



Conference Call | Financial Results 2022

Gregor Siebert, CEO | Sebastian Werner, CFO

30 March 2023



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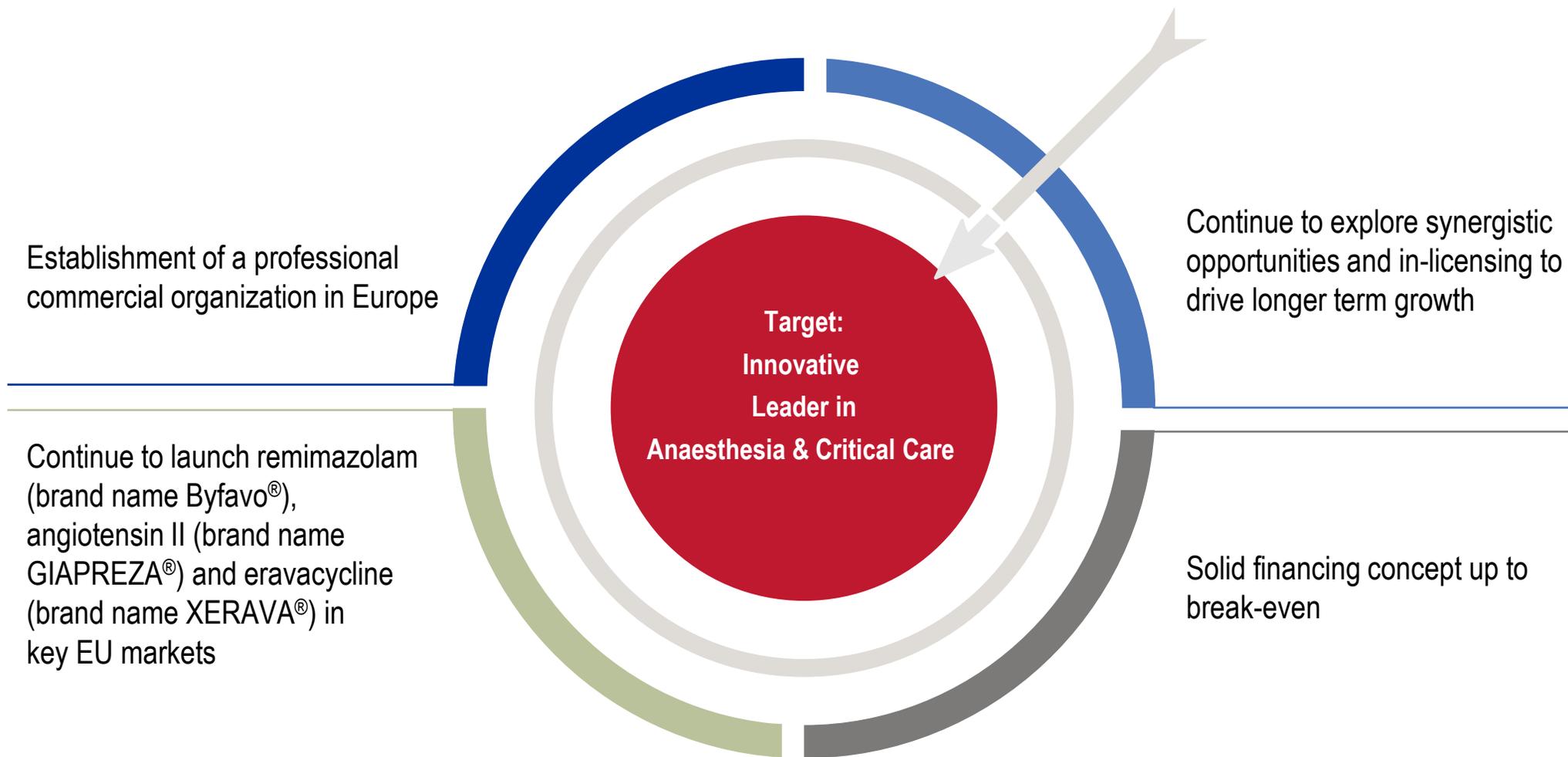
AGENDA

- ▶ **1 Corporate Overview**
- 2 Products
- 3 Financials

PAION Mission Statement

“ 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. ”

PAION strategy



PAION AG at a glance



PAION AG is a specialty pharmaceutical company focusing on anesthesia and critical care products



Approval for remimazolam in all major pharmaceutical markets, Market launch in Europe, Japan, South Korea, Taiwan and the USA, plus licensing in Latin America and Southeast Asia.



