



PRESS RELEASE

PAION AG GRANTS LICENSE TO HANA PHARM FOR REMIMAZOLAM IN SOUTH KOREA

- PAION receives EUR 1 million upfront payment
- Potential milestone payments of up to EUR 2 million
- 10% royalties

Aachen (Germany), 28 October 2013 – PAION AG (ISIN DE000A0B65S3; Frankfurt Stock Exchange General Standard: PA8) and Hana Pharmaceutical Co., Ltd, South Korea, today announced that they have entered into a license agreement for Remimazolam which gives Hana Pharm an exclusive licence for the development, manufacture and commercialization in the territory of South Korea.

By concluding the license PAION receives upfront payments totalling EUR 1 million. These consist of payment for the option in the amount of EUR 0.3 million (received in July 2013), and EUR 0.7 million are due by today's signing of the license agreement. In addition, potential milestone payments of up to EUR 2 million and 10% royalties on sales in the South Korean market have been agreed.

Hana Pharm will manage and finance the development and marketing approval process in South Korea. Hana Pharm intends to market Remimazolam in all indications with the lead indication anaesthesia and with an expected launch of Remimazolam in 2016.

Dr. Wolfgang Söhngen, Chief Executive Officer of PAION AG, stated: *„With Hana Pharm we have found a partner with high expertise in anaesthesia products in South Korea. With the high quality and scientific strength of our partner, we see good chances to participate in one of the most important markets in Asia.”*

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About PAION

PAION AG is a publicly-listed biotech company headquartered in Aachen, Germany with a second site in Cambridge, UK. The company has a track record in developing hospital-based treatments for which there is substantial unmet medical need. PAION AG is transforming its business model from a pure development company to a specialty pharmaceutical company with a focus on anaesthesia products to take advantage of the unique profile of its main compound, Remimazolam.

About Hana Pharm

Since founded in 1996, Hana Pharm has been manufacturing various medicines that are strongly needed by customers, like intravenous

anaesthetics and narcotic analgesics. Hana Pharm is continuing to invest in R&D and production facilities in order to comply with global standards.

About Remimazolam

Remimazolam is an innovative short-acting general anaesthetic/sedative. Due to its short duration of action and good controllability, it has a preferable efficacy and safety profile relative to other currently marketed anaesthesia compounds. The rapid offset of Remimazolam's effect is due to its metabolism by tissue esterase enzymes that are widely distributed throughout the body.

Remimazolam has potential in three indications:

- Procedural sedation
- General anaesthesia
- ICU sedation

Remimazolam is available for licensing outside Japan, China and South Korea, where the compound is partnered with Ono Pharmaceutical, Yichang Humanwell and Hana Pharm.

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