

**ANNOUNCEMENT TO BE MADE BY THE AIM APPLICANT PRIOR TO ADMISSION IN ACCORDANCE WITH RULE 2 OF THE AIM RULES FOR COMPANIES (“AIM RULES”)**

COMPANY NAME:

Paion AG

COMPANY REGISTERED OFFICE ADDRESS AND IF DIFFERENT, COMPANY TRADING ADDRESS (INCLUDING POSTCODES) :

Martinstrasse 10 – 12, 52062 Aachen, Germany

COUNTRY OF INCORPORATION:

Germany

COMPANY WEBSITE ADDRESS CONTAINING ALL INFORMATION REQUIRED BY AIM RULE 26:

[www.paion.de](http://www.paion.de)

COMPANY BUSINESS (INCLUDING MAIN COUNTRY OF OPERATION) OR, IN THE CASE OF AN INVESTING COMPANY, DETAILS OF ITS INVESTING STRATEGY). IF THE ADMISSION IS SOUGHT AS A RESULT OF A REVERSE TAKE-OVER UNDER RULE 14, THIS SHOULD BE STATED:

PAION is a biopharmaceutical company based in Aachen, Germany, specializing in developing and commercializing innovative drugs for the treatment of diseases for which there is a substantial unmet medical need.

The company intends to build an integrated portfolio of drugs by exploiting its core expertise in identifying high-potential compounds, licensing or otherwise acquiring them and advancing them through the clinical development and regulatory approval process.

Historically, PAION focused on the treatment of stroke and other thrombotic diseases, diseases caused by the obstruction of a blood vessel by a blood clot. After granting an exclusive global license of its lead compound Desmoteplase to Lundbeck in January 2008, PAION started to implement an adapted strategy. On 10 April 2008, PAION announced that it intends to acquire the UK company CeNeS Pharmaceuticals plc. The acquisition is expected to be completed in June 2008 and would allow PAION to broaden its pipeline with several drug candidates in the field of central nervous system (CNS) disorders. In addition, PAION recently purchased all rights to the anticoagulant Flovagatran from UK-based Trigen Ltd.

The application for shares to be traded on AIM is as a result of the acquisition of CeNeS pharmaceuticals (AIM listed) by Paion AG.

PAION is listed at the Frankfurt Stock Exchange (Prime Standard Regulated Market, Stock Symbol PA8, ISIN DE000A0B65S3).

In the first quarter of 2008, PAION employed on average 51 people.

**DETAILS OF SECURITIES TO BE ADMITTED INCLUDING ANY RESTRICTIONS AS TO TRANSFER OF THE SECURITIES** (i.e. where known, number and type of shares, nominal value and issue price to which it seeks admission and the number and type to be held as treasury shares):

Up to 24,605,552 ordinary no-par value bearer shares

**CAPITAL TO BE RAISED ON ADMISSION (IF APPLICABLE) AND ANTICIPATED MARKET CAPITALISATION ON ADMISSION:**

No capital is to be raised on admission; this is a dual listing arising from Paion's acquisition of CeNeS pharmaceuticals.

Market capitalisation is expected to be c. €38.0m, based upon the acquisition of CeNeS (£9.9m) and the current market capitalisation of Paion (€25.5m)

**PERCENTAGE OF AIM SECURITIES NOT IN PUBLIC HANDS AT ADMISSION:**

c. 5.1%

**DETAILS OF ANY OTHER EXCHANGE OR TRADING PLATFORM TO WHICH THE AIM SECURITIES (OR OTHER SECURITIES OF THE COMPANY) ARE OR WILL BE ADMITTED OR TRADED:**

Frankfurt Stock Exchange; Prime Standard

**FULL NAMES AND FUNCTIONS OF DIRECTORS AND PROPOSED DIRECTORS** (underlining the first name by which each is known or including any other name by which each is known):

Dr. Wolfgang Söhngen, Chief Executive Officer

Alexander Vos, Chief Operating Officer

Dr Mariola Söhngen, Chief Medical Officer

Bernhard Hofer, Chief Financial Officer

Dr Gavin Kilpatrick, Chief Scientific Officer

**FULL NAMES AND HOLDINGS OF SIGNIFICANT SHAREHOLDERS EXPRESSED AS A PERCENTAGE OF THE ISSUED SHARE CAPITAL, BEFORE AND AFTER ADMISSION** (underlining the first name by which each is known or including any other name by which each is known):

<b>Holder Name</b>	<b>% Old</b>	<b>% New</b>
<u>Varuma</u> AG	8.8%	6.0%
<u>Innoven</u> Partenairs S.A.	5.7%	3.9%
<u>3i</u> Group	5.0%	3.4%
<u>Merrill Lynch</u> & Co, Inc.	4.8%	3.3%
<u>Barclays</u> Global Investors Ltd. (UK)	0.0%	3.2%
Dr <u>Mariola</u> Söhngen	3.9%	2.6%
<u>Gartmore</u> Investment Ltd.	0.0%	2.6%
Dr Wolfgang Söhngen	3.5%	2.4%
Omega Fund Management	3.3%	2.3%

**NAMES OF ALL PERSONS TO BE DISCLOSED IN ACCORDANCE WITH SCHEDULE 2, PARAGRAPH (H) OF THE AIM RULES:**

TBC

- (i) ANTICIPATED ACCOUNTING REFERENCE DATE
- (ii) DATE TO WHICH THE MAIN FINANCIAL INFORMATION IN THE ADMISSION DOCUMENT HAS BEEN PREPARED (this may be represented by unaudited interim financial information)
- (iii) DATES BY WHICH IT MUST PUBLISH ITS FIRST THREE REPORTS PURSUANT TO AIM RULES 18 AND 19:

(i) Anticipated accounting reference date: 31<sup>st</sup> December  
(ii) Financial information in the admission document prepared up to: 31<sup>st</sup> December 2007  
(iii) As Paion is a German company it will continue to report on a quarterly basis so the next three reporting dates will be:

30 September 2008 – Interims to June 2008  
30 June 2009 – Final results to December 2008  
30 September 2009 – Interims to June 2009

**EXPECTED ADMISSION DATE:**

25<sup>th</sup> June 2008

**NAME AND ADDRESS OF NOMINATED ADVISER:**

Landsbanki Securities (UK) Ltd, Beaufort House, 15 St. Botolph Street, London, EC3A 7QR, UK

**NAME AND ADDRESS OF BROKER:**

Landsbanki Securities (UK) Ltd, Beaufort House, 15 St. Botolph Street, London, EC3A 7QR, UK

**OTHER THAN IN THE CASE OF A QUOTED APPLICANT, DETAILS OF WHERE (POSTAL OR INTERNET ADDRESS) THE ADMISSION DOCUMENT WILL BE AVAILABLE FROM, WITH A STATEMENT THAT THIS WILL CONTAIN FULL DETAILS ABOUT THE APPLICANT AND THE ADMISSION OF ITS SECURITIES:**

The Admission Document will be available from the offices of Landsbanki Securities (UK) Ltd, Beaufort House, 15 St. Botolph Street, London, EC3A 7QR, UK

**DATE OF NOTIFICATION:**

11<sup>th</sup> June 2008

**NEW/ UPDATE:**

New