3 innovative products for acute care in Europe:
remimazolam, angiotensin II and eravacycline



Listed on the Frankfurt Stock Exchange, Prime Standard (FSE: PA8)



Market capitalization: ~ € 50m



Shareholder structure (according to the latest notifications)
Over 3%: Cosmo Pharmaceuticals

Gregor Siebert appointed as CEO with more than 30 years of pharma & medical device industry experience

Global Sales & Marketing Executive with proven track record of restructuring, building and driving sales organizations

Key Expertise: Europe and Emerging Markets, Sales & Marketing Strategy and Execution, Business Development and creation of new businesses, Gx/Rx Hospital & Retail pharmaceuticals in **anesthesia and intensive Care** with focus on **injectables**

Since 12/2022	Chief Executive Officer at PAION
2022 – 11/2022	Supervisory Board member at PAION
2015 – 2021	Head of Sales and Marketing at Curasan
2014 – 2015	Head of International Sales and Marketing at GL-Pharma
2010 – 2013	Vice President Hospital at Pfizer
2004 – 2010	Commercial Lead Europe at Hikma
1985 – 2004	Division Director at Abbott



Sebastian Werner appointed as CFO with more than 20 years of pharma experience

Finance Executive with proven track record in the pharma industry

Key Expertise: Extensive experience in finance. Senior positions in the pharmaceutical and life science industry for over 20 years. He started this international career at Hoffmann La Roche where, among other things, he worked for 6 years as Chief Financial Officer for the Corporate Operations Division. Most recently he worked for Zimmer Biomet Deutschland GmbH, where he was Chief Financial Officer and Managing Director for Central Europe for 9 years.

Since 06/2022

Chief Financial Officer at **PAION**

2013 – 2022

Managing Director & CFO for Central Europe **Zimmer Biomet**

1996 – 2013

CFO Corporate Operational Divisional Group at **Hoffmann La Roche**



Important events 2022/23

- ✓ Establishment of sales and thus intensified activities in the target markets
- ✓ Humanwell buys China patents for € 20.5m
- ✓ Cristália partnership for Latin America expands commercial availability of remimazolam
- ✓ New distribution partner: Acquisition of US partner Acacia by Eagle Pharmaceuticals
- ✓ Commercial advances primarily in the areas of reimbursement and attracting key opinion leaders
- ✓ Partnership with Viatris and Medis expand sales activities in Europe; Viatris is responsible for a total of 7 European markets, particularly in Southern Europe, Medis for 8 markets with a focus on Eastern Europe
- ✓ Positive CHMP Opinion for the approval of remimazolam in general anesthesia in Europe

