

THIS IS A CONVENIENCE TRANSLATION OF THE GERMAN INFORMATION ON THE TOTAL NUMBER OF SHARES AND VOTING RIGHTS OUTSTANDING WHICH IS PROVIDED TO SHAREHOLDERS FOR INFORMATIONAL PURPOSES ONLY. ONLY THE GERMAN VERSION OF THIS DOCUMENT IS LEGALLY BINDING ON PAION AG. NO WARRANTY IS MADE AS TO THE ACCURACY OF THIS TRANSLATION AND PAION AG ASSUMES NO LIABILITY WITH RESPECT THERETO.

Explanatory notes on shareholders' rights

The Executive Board has resolved, with the approval of the Supervisory Board, to hold the Annual General Meeting 2023 in accordance with section 118a of the German Stock Corporation Act in conjunction with section 26n (1) of the German Stock Corporation Act. § Section 26n (1) of the Introductory Act to the Stock Corporation Act (Einführungsgesetz zum Aktiengesetz) as a virtual Annual General Meeting without the physical presence of shareholders or their proxies (with the exception of the proxies appointed by the Company). The holding of the Annual General Meeting 2023 as a virtual Annual General Meeting will lead to modifications in particular in the procedures of the Annual General Meeting and in the rights of the shareholders.

We therefore ask our shareholders to pay particular attention to the following information this year.

1. Explanation of agenda item 1 and agenda item 5 in accordance with § 124a sentence 1 no. 2 Stock Corporation Act (AktG)

No resolution is planned or necessary for agenda item 1, as the Supervisory Board has approved the annual financial statements and consolidated financial statements prepared by the Executive Board for fiscal year 2022 in accordance with sections 171 and 172 of the German Stock Corporation Act (AktG) and the annual financial statements are thus adopted in accordance with section 172 of the AktG. The conditions under which the Annual General Meeting is required to resolve on the adoption of the annual financial statements pursuant to Section 173 (1) of the German Stock Corporation Act (AktG) are therefore not met.

No resolution is planned or necessary for agenda item 5 either. Under agenda item 5, the compensation report within the meaning of section 162 of the German Stock Corporation Act (AktG) for the fiscal year 2022 will be presented for discussion. In principle, the Annual General Meeting of a listed company resolves in accordance with § 120a (4) Stock Corporation Act on the approval of the compensation report for the previous fiscal year prepared and audited in accordance with § 162 Stock Corporation Act. However, in the case of listed companies that qualify as small or medium-sized companies within the meaning of Section 267 (1) and (2) of the German Commercial Code (HGB), a resolution on the remuneration report may be dispensed with if the remuneration report for the previous fiscal year is presented for discussion at the Annual General Meeting as a separate agenda item. Since PAION AG is a medium-sized corporation within the meaning of Sec. 267 (2) HGB, the remuneration report will be presented for discussion under its own agenda item 5 of the Annual General Meeting in accordance with Sec. 120a (5) German Stock Corporation Act, so that a resolution is not required.

2. Explanatory Notes on Shareholders' Rights Pursuant to Section 121 (3) No. 3 of the German Stock Corporation Act (AktG)

Request for addition to the agenda

Shareholders whose shares together amount to one-twentieth of the capital stock or the pro rata amount of the capital stock of EUR 500,000.00 may, in accordance with Section 122 (2) AktG, demand that items be placed on the agenda and published.

Each new item must be accompanied by a statement of reasons or a draft resolution. Requests for amendments must be addressed in writing to the Management Board of PAION AG and must be received by the Company at least 30 days prior to the Annual General Meeting, i.e. by the end of June 11, 2023, 24:00 hours CEST, at the following address:

PAION AG
Management Board
Heussstrasse 25
52078 Aachen

The applicants must prove that they have held the shares for at least 90 days prior to the date of receipt of the request and that they will hold the shares until the Executive Board's decision on the request. Section 70 AktG shall apply to the calculation of the shareholding period.

