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Notes on the authorization of a representative or the proxies of the Company for the virtual Annual General Meeting on July 12, 2023

Dear shareholders,

As you can see from our invitation to the virtual Annual General Meeting, shareholders can also have their voting rights exercised at the virtual Annual General Meeting by a proxy, for example a bank, an intermediary (Section 67a (4) AktG), a shareholders' association or another third party, after granting the appropriate power of attorney. In addition, PAION AG also offers its shareholders the option of being represented at the virtual Annual General Meeting by proxies appointed by the Company who are bound by instructions.

1. power of attorney to a third party

Shareholders may also have their voting rights exercised by a proxy, for example a bank, an intermediary (Section 67a (4) AktG), a shareholders' association or another third party. However, the proxy may likewise only exercise the shareholder's rights by way of (electronic) absentee voting or by issuing a (sub)power of attorney to third parties (including the Company's proxies).

Even in the case of a proxy, proper and timely registration and submission of proof of share ownership are required, as explained in the invitation to the Annual General Meeting under III. 1 and 3.

If you wish to be represented by a third party, please proceed as follows:

Pursuant to Section 134 (3) sentence 3 of the German Stock Corporation Act, the granting of a proxy, its revocation and proof of authorization vis-à-vis the Company generally require text form (Section 126b of the German Civil Code) if no proxy is granted pursuant to Section 135 of the German Stock Corporation Act. A proxy form that can be used for this purpose can be found on the access cards sent to shareholders and is available at

<https://www.paion.com/media-and-investors/annual-general-meeting>

available for download.

To receive your access card for the virtual Annual General Meeting of PAION AG on July 12, 2023, please register for the Annual General Meeting via your depository bank. Your access card will then be provided to you. As soon as you have received your access card, please fill in the proxy form (see further information under section 3), conclude this e.g. with your signature or otherwise in accordance with section 126b of the German Civil Code (BGB) and hand over your access card together with the proxy to the authorized representative. Please also proceed in the same way if you use the proxy form provided on the website of paion AG. When authorizing proxies to exercise voting rights pursuant to Section 135 of the German Stock Corporation Act (granting proxies to intermediaries, voting advisors, shareholders' associations or persons acting in a businesslike manner), the proxy must record the proxy declaration in a verifiable manner. The declaration of proxy must be complete and may only contain declarations associated with the exercise of voting rights. In such cases, shareholders should consult with the proxy about the form of the proxy.

If you authorize more than one person, the Company may reject one or more of them.

For organizational reasons, the proof of authorization must be received by the Company from the shareholder or the relevant proxy at the address given in section 2 below by no later than the end of Tuesday, July 11, 2023, 24:00 hours (CEST). The time of receipt by the Company shall be decisive for compliance with the deadline.

It is expected that from June 21, 2023 proxies can also be issued, amended or revoked via the internet-based AGM shareholder portal.



On the day of the virtual Annual General Meeting, proxies can only be issued, amended or revoked via the Internet-based AGM shareholder portal.

2. power of attorney to the proxies of the Company

PAION AG offers its shareholders the opportunity to be represented at the virtual Annual General Meeting by proxies appointed by the Company and bound by instructions.

Proxies for the Company-nominated proxies bound by instructions may be issued in writing, by e-mail or otherwise in text form (see address data below). For the transmission of the authorization to the proxies of the Company by e-mail, the authorization and instruction form transmitted together with the access card and completed accordingly may be used in electronic form as an attachment (if possible in the file formats "PDF"- or "TIF"). Proper and timely registration and submission of proof of share ownership in the form described above are also required in the case of authorization of proxies. The proxies appointed by the Company are only available to exercise voting rights, but not to exercise any other rights. The proxies will therefore not accept any instructions to speak, request information, propose motions or nominations, or to declare objections to resolutions of the Annual General Meeting.

The proxies of the Company are obligated by the power of attorney to exercise the voting right on the agenda items exclusively in accordance with the instructions of the shareholder. The proxies have no discretionary powers of their own in exercising voting rights. If instructions are not issued, are not completed correctly or are not issued clearly, the Company's proxies will abstain from voting on the relevant agenda items.

A form that can be used to authorize and instruct the Company's proxies will be sent to shareholders together with the access cards and is also available on the Company's website at

<https://www.paion.com/media-and-investors/annual-general-meeting>

available for download.

For organizational reasons, the power of attorney and the instructions for the proxies appointed by the Company must be received by the Company at the following address by the end of Tuesday, July 11, 2023, 24:00 hours (CEST), in the case of transmission by mail or e-mail:

PAION AG
c/o BADER & HUBL GmbH
Friedrich-List-Strasse 4a
70565 Stuttgart, Germany
E-mail: hauptversammlung@baderhubl.de

Alternatively, the proxies of the Company may also be authorized and instructed via the internet-based AGM shareholder portal. Proxies and instructions issued via the AGM shareholder portal to the proxies appointed by the Company must be issued by no later than the time specified by the chairman of the meeting in connection with the voting. Proxies may also be revoked or instructions changed up to this point in time. In order to use the AGM shareholder portal, the required log-in data printed on the access card (access card number and PIN) are required. Shareholders can access the portal via the following website:

<https://www.paion.com/media-and-investors/annual-general-meeting>

If motions and/or nominations for election subject to notification have been received from shareholders for the agenda of our Annual General Meeting, you can find their wording on the internet at

<https://www.paion.com/media-and-investors/annual-general-meeting>

view

If voting rights are exercised in due time by several means of transmission (letter, e-mail, electronically via the AGM shareholder portal or pursuant to Section 67c (1) and (2) sentence 3 AktG in conjunction with Article 2 (1) and (3) and Article 9 (4) of the Implementing Regulation ((EU) 2018/1212)) by postal vote or proxy and, if applicable, instructions are issued, these will be taken into account in the following order regardless of the time of receipt:

1. electronically via the AGM shareholder portal,
2. pursuant to Section 67c (1) and (2) sentence 3 AktG in conjunction with Article 2 (1) and (3) and Article 9 (4) of the Implementing Regulation ((EU) 2018/1212),
3. by e-mail and
4. by letter.

If several absentee ballots or proxies and instructions are received by the same means of transmission within the specified period, the declaration received last shall be binding.

If declarations with more than one form of voting right exercise are received by the same means of transmission, the following shall apply: Postal votes shall have priority over the granting of power of attorney and, if applicable, instructions to the proxies of the Company.

In the event that an individual vote is held on an agenda item instead of a collective vote, the absentee vote or instruction cast on this agenda item shall apply accordingly to each item of the individual vote.

3. power of attorney forms

The access card contains a form for granting proxy to a third party and a proxy and instruction form for granting proxy and instructions to the proxies appointed by the Company. Corresponding forms will also be made available to shareholders on the internet at

<https://www.paion.com/media-and-investors/annual-general-meeting>

made available to shareholders. In accordance with section 48 (1) no. 5 WpHG, the forms will be sent to shareholders free of charge upon request.

With kind regards

PAION AG
The Board