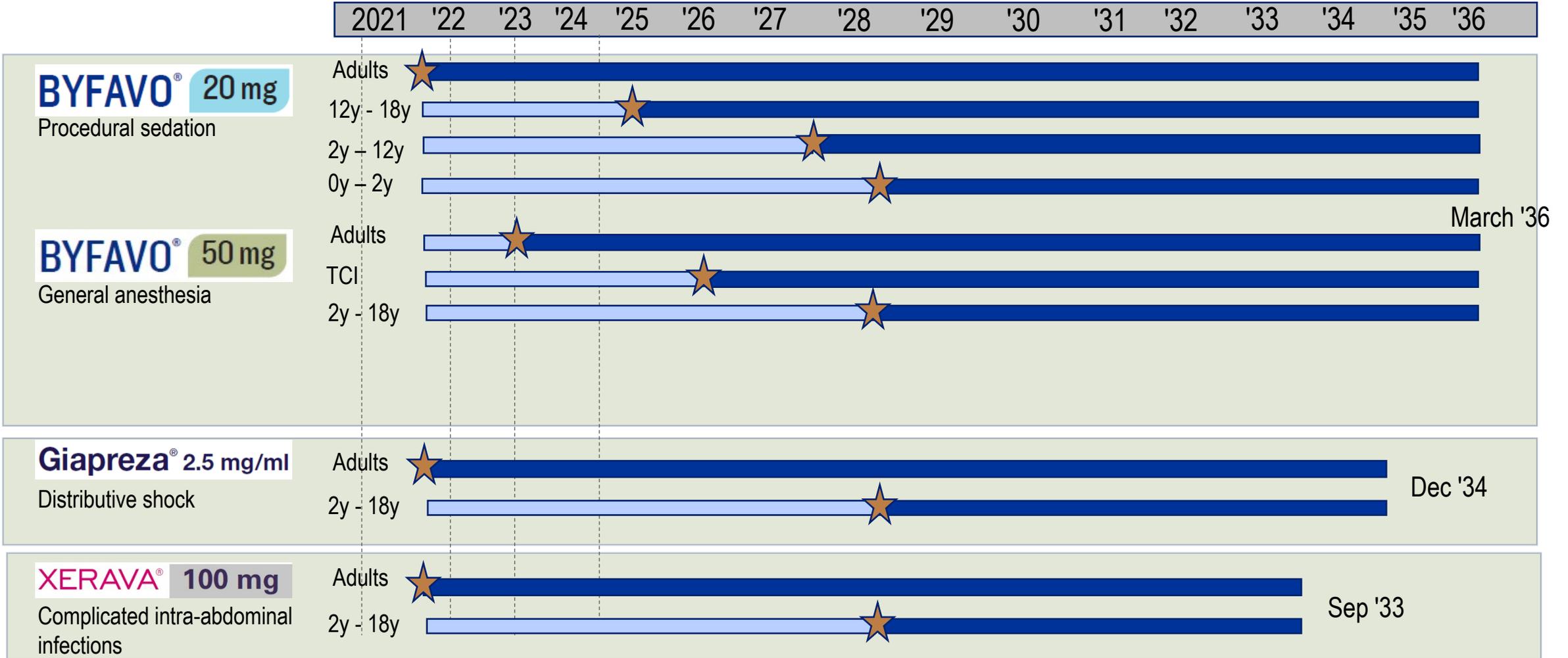
Targets for PAION 2023

Market approval remimazolam EU and UK General Anaesthesia(H1 2023)	
Further launches of remimazolam, angiotensin II and eravacycline	
Market Access of remimazolam, angiotensin II and eravacycline in EU Core Markets	
Growth in remimazolam sales through partners and launch activities	
Remimazolam CHMP meeting EU General Anaesthesia	

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Pipeline



★ Year of first launch in Europe; development phase; commercial phase; arrow ends at expiry of latest granted patent; EMA market protection ends as follows: Xerava 2028, Giapreza 2029, Byfavo 2031 | TCI – computer in pump controls rate of infusion

Three innovative products for acute care in Europe

Angiotensin II

Indication: septic or other distributive shock*.

- Leverages a system (RAAS) that is currently not targeted by other therapies for hypotension in distributive shock
- Median response time for angiotensin II responders was approximately 5 minutes
- The plasma half-life of angiotensin II is less than 1 minute, which allows for individualised dose adjustment

Estimated peak sales p.a.: € 50m

Remimazolam

Indication: procedural sedation for adults.

- Delivers an efficient process from start to finish, procedure after procedure
- Suitable for a broad and complex range of patients
- Helps to optimise the overall patient journey

Estimated peak sales p.a.:

€ 40 to 50m (procedural sedation)

€ 50 to 60m (general anesthesia)

Eravacycline

Indication: treatment of complicated intra-abdominal infections (cIAI) in adults**.

- Provides greater confidence as an alternative (empiric) antibiotic choice
- Establishing vital, broad-spectrum coverage as monotherapy
- Has potent in vitro activity and proven clinical efficacy against Gram-negative, Gram-positive and anaerobic pathogens

Estimated peak sales p.a.: € 25 to 35m

* Angiotensin II is indicated for the treatment of refractory hypotension in adults with septic or other distributive shock who remain hypotensive despite adequate volume restitution and application of catecholamines and other available vasopressor therapies

** Consideration should be given to official guidance on the appropriate use of antibacterial agents

Remimazolam (Byfavo®)