Motions and election proposals

Shareholders or their proxies have the opportunity to submit to the Company before the Annual General Meeting countermotions to proposals by the Executive Board and Supervisory Board on specific agenda items in accordance with section 126 (1) AktG and election proposals for the election of Supervisory Board members or auditors in accordance with section 127 AktG. Countermotions must be accompanied by a statement of grounds; no statement of grounds is required for election proposals.

Countermotions and election proposals received by the Company at the address stated below by June 27, 2023, 24:00 hours CEST, will be published in accordance with sections 126 & 127 of the German Stock Corporation Act (AktG), including the name of the shareholder and any justifications, without undue delay after receipt on the internet at

<https://www.paion.com/de/medien-investoren/hauptversammlung>

made accessible to the public. Any comments by the administration will also be published at the above Internet address.

Countermotions and election proposals must be sent exclusively to the following address:

PAION AG
Investor Relations Department



Heussstrasse 25
52078 Aachen

E-mail: investor.relations@paion.com

Applications addressed otherwise will not be considered.

Counter motions and election proposals which are to be made available pursuant to sections 126 & 127 AktG are deemed to have been made at the time of publication pursuant to section 126 (4) AktG. The Company will publish counter motions and election proposals to be made accessible via the AGM shareholder portal at

<https://www.paion.com/de/medien-investoren/hauptversammlung>

to be put to the vote. Voting rights on counter motions and election proposals may be exercised after timely registration by the means described above. If the shareholder who has submitted the motion is not duly authorized and has not duly registered for the Annual General Meeting, the motion does not have to be dealt with at the Annual General Meeting.

Shareholders or their proxies who are connected electronically to the Annual General Meeting also have the right to submit motions and election proposals in the meeting by way of video communication as part of their right to speak (see the section below entitled "Right to speak").

Submission of comments

Properly registered shareholders or their proxies have the right to submit comments on the agenda items in text form pursuant to Section 130a (1) to (4) AktG. Comments may be submitted via the AGM shareholder portal on the website of PAION AG at

<https://www.paion.com/de/medien-investoren/hauptversammlung>

in accordance with the procedure provided for this purpose. How shareholders and their proxies can access the AGM shareholder portal is explained in the above section "Access to the AGM shareholder portal and electronic connection to the AGM".

Comments must be submitted no later than five days before the meeting, i.e. no later than July 06, 2023, 24:00 CEST.

Comments must be written in German and relate to the agenda of the Annual General Meeting. The length of comments in text form must not exceed 10,000 characters (including spaces).

Comments received on the agenda items will be published no later than four days prior to the Annual General Meeting, i.e. no later than on 07 July 2023, 24:00 CEST, on the AGM

shareholder portal, which is only accessible to properly registered shareholders or their proxies, on the website of PAION AG at

<https://www.paion.com/de/medien-investoren/hauptversammlung>

made available to the shareholders. By submitting the statement, the shareholder or his proxy agrees that the statement may be made available on the AGM shareholder portal, stating his name.

The Company will not publish statements under the conditions of Section 126 (2) sentence 1 no. 1, no. 3 or no. 6 AktG, i.e. in particular if they contain discriminatory, offensive or otherwise criminally relevant, obviously false or misleading content. Statements will also not be published if they do not relate to the agenda of the Annual General Meeting or exceed a length of 10,000 characters (including spaces).

Motions and election proposals, questions and objections to resolutions of the Annual General Meeting in the context of comments submitted in text form will not be considered at the Annual General Meeting. Motions and election proposals (see section "Motions and election proposals" above), the right to information (see section "Right to information" below) and objections to resolutions of the Annual General Meeting (see section "Statement of objections" below) may only be submitted via the channels described separately in this invitation.

