



CORPORATE NEWS

PAION GRANTS EXCLUSIVE LICENSE TO TTY BIOPHARM FOR DEVELOPMENT AND COMMERCIALIZATION OF REMIMAZOLAM IN TAIWAN

- EUR 1.1 million upfront payment to PAION
- Supply of drug product at a percentage of net selling price

Aachen (Germany), 05 March 2021 – PAION AG, a specialty pharma company (ISIN DE000A0B65S3; Frankfurt Stock Exchange Prime Standard: PA8), and TTY Biopharm Company Limited (“TTY”) today announce that they have entered into a license agreement for remimazolam with PAION granting TTY an exclusive license for the development and commercialization of PAION’s lead drug candidate, remimazolam, in Taiwan.

Under the terms of the agreement, TTY has the right and obligation to further develop remimazolam in all indications in Taiwan with PAION’s support. TTY will bear all cost for market authorization and distribution.

PAION will receive a EUR 1.1 million upfront payment and will supply drug product at a percentage of the net selling price in Taiwan with minimum supply price guarantees.

Dr. Jim Phillips, CEO of PAION AG, commented: *“We are excited to have TTY as our partner for remimazolam in Taiwan. They have an impressive track record in the Taiwanese pharmaceutical market with a growing and successful presence in the hospital setting, especially critical care. We look forward to collaborating to make the regulatory filing, approvals and market launch in the coming months.”*

TTY’s CEO, Mr. Chun-Liang Shih stated: *“PAION is a specialty pharmaceutical company dedicated to the development of innovative drugs in the fields of anesthesia and critical care. Remimazolam, developed by PAION, has been approved in many countries and is a promising medicine for physicians and patients. PAION’s vision aligns with that of TTY’s. Thus, we anticipate that our collaboration with PAION will provide a meaningful contribution to anesthesia and critical care.”*

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About remimazolam

Remimazolam is an ultra-short-acting intravenous benzodiazepine sedative/anesthetic. In the human body, remimazolam is rapidly metabolized to an inactive metabolite by tissue esterases and is not metabolized by cytochrome-dependent hepatic pathways. Like other benzodiazepines, remimazolam can be reversed with flumazenil to rapidly terminate sedation or anesthesia if necessary. Data so far indicate that remimazolam has a rapid

onset and offset of action combined with a favorable cardio-respiratory safety profile.

Remimazolam is approved in the U.S. and China for procedural sedation and in Japan and South Korea for general anesthesia. In Europe, PAION submitted a Marketing Authorization Application (MAA) to the European Medicines Agency (EMA) in procedural sedation in November 2019.

In addition to procedural sedation and general anesthesia, based on positive Phase II study results, ICU sedation is another possible indication for remimazolam.

Remimazolam is partnered in the U.S. (brand name BYFAVO™) with Acacia Pharma, in Japan (brand name Anerem®) with Mundipharma, in China (brand name Ruima®) with Yichang Humanwell, in Canada with Pharmascience, in Russia/CIS, Turkey and the MENA region with R-Pharm, in South Korea (brand name BYFAVO™) and Southeast Asia with Hana Pharm and in Taiwan with TTY Biopharm. For all other markets excluding parts of Europe, remimazolam is available for licensing.

About TTY Biopharm

Established in 1960, TTY Biopharm Company Limited, a publicly listed pharmaceutical company, has transformed in the last fifty years from a production- and sales-oriented generic manufacturing facility into a development- and marketing-focused company of branded generics. With unending self-renovation and transformation, TTY is utilizing the experience, technology, and relationship network accumulated over the decades to redefine itself as a biotech company focusing on developing special formulations and novel drugs. Its mission is to improve the quality of human life with scientific innovation. Additional information can be found at <http://eng.tty.com.tw/>.

About PAION

PAION AG is a publicly listed specialty pharmaceutical company focused on developing and commercializing innovative drugs for out-patient and hospital-based sedation, anesthesia and critical care services. PAION's lead compound is remimazolam, an intravenous, ultra-short-acting and controllable benzodiazepine sedative/anesthetic. Remimazolam is partnered in multiple territories outside of Europe. Remimazolam is approved in the U.S. and China for procedural sedation and in Japan and South Korea for general anesthesia.

In Europe, PAION is seeking approval of Byfavo® (remimazolam) for general anesthesia and for procedural sedation. In January 2021, the European Medicines Agency's Committee for Medicinal Products for Human Use (CHMP) recommended approval of Byfavo® in procedural sedation. It is planned to commercialize Byfavo® once approved in Europe together with GIAPREZA™, a vasoconstrictor 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, and XERAVA™ for the treatment of complicated intra-abdominal infections in adults.

PAION's mission is to be a leading specialty pharmaceutical company in the fields of anesthesia and critical care by bringing novel products to market to benefit patients, doctors and other stakeholders in healthcare.

PAION is headquartered in Aachen (Germany) with an additional site in Cambridge (United Kingdom).

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Disclaimer:

This release contains certain forward-looking statements concerning the future business of PAION AG and TTY. These forward-looking statements contained herein are based on the current expectations, estimates and projections of PAION AG' and TTY's management as of the date of this release. They are subject to a number of assumptions and involve known and unknown risks, uncertainties and other factors. Should actual conditions differ from the companies' assumptions, actual results and actions may differ materially from any future results and developments expressed or implied by such forward-looking statements. Considering the risks, uncertainties and other factors involved, recipients should not rely unreasonably upon these forward-looking statements. PAION AG and TTY has no obligation to periodically update any such forward-looking statements to reflect future events or developments.