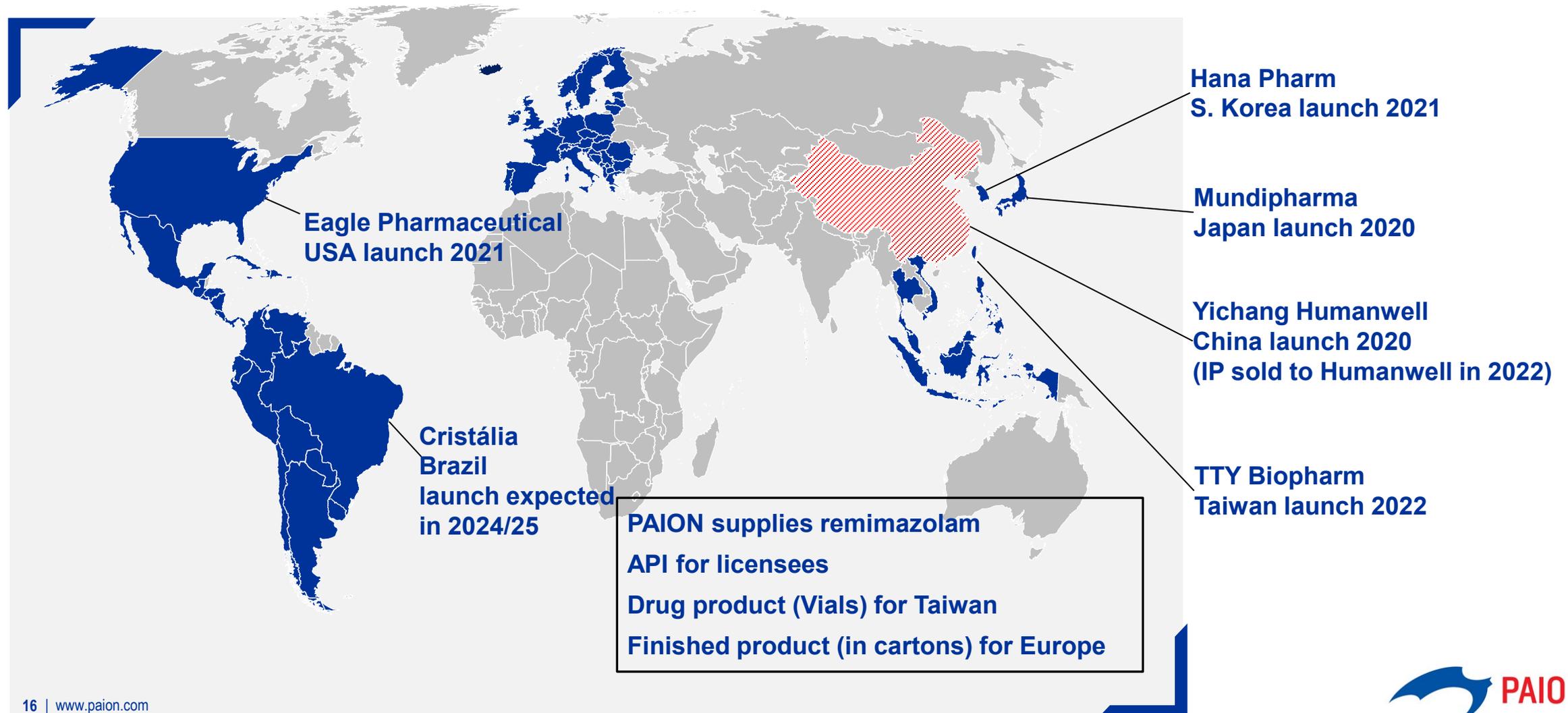


The ideal drug would combine “the best of both worlds”*

Propofol	Remimazolam	Midazolam
 <ul style="list-style-type: none">• CV/Respiratory depression• No reversal agent• Pain on injection	 <ul style="list-style-type: none">• Rapid onset/offset• Predictable recovery time• Less resources for supervision (after procedure)  <ul style="list-style-type: none">• Lower safety issues• Reversal agent• Less resources for supervision (during procedure)	 <ul style="list-style-type: none">• Variable and prolonged periods of sedation• Re-sedation risk• Slow onset

* said Physicians at the first ever Market Research performed in 2008 by the Company

Remimazolam launched worldwide – licensing and supply of acute and specialty pharmaceuticals to regional experts



PAION's partners

U.S. - Eagle Pharma



- **Lead indication: procedural sedation**
- BYFAVO™ launched in 2021
- Royalties 20-25%

Japan - Mundipharma



- **Lead indication: general anesthesia**
- Mundipharma launched Anerem® in 2020
- Current royalties: 15.5%

Taiwan - TTY BIOPHARM



- License agreement signed in 2021
- Approval received 2022
- Supply of medicinal products at a percentage of the net selling price

China - Yichang Humanwell



- PAION transfers all of its **Chinese remimazolam patents** and sells related future royalties on remimazolam sales to Humanwell for € 20.5m

South Korea + Southeast Asia - Hana Pharm



- **Lead indication: general anesthesia**
- Market launch in 2021 in SK
- Expansion of the license area to include Southeast Asia in 2020
- License fee: Low double digits

Eastern Europe - Medis



- Exclusive cooperation agreement signed with Medis in 2022
- Supply, distribution, marketing and sales of remimazolam, angiotensin II and eravacycline
- Medis pays PAION a transfer price for the finished products

Viatrix



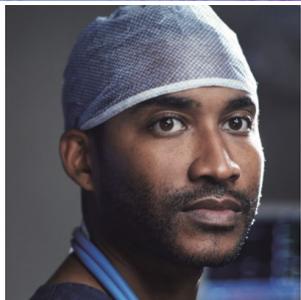
- **Exclusive cooperation agreement** with Viatrix signed in 2022
- Viatrix is responsible for the launch, marketing and commercial distribution of PAION's products in a total of 7 European markets, particularly in Southern Europe

Cristália (Latin America)



- Exclusive license agreement signed with Cristália in 2022
- Market approval expected in 2024
- Royalties 20%

Target groups: Physicians



The sedation experts: anaesthesiologists

- Safety oriented & specialist skillset
- Key person for the introduction of a new sedation drug,
- Decision-makers in favor of promoting remimazolam, very positive toward remimazolam.



