

## Santhera Receives Financing Commitment of up to CHF 20 Million from Fund Managed by Highbridge Capital Management

- Transaction provides up to CHF 20.0 million in near-term liquidity
- Financing provides funding runway to advance DMD-franchise with Puldysa® and vamorolone

Pratteln, Switzerland, June 4, 2020 – Santhera Pharmaceuticals (SIX: SANN) announces that it has entered into a commitment letter for a financing facility providing for the issuance of senior secured exchangeable notes to an investment fund managed by Highbridge Capital Management, LLC, an existing investor in the Company. The financing instrument would make available up to CHF 20.0 million in near-term liquidity to Santhera and is expected to provide a runway to advance value-enhancing development and pre-commercialization activities for the neuromuscular compounds Puldysa® and vamorolone.

“This financing will immediately improve Santhera’s liquidity and allow us to pursue our operational plans past important inflection points,” commented **Dario Eklund, Chief Executive Officer of Santhera**. “In combination with our existing cash and cash equivalents, we believe this financing will provide the Company with sufficient funding to complete regulatory work for Puldysa®, including the CHMP review, and with the achievement of Company milestones, advance the pipeline into early 2021.”

Under the financing instrument, the Santhera may borrow up to an aggregate amount of CHF 20.0 million through the issuance of senior secured exchangeable notes. The Company expects to draw down the first tranche of borrowing in the amount of CHF 7.5 million in late June 2020, with additional tranches being available upon the achievement of certain milestones. In connection with this agreement, Santhera has also agreed to issue 300,000 shares of the Company, as consideration for the commitment and utilization of the financing, with 75,000 of such shares being issued upon signing of the commitment. The notes have a maximum term of 18 months and will pay a fixed interest, which Santhera can pay in cash at a rate of 12% per annum or in kind at a rate of 13% per annum. Subject to certain restrictions, Highbridge may elect to exchange notes for Company shares. Also, Santhera has an option to redeem the notes in shares under certain circumstances.

“We are pleased to be able to provide this facility and thereby further increase our investment in Santhera,” commented **Jonathan Segal, Highbridge Capital Management**. “We look forward to continuing to work collaboratively with Santhera’s management team and board.”

The parties have entered into a commitment letter. Funding is subject to certain conditions, covenants and documentation.

### About Santhera

Santhera Pharmaceuticals (SIX: SANN) is a Swiss specialty pharmaceutical company focused on the development and commercialization of innovative medicines for rare neuromuscular and pulmonary diseases with high unmet medical need. Santhera is building a Duchenne muscular dystrophy (DMD)

product portfolio to treat patients irrespective of causative mutations, disease stage or age. A marketing authorization application for Puldysa® (idebenone) is currently under review by the European Medicines Agency. Santhera has an option to license vamorolone, a first-in-class anti-inflammatory drug candidate with novel mode of action, currently investigated in a pivotal study in patients with DMD to replace standard corticosteroids. The clinical stage pipeline also includes lonodelestat (POL6014) to treat cystic fibrosis (CF) and other neutrophilic pulmonary diseases, as well as omigapil and an exploratory gene therapy approach targeting congenital muscular dystrophies. Santhera out-licensed ex-North American rights to its first approved product, Raxone® (idebenone), for the treatment of Leber's hereditary optic neuropathy (LHON) to Chiesi Group. For further information, please visit [www.santhera.com](http://www.santhera.com).

*Raxone® and Puldysa® are trademarks of Santhera Pharmaceuticals.*

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