Right to speak

Shareholders or their proxies who are electronically connected to the Annual General Meeting have the right to speak at the meeting via video communication. From the beginning of the Annual General Meeting, the AGM shareholder portal on the website of PAION AG at

<https://www.paion.com/de/medien-investoren/hauptversammlung>

A virtual request to speak table is accessible via the "Request to speak" button, which shareholders or their proxies can use to register their speech. How shareholders and their proxies can access the AGM shareholder portal is explained in the above section "Access to the AGM shareholder portal and electronic connection to the AGM".

Shareholders or their proxies who have registered to speak via the virtual registration table will be activated for their speech on the AGM shareholder portal. The Company reserves the right to check the functionality of the video communication between the shareholder or proxy and the Company prior to the speech and to reject the speech if the functionality is not ensured. The minimum technical requirements for making a speech via video communication are an Internet-capable terminal with camera and microphone. Further details on the procedures and technical requirements for speaking contributions are published on PAION AG's website at



<https://www.paion.com/de/medien-investoren/hauptversammlung>

made available to the shareholders. The chairman of the meeting will also explain the procedure for requesting and speaking in more detail at the Annual General Meeting.

The right to speak also includes in particular the right to propose motions and nominations in accordance with section 118a (1) sentence 2 no. 3 AktG and to request information in accordance with section 131 (1) AktG (see the section below entitled "Right to information").

Right to information

Pursuant to Section 131 (1) of the German Stock Corporation Act (AktG), each properly registered shareholder or his proxy must be provided with information by the Executive Board on the Company's affairs at the Annual General Meeting upon request, insofar as the information is necessary for the proper assessment of an item on the agenda and there is no right to refuse to provide information. The Executive Board's duty to provide information also extends to the Company's legal and business relations with affiliated companies and to the situation of the Group and the companies included in the consolidated financial statements. The right to information also includes the opportunity to ask questions about answers already provided by the Executive Board.

Information may be provided as determined by the chairman of the meeting exclusively by way of video communication at the Annual General Meeting, i.e. in the context of exercising the right to speak via the AGM shareholder portal on the website of PAION AG at

<https://www.paion.com/de/medien-investoren/hauptversammlung>

(please refer to the section "Right to speak" above). Requests for information cannot be made in any other way, either before or at the Annual General Meeting. § Section 131 (4) sentence 1 AktG stipulates that if a shareholder has been provided with information outside the Annual General Meeting on account of his capacity as a shareholder, this information must be provided to any other shareholder or his proxy at his request in the Annual General Meeting, even if it is not necessary for the proper assessment of the item on the agenda. Pursuant to Art. 131 par. 5 sentence 1 AktG, a shareholder who is refused information may request that his question and the reason for which the information was refused be recorded in the minutes of the meeting. In the context of the virtual Annual General Meeting, it is ensured that shareholders or their proxies who are electronically connected to the Annual General Meeting can submit their request in accordance with section 131 (4) sentence 1 AktG or section 131 (5) sentence 1 AktG by means of electronic communication via the AGM shareholder portal on the website of PAION AG at

<https://www.paion.com/de/medien-investoren/hauptversammlung>

in accordance with the procedure provided for this purpose at the Annual General Meeting.

Explanation of contradictions

Shareholders or their proxies who are electronically connected to the Annual General Meeting have the right to object to resolutions of the Annual General Meeting by means of electronic communication pursuant to Section 118a (1) sentence 2 no. 8 AktG. Objections can be submitted via the AGM shareholder portal on PAION AG's website at

<https://www.paion.com/de/medien-investoren/hauptversammlung>



be declared in accordance with the procedure provided for this purpose during the Annual General Meeting, i.e. from the opening of the Annual General Meeting until its closing. The notary public recording the minutes has authorized the Company to receive objections via the AGM shareholder portal. Incoming objections will be forwarded to the notary from the AGM shareholder portal without delay.

How shareholders and their proxies can access the AGM shareholder portal is explained in the above section "Access to the AGM shareholder portal and electronic connection to the AGM".