The experts for interventions: gastroenterologists

- Focus on **gastroenterologists** due to the good data available
- Focused on the **successful completion** of the procedure
- **Autonomy in the selection and administration of sedation agents.**

"Anyone capable of sedating patients with midazolam, can sedate patients with remimazolam."

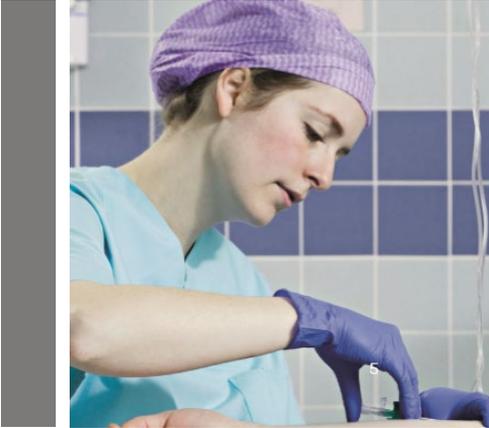
"I just love sedating with remimazolam. It's easy to use, and patients are awake and able to absorb information as soon as they wake up."

"Very fast recovery, and already awake before you come to rest."

"We need to position (angiotensin II) after epinephrine. We should stop increasing the dose of epinephrine and switch more quickly to second-line options."

Other key stakeholders

Specialized personnel



- Important part of the multidisciplinary team
- Responsible for the preparation and administration

Hospital Pharmacist



- Key decision makers for the inclusion of remimazolam in the drug lists
- Focus on medical and economic benefits

High-Level Payers



- Collaboration on market access and reimbursement
- Complex decision making per country

