

Press Release



PAION closes financing round with €9.8 million

Aachen (Germany), 24 May 2004 - PAION GmbH, a biopharmaceutical company with a focus on stroke, announced today that it has raised €9.8 million in its fourth financing round bringing total funding to €51.1 million since its creation in 2000.

Innoven Partenaires, a French venture capital firm who also manages the French Post Office high-tech venture funds, led the financing round. A second new investor, OTC Asset Management, Paris/F as well as existing investors, such as 3i Group, Duesseldorf/D, Genevest S.A., Geneva/CH, Neomed Innovation, Oslo/N, S-VC, Aachen/D and PAION's private investors from Switzerland, UK and the US also participated in this financing round.

At the end of 2003, PAION completed a Phase II clinical study in acute ischaemic stroke with its lead product Desmoteplase with very promising results. PAION intends to use the newly acquired funds specifically to prepare for and initiate the required pivotal trials while it has sufficient time to select a partner for the further development and marketing of Desmoteplase. Proceeds will also be used to scale up the production of Desmoteplase to commercial scale.

Dr. Roland Cohen, Managing Partner of Innoven commented: *"We were really impressed with PAION's innovative approach to stroke therapy as it is such a highly unmet need area. The achievements of the management team together with the market potential for acute stroke and the positive Phase II results made this investment very attractive to us."*

Dr. Wolfgang Soehngen, CEO of PAION commented, *"The continuing high level of interest that we are receiving from investors and potential top tier biotech and pharma partners together with the very attractive company valuation are a clear endorsement of our lead product Desmoteplase and our business strategy to build an integrated stroke portfolio. We expect to sign an agreement with a*

partner for Desmoteplase in the near future and thereby support its further development”.

Desmoteplase and Stroke

Desmoteplase is a first in a new class of neuroprotective plasminogen activators, which possesses high fibrin selectivity and was detected in the saliva of the vampire bat *Desmodus rotundus*. The results of the recently completed Phase II clinical study exceeded PAION’s expectations both with respect to safety and efficacy. Desmoteplase is the first agent to have shown that patients can be treated up to 9 hours after stroke onset with a superior safety margin when compared to other products in previous studies – thus dramatically increasing the time available for brain salvage.

Stroke is the third leading cause of death in Europe and the USA – behind heart disease and cancer. The treatment of acute stroke and its serious long-term disabilities currently presents an extensive unmet medical need. The only drug approved for the treatment of acute ischaemic stroke (alteplase, rt-PA) must be administered within three hours after the onset of stroke symptoms.

PAION GmbH

PAION GmbH, a biopharmaceutical company based in Aachen, Germany, was founded in 2000. It is specialised in the development of innovative therapeutic products for the treatment of stroke. With core competencies in clinical development and international drug registration, PAION is ideally equipped to successfully launch and develop an emerging portfolio of stroke products. An experienced international management team and the support of leading investors are the basis for rapid growth and the fulfilment of PAION’s vision to become the “PAIONeer in Stroke”.

Innoven Partenaires

Innoven Partenaires is a Paris-based, independent venture capital firm with more than €100 million under management. Since 2001, Innoven Partenaires has been managing the high-tech venture funds of the French Post Office «LA POSTE». It has a family of eleven funds invested in high-growth European companies developing breakthrough technologies in life sciences and information technologies.

OTC Asset Management

OTC Asset management – founded in 2001 – is part of Tocqueville Finance, one of the most profitable independent portfolio management firms in France. OTC manages three funds investing in innovative companies in the high-tech, communication, and life science sectors, in France and other European countries.

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