

English convenience translation of the authoritative German version.

Invitation to the Annual General Meeting of Shareholders (AGM)

Tuesday, June 27, 2023, 10:00 a.m.

Haus der Wirtschaft, Hardstrasse 1, 4133 Pratteln, Switzerland

Agenda (Overview)

1. **Approval of the Annual Report, Annual Financial Statements and the Consolidated Financial Statements 2022**
2. **Appropriation of the Annual Result and Offset of Deficit**
3. **Consultative Vote on the Compensation Report 2022**
4. **Discharge of the Members of the Board of Directors and of the Executive Management from Liability for the Financial Year 2022**
5. **Reverse Share Split**
6. **Capital Range and Amendment to the Articles of Incorporation**
7. **Conditional Capital for Financing Purposes and Amendment to the Articles of Incorporation**
8. **Conditional Capital for Employee Participations and Amendment to the Articles of Incorporation**
9. **Election and Re-Election of Members of the Board of Directors and Re-Election of the Chairman of the Board**
10. **Election and Re-Election of the Members of the Compensation Committee**
11. **Approval of the Compensation of the Members of the Board of Directors**
12. **Approval of the Compensation of the Members of the Executive Management**
13. **Re-election of the Statutory Auditors**
14. **Re-election of the Independent Proxy**

Agenda Items, Motions and Explanations

1. Approval of the Annual Report, Annual Financial Statements and the Consolidated Financial Statements 2022

Motions

The Board of Directors proposes to approve the Annual Report, the Annual Financial Statements and the Consolidated Financial Statements for the 2022 financial year.

Explanations

According to Swiss law and the Company's Articles of Incorporation, the annual report, the annual financial statements and the consolidated financial statements have to be submitted to the shareholders. The Annual Report 2022, the Financial Statements and the Consolidated Financial Statements for the fiscal year 2022 are available for inspection at <https://www.santhera.com/investors-and-media/investor-toolbox/financial-reports>.

2. Appropriation of the Annual Result and Offset of Deficit

Motion

The Board of Directors proposes to approve the offset of the annual loss for 2022 and the losses carried forward, i.e. CHF 48,894,758 in aggregate, with voluntary reserves.

Explanations

According to Swiss law and the Company's Articles of Incorporation, the general meeting of shareholders resolves on the appropriation of available earnings or the accumulated loss. Swiss mandatory law requires that accumulated losses be offset with, among other things, free reserves. Therefore, the Board of Directors seeks approval of the offset of the Company's accumulated losses with the other voluntary reserves (free reserves).

In CHF	2022	2021
Other voluntary reserves (free reserves)	114,994,714	95,664,714
Mandatory offset of accumulated losses	-48,894,758	0
Other voluntary reserves (free reserves) to be carried forward	66,099,956	95,994,714

3. Consultative Vote on the Compensation Report 2022

Motion

The Board of Directors proposes to approve the Compensation Report 2022 in a non-binding consultative vote.

Explanations

In compliance with Article 25 of the Articles of Incorporation and the recommendations of the Swiss Code of Best Practice for Corporate Governance, the Board of Directors submits the Compensation Report 2022 to the AGM for a non-binding consultative vote. The Compensation Report 2022 covers the fundamentals of the compensation for the members of the Board of Directors and of the Executive Management as well as the compensation paid to them during the financial year 2022. The compensation report is available as part of the 2022 Annual Report for inspection at <https://www.santhera.com/investors-and-media/investor-toolbox/financial-reports