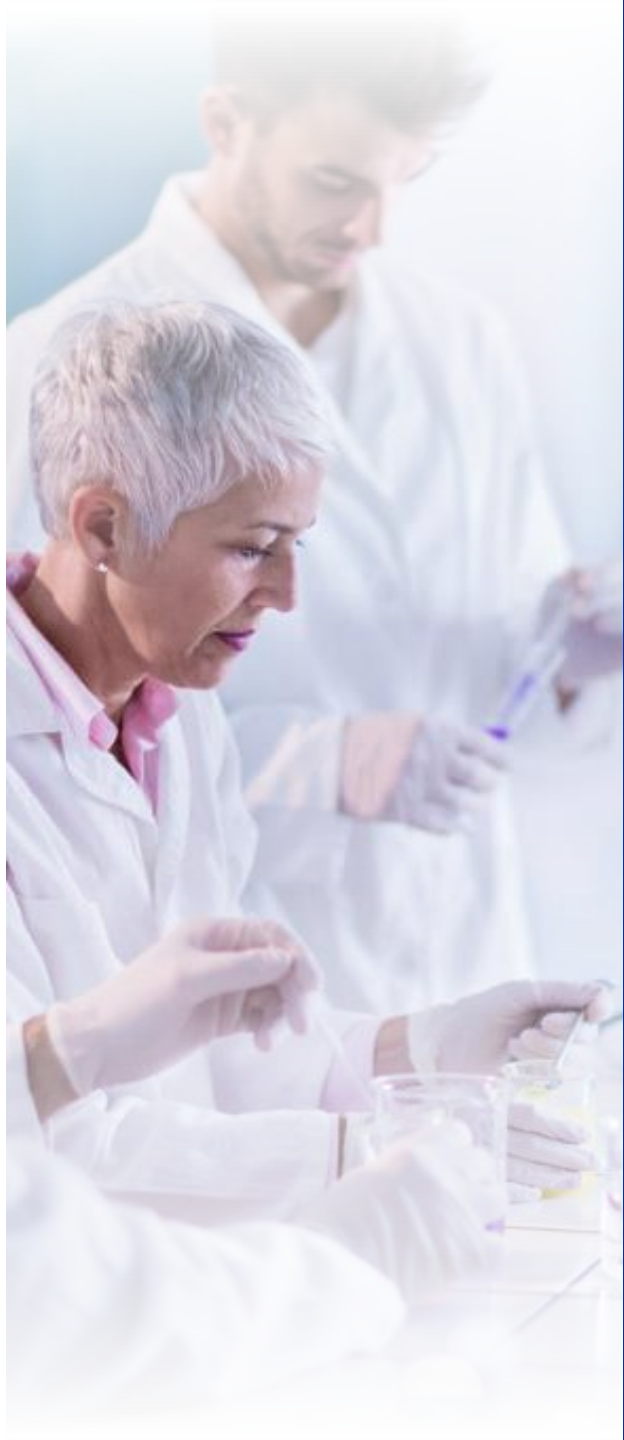
# Disclaimer

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# AGENDA

- 1 Corporate Overview**
- 2 Business Update
- 3 Financials
- 4 Conclusion

# PAION Mission Statement

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“ PAION’s mission is to be a leading specialty pharmaceutical company in the fields of anaesthesia & critical care by bringing novel products to market to benefit patients, doctors & other stakeholders in healthcare. ”

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# PAION Strategy




# PAION products overview






## Status

Compound	Indication	PC	Ph I	Ph II	Ph III	NDA / MA*	Launch
Remimazolam Besylate	General Anaesthesia	First launch Q3 2020 / Japan					
	Procedural Sedation	First launch Q3 2020 / China					
Angiotensin II	Blood pressure management to treat septic shock	EU / EEA / CH / UK					
Eravacycline	Complicated Intra-abdominal Infections	EU / EEA / CH / UK					