General anesthesia - target market IV market and critically ill patients

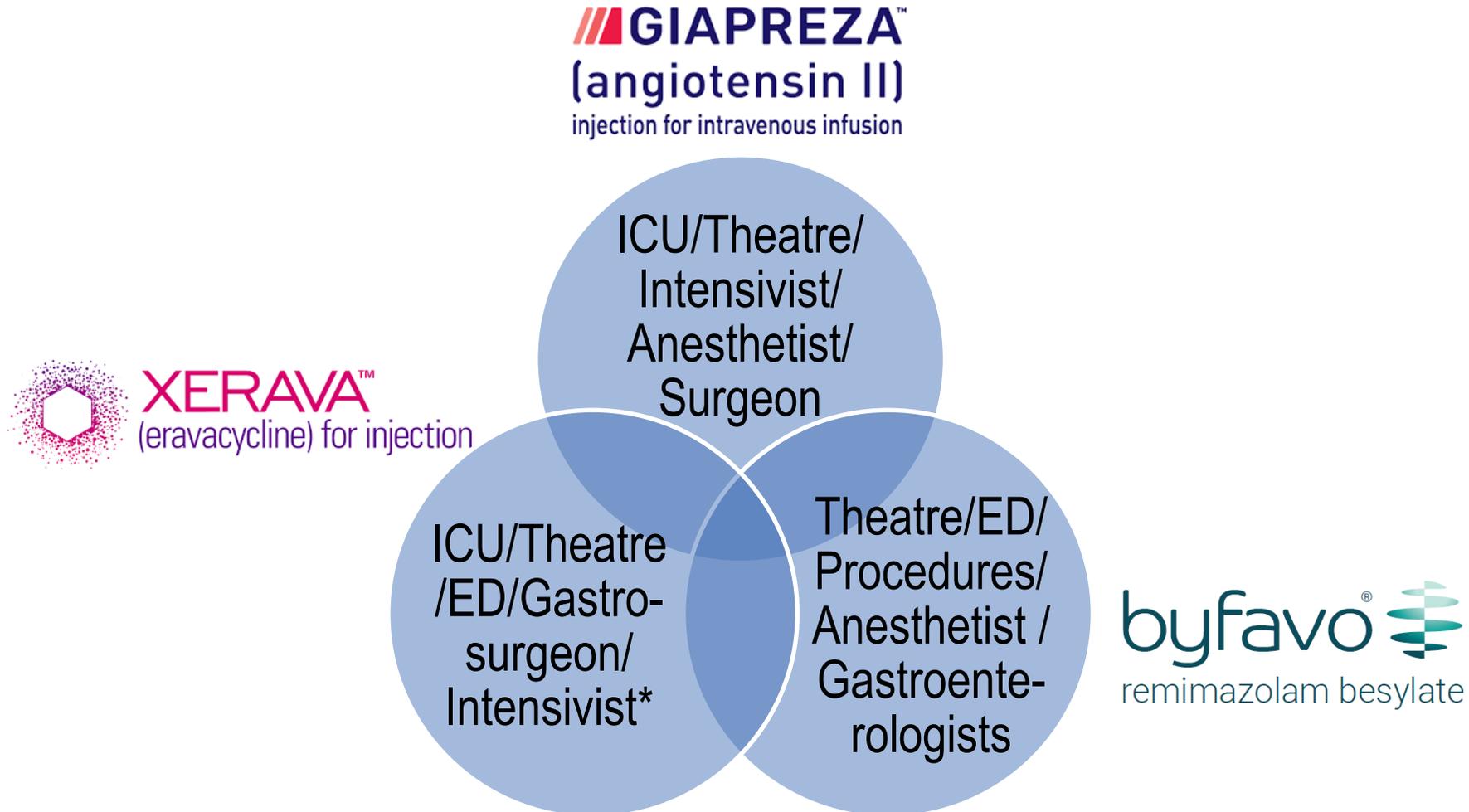
IV MARKET

- Concentration on the IV market
- Switching strategy from IV anesthetics (e.g., propofol) to remimazolam

PATIENT FOCUS

- Concentration on the IV market
- Focus on ASA III and IV patients.
 - Phase III studies conducted
- Integrated analysis shows hemodynamic benefit is more pronounced in sick patients

Strong overlap in accounts and target groups



* Other specialties key for formulary listing, eg Infectious disease, Hospital antimicrobial stewardship

PAION hosted a sponsored angiotensin II symposium at ISICEM in Brussels

42nd ISICEM International Symposium 2023 | 21-24 March 2023, Brussels, Belgium

Management of refractory distributive shock: new insights and practical aspects

Wednesday 22 March, 12.30-13.30 (CET)
400 Hall

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Chair: Professor Peter Pickkers

Insights into the ATHOS-3 trial and post hoc analyses	Professor Peter Pickkers (The Netherlands)
Refractory distributive shock in cardiac surgery patients	Professor Alexander Zarbock (Germany)
Practical perspectives for the management of refractory shock with vasopressors	Professor Arthur van Zanten (The Netherlands)
Q&A	All

Content will be available on demand after the event until March 2024. Refreshments will be provided.



RAAS ACTIVATION
MAP ELEVATION



Job code: EU-RH-0062
Date of preparation: February 2023

This symposium is organised and funded by PAION.
This symposium will contain promotional content and prescribing information will be available.
The product discussed in this symposium may not be licensed or available in all countries.

