

CO.DON AG signs term sheet with Haemo Pharma GmbH for the distribution of Spherox in Austria

Berlin / Teltow, 13 June 2018 – As announced yesterday, CO.DON AG is in final stage negotiations talks with Haemo Pharma GmbH concerning the distribution in Austria of Spherox, a cell-based pharmaceutical for which central EU marketing authorisation has been granted. The parties signed a final term sheet on 12 June 2018 governing the key elements of their planned collaboration and a distribution agreement that has still to be finalised on this basis. If the distribution agreement is signed, CO.DON AG is expecting to receive contractually agreed cash flows on a sliding annual scale. Haemo Pharma GmbH is intended to be the exclusive distribution partner for Spherox in Austria. CO.DON will remain responsible for certain agreed activities and will support Haemo Pharma GmbH throughout the entire distribution phase. The Executive Board sees the signing of the term sheet as an important step for further EU-wide market development and so the implementation of the company's strategy.

Ralf Jakobs, CEO of CO.DON AG: "We are proud to have found Haemo Pharma GmbH, an experienced and competent partner for the Austrian market, in such a short time. Our aim is only to establish our outstanding product in countries which enable sensible pricing from an earnings perspective and which ensure the reimbursement of costs going forward. The talks we had on this topic in Austria were conducted very quickly and with great efficiency. After relatively brief negotiations we have secured a tangible monetary result for our product, also in anticipation of the expected governmental reimbursement of expenses. In Haemo Pharma GmbH we have a partner with a very good market position, with whom we can develop a long-term relationship. In addition, the Austrian market should be the starting point for opening up selected eastern European markets, where we will also be looking for distribution partners."

CO.DON AG develops, produces and markets autologous cell therapies for the minimally-invasive repair of cartilage damage in the knee joint following traumatic or degenerative defects. Spherox is a cell therapy product that uses only the patient's own cartilage cells ("autologous chondrocytes"). The treatment has been used in over 200 clinics to treat more than 12,000 patients. The company received EU marketing authorisation for Spherox in July 2017. The shares in CO.DON AG are listed on the Frankfurt Stock Exchange (ISIN: DE000A1K0227). Executive Board: Ralf M. Jakobs.

Further information is available from www.codon.de

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