\* NDA = New Drug Application; MA = Market Approval

# Progress targets PAION in 2022



Market approval remimazolam EU and UK General Anaesthesia (2022/2023)	
Remimazolam CHMP meeting EU General Anaesthesia (Q4 2022/Q1 2023)	
Licensing of remimazolam, angiotensin II & eravacycline in non-core EU markets	
Ongoing remimazolam partner sales growth & launch activities	
Continue commercial launch of remimazolam, angiotensin II & eravacycline in Europe	



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# Key Business notes Q3 2022

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- ✓ Build-up of commercial sales and increased activities in target markets show impact; positive sales trend in key target markets compared to previous quarters
- ✓ Humanwell € 20.5m royalty buyout
- ✓ Cristália partnership for South America extends commercial availability of remimazolam globally
- ✓ Commercial organisation in Finland, Sweden & Norway built to launch the PAION portfolio
- ✓ U.S. partner Acacia acquired by Eagle Pharmaceuticals putting remimazolam into a profitable partner & removing Acacia's financial risk as a partner
- ✓ Commercial progress achieved mainly in areas of removing P&R\* obstacles & gaining KOL\*\* repeat customers

\* Privacy & Reimbursement

\*\* Key Opinion Leader

## Early User Feedback (remimazolam & angiotensin II )

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“ Anyone capable of sedating patients with midazolam can sedate patients with remimazolam. ”

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“ Real fast recovery, patient already awake before arriving at the recovery. ”

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“ I just love sedating with remimazolam. It is easy to use, and patients are awake and able to take in information immediately after waking up. ”

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“ We need to position (angiotensin II) after epinephrine. We should stop increasing the dose of epinephrine and switch quicker to second line options. ”

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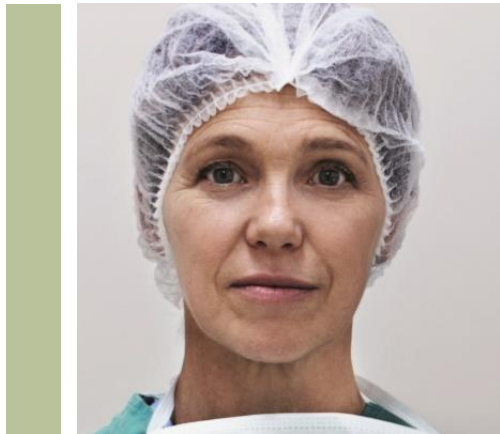
# Target Audience: Physicians

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## The sedation experts: anaesthesiologists

- **Safety oriented & specialist skillset** and on hand for when emergencies occur to stabilize patient
  - **Key for uptake of new sedative**, which will only happen with their endorsement
  - **Formulary discussions: Crucial in championing remimazolam, very positive to remimazolam**
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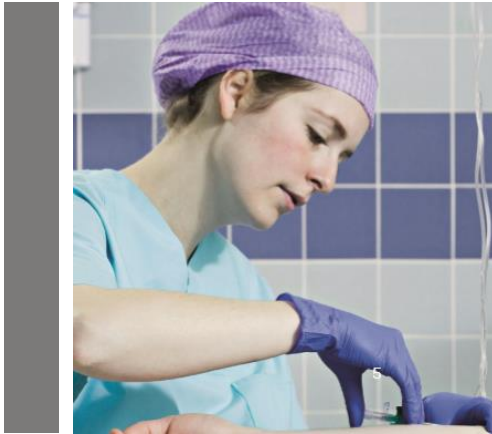


## The procedural experts: gastroenterologists

- Though many other proceduralists exist, **gastros will be key to engage with** given where our data is focused
- Focused on **successful completion** of procedure
- **Autonomy of sedative administration, a more difficult customer to engage**

# Other Key Stakeholders

## Specialist Nurses



- Key part of the multidisciplinary team
- In certain centres responsible for administering the sedative
- May be involved in preparing the solution before administration