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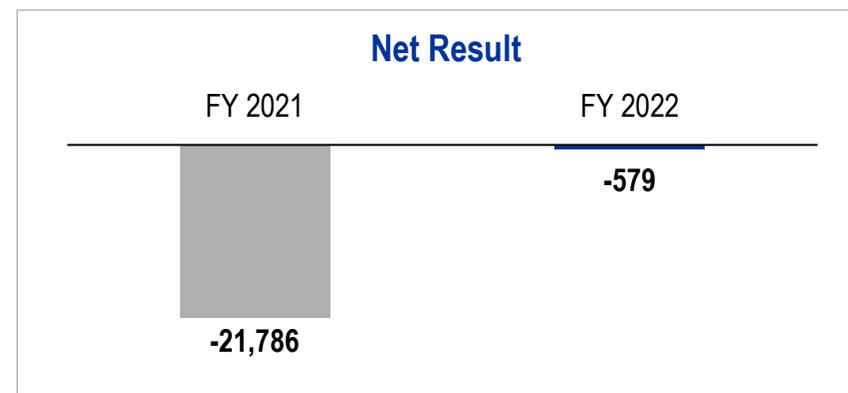
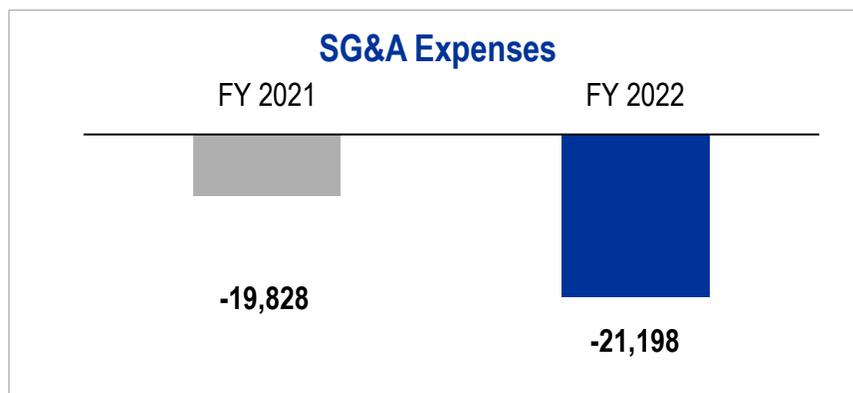
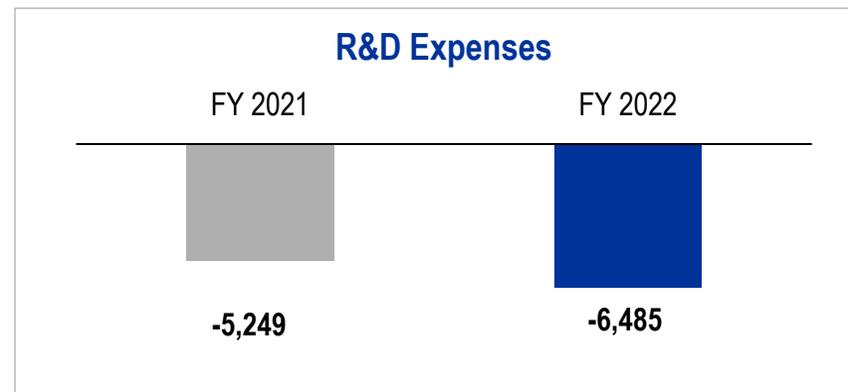
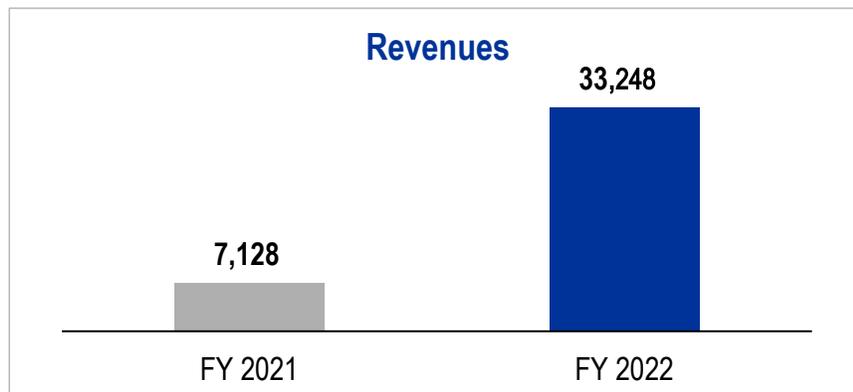
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Cash position and financing

- ✓ Cash of € 10.6m (as of 31 December 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 NDA
 - Further payments from launch
- ✓ Exclusive Distribution agreements with Viatris for selected markets in Southern Europe and with Medis for selected markets in Eastern Europe
- ✓ Additional funds required
 - Sufficient cash until end of 3rd Quarter 2023
 - Expected payments from revenues, potential financing and/or out-licensing
- ✓ PAION expects increasing revenues from licensing agreements and own commercialization in the coming years
- ✓ Financing needs of approx. € 30m until break-even
 - Will be raised through various financing measures and further partnerships
- ✓ Rigorous cost control and reduction