## Hospital Pharmacists



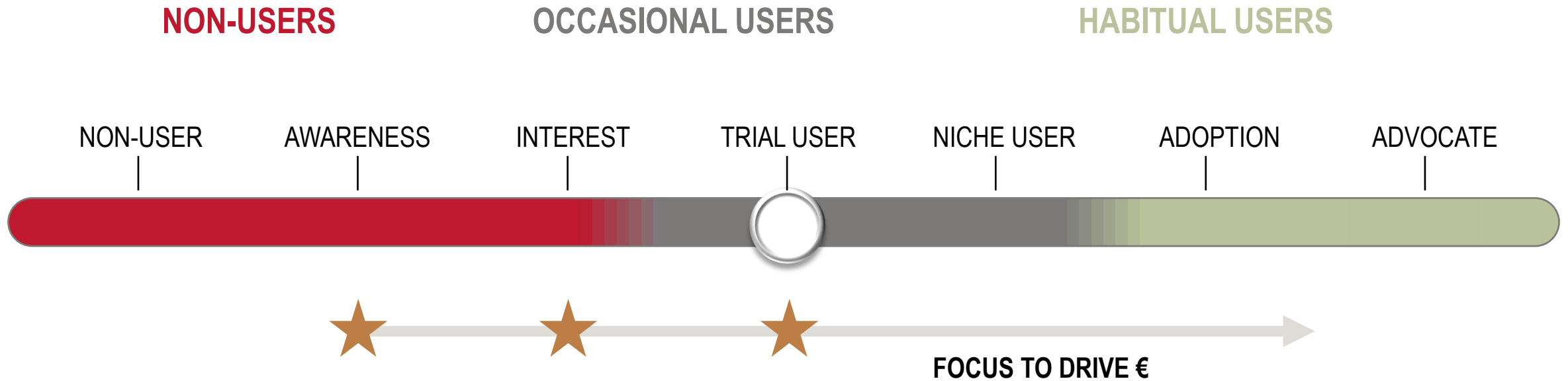
- Important decision makers in getting remimazolam onto a hospital formulary
- Concentrating on managing trial usage given cost differential versus generic products

## High-Level Payers



- Key stakeholder to engage with at launch to ensure access to remimazolam in hospitals and regional formularies
- Different structure in each country

# Customer Segmentation: Where we are ...





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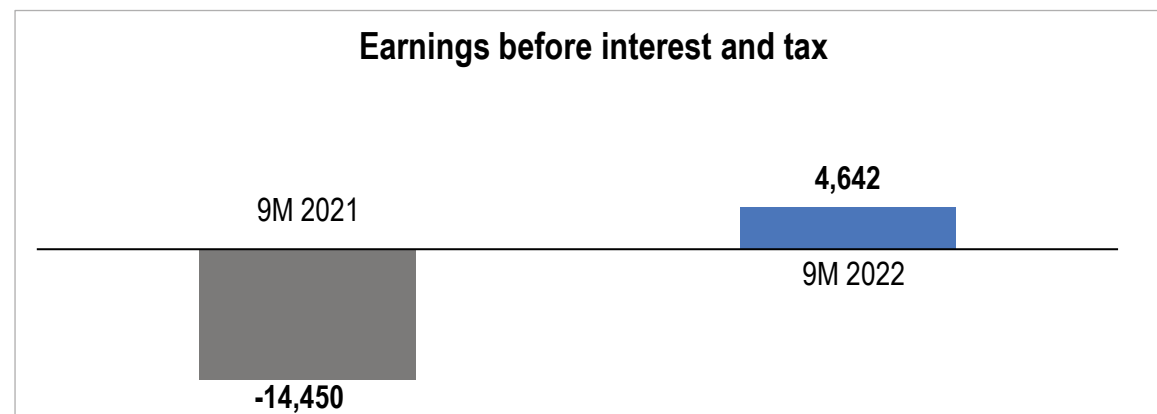
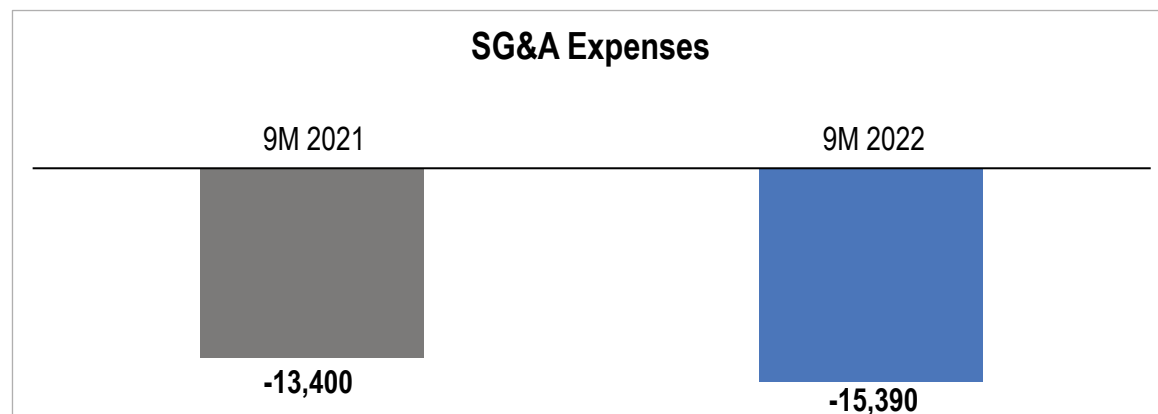
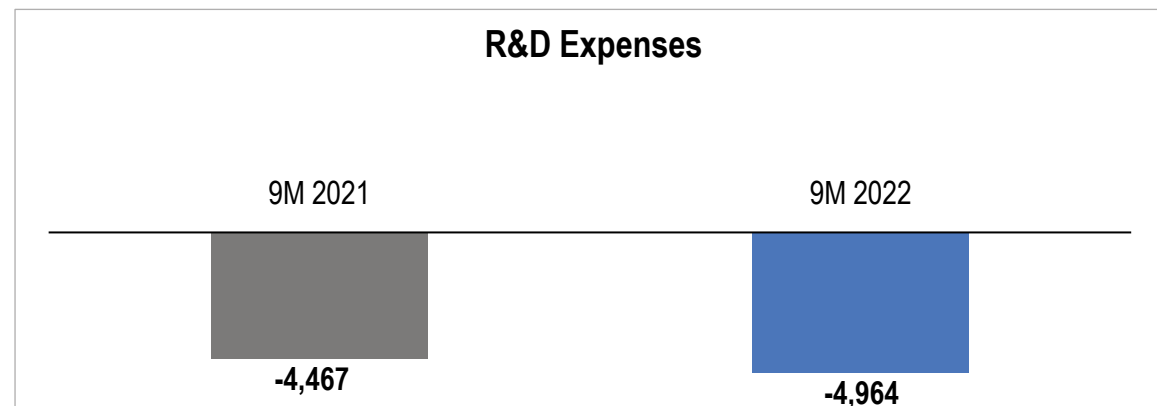
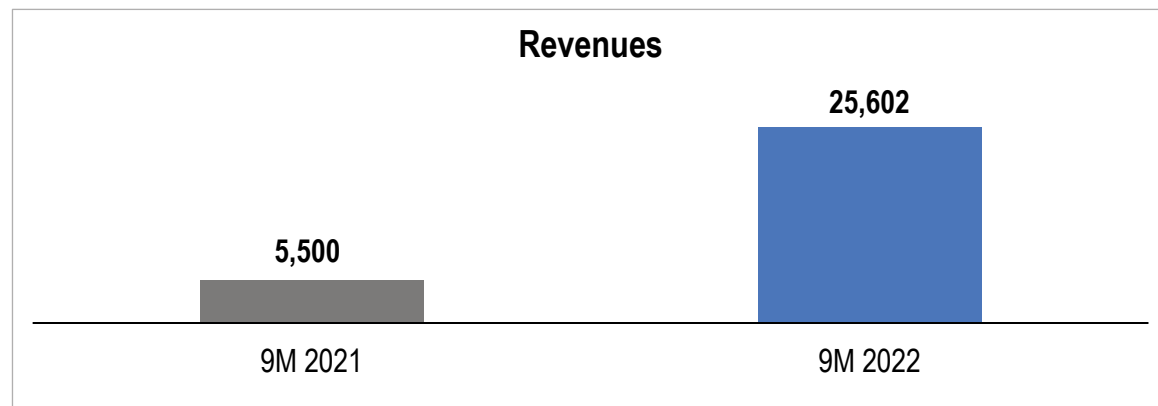
# Cash position and financing