Consolidated statement of comprehensive income

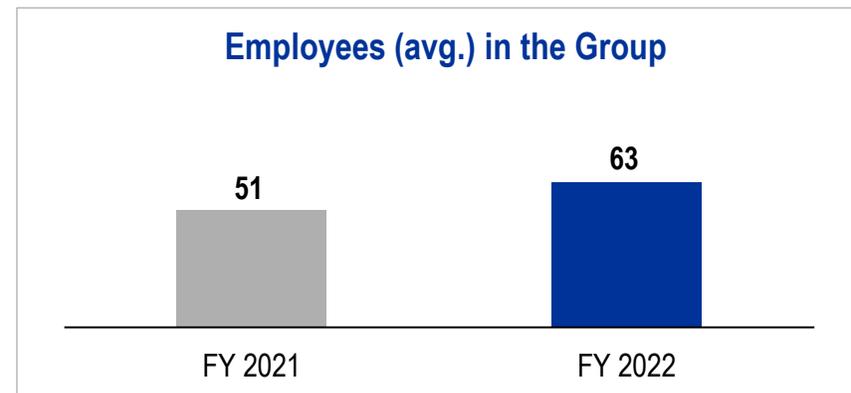
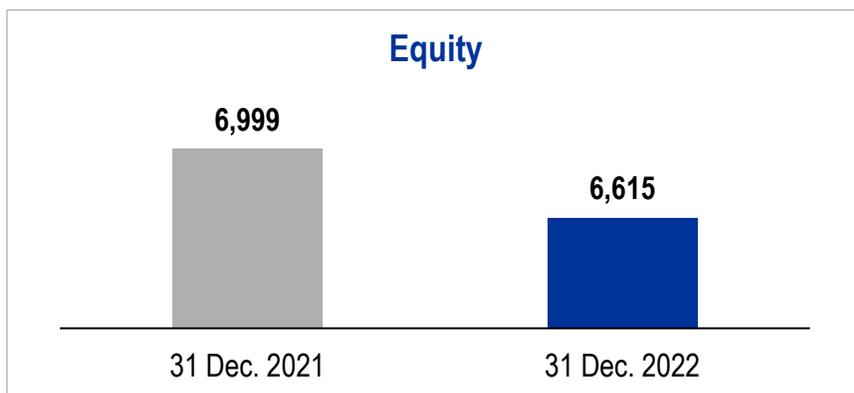
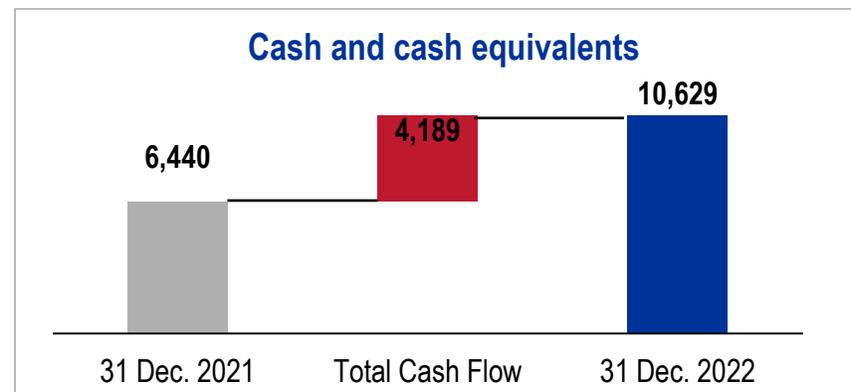
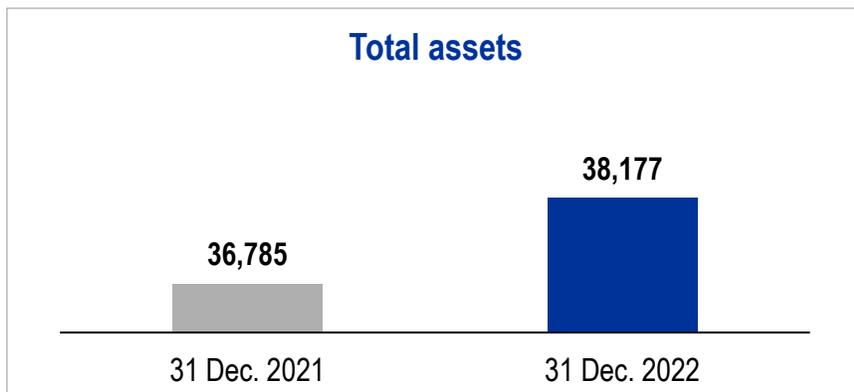
In accordance with IFRS (unaudited figures in EUR k)



- Revenues and Net Result mainly driven by China and Viatris deal
- SG&A expenses: Selling expenses increased mainly due to build-up of commercial activities

Consolidated balance sheet and employees

In accordance with IFRS (unaudited figures in EUR k, if not otherwise noted)



→ Equity ratio at 17.3% as of 31 December 2022

Financial Outlook 2023

Revenues

Low: 14 Mio. €; High: 19 Mio. €

EBIT

Low: -15 Mio. €; High: -10,5 Mio. €

Suitable Financing Concept progressing

- ✓ Extraordinary General Meeting 2023 in January approved the proposed capital reductions by redemption and consolidation of shares.
- ✓ EGM Resolutions were entered into the commercial register at the local court of Aachen on 14 March 2023.
- ✓ With regard to the option of financing through equity, the resolutions passed provide the necessary leeway for a possible capital increase in the future.
- Various financing options are considered up to break-even.



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