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- ✓ **Cash of € 10.4m (as of 30 September 2022)**
- ✓ **Patent transfer agreement (January 2022) with Humanwell for € 20.5m**
- ✓ **Licensing agreement with Cristália for Latin America**
  - € 3.5m upfront payment; € 1.0m upon submission of marketing authorisation application; further payments from launch
- ✓ **Additional funds required**
  - Sufficient cash until 2nd Quarter 2023
  - Cash inflows from Humanwell and Cristália deals
- Expected payments from revenues potential financing and/or out-licensing
- Rigorous cost control
- ✓ **PAION expects increasing revenues from licensing agreements and own commercialisation in the coming years**
- ✓ **Financing needs of approx. € 30m until break-even (2024)**
  - Could be raised through various financing measures and further partnerships

# Consolidated statement of comprehensive income

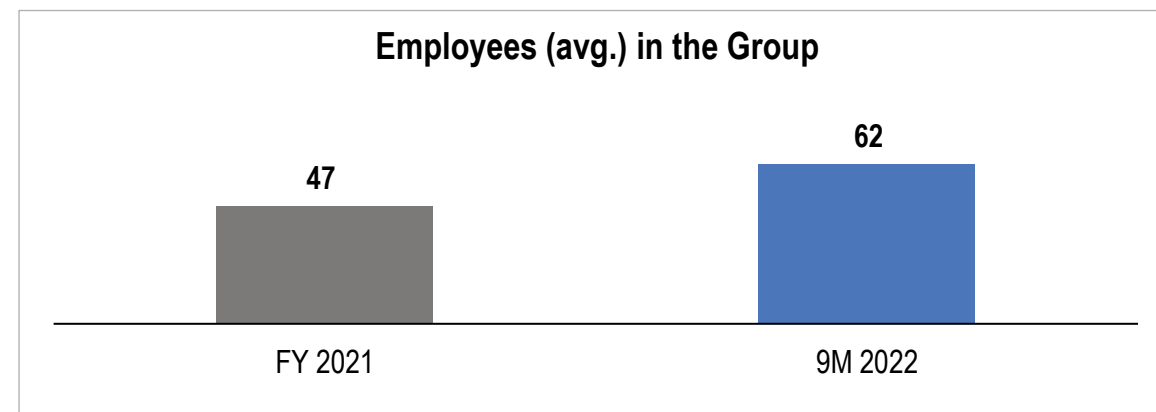
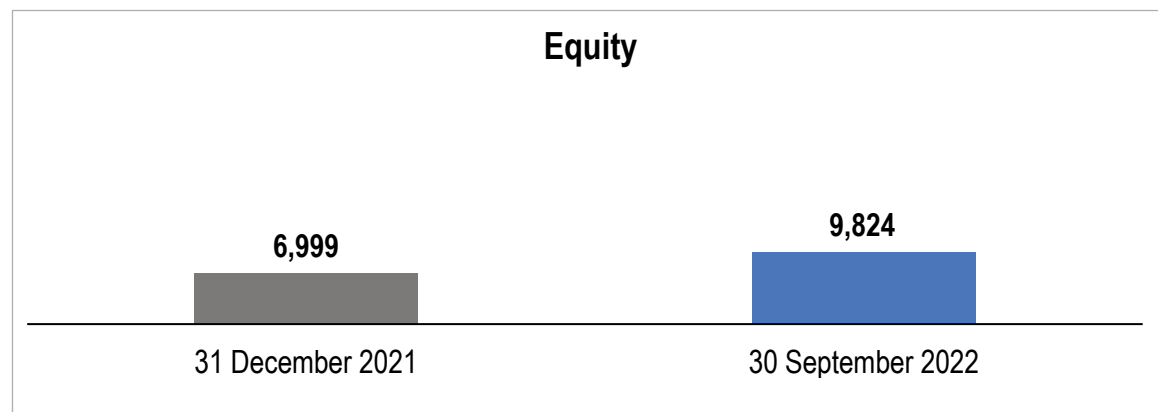
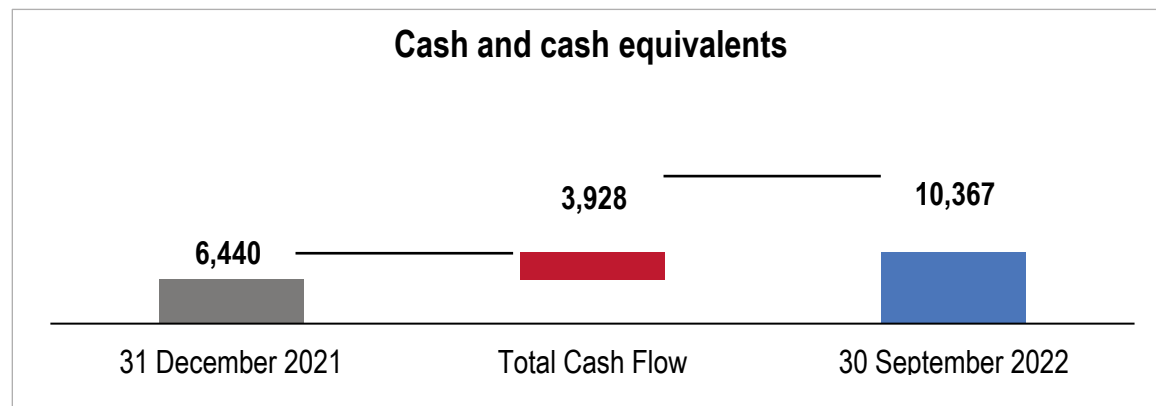
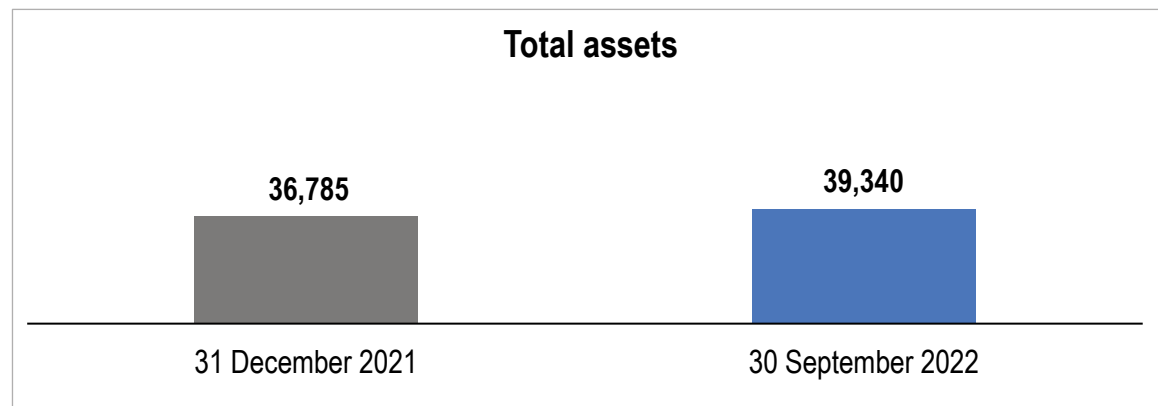
In accordance with IFRS (all figures in K€)





# Consolidated balance sheet and employees

In accordance with IFRS (all figures in K€ if not otherwise noted)



# Financial Outlook 2022

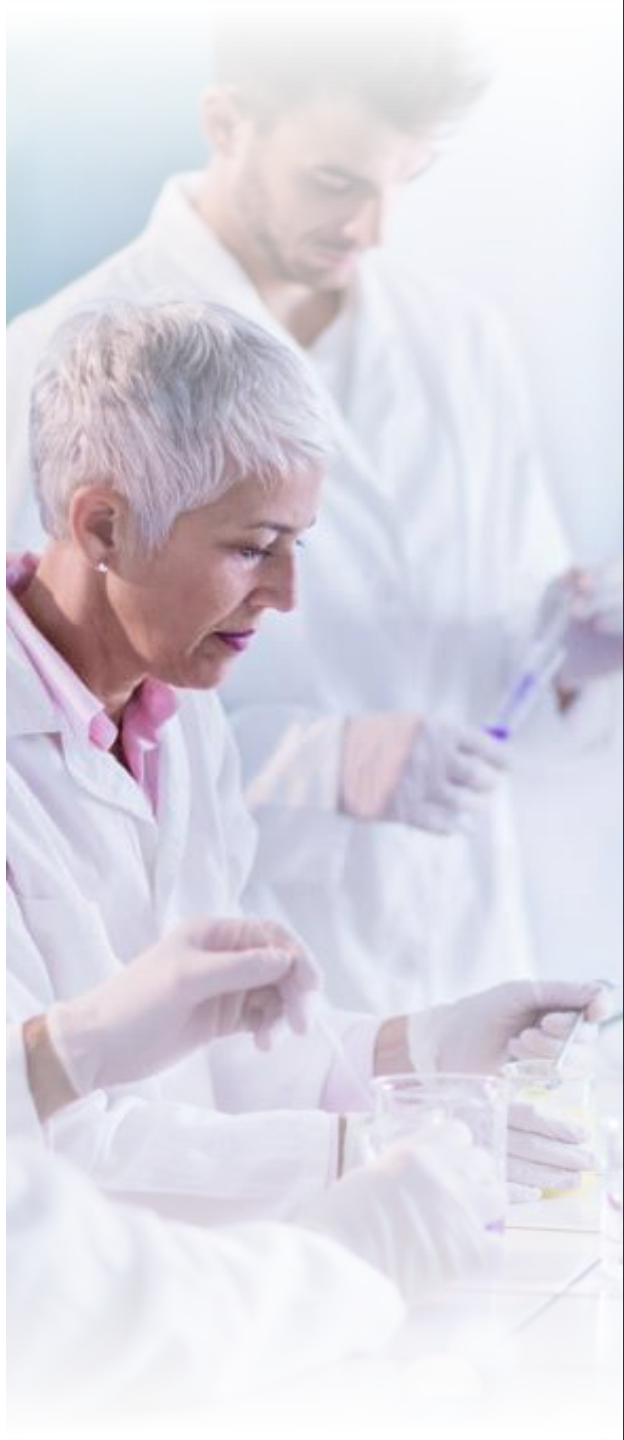
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	Actual FY 2021 (in € m)	Plan FY 2022 (in € m)
Revenues	€ 7.1m	€ 32m – € 35m
EBITDA	€ -22.1m	€ -1.5 – € 0.5m

# Further milestones

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- ✔ Eravacycline (XERAVA®) has been launched and is now commercially available in Germany for order and delivery to customers through direct sales
- ✔ Successful market approval for remimazolam in procedural sedation achieved in Taiwan; market launch via partner TTY Biopharm planned for December 2022
- ✔ PAION AG enters partnership with Viatris and expands sales activities in Europe; Viatris will be responsible for the launch, marketing and commercial distribution of PAION products in a total of 7 European markets, in particular Southern Europe
- ✔ By the end of 2022/beginning of 2023, the marketing launch of remimazolam for the indication of short sedation should have taken place in most European core markets.
- ✔ PAION expects the EMA's decision on the extension application of the marketing authorization for remimazolam for general anaesthesia in the first quarter of 2023



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# Conclusion

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PAION is now a commercial stage specialty pharma company



3 strong products exhibiting market need & use all over the world



Break-even expected in 2024



Now investing for revenue growth in commercialisation capabilities & launches



High profit margin business in the near to mid-term



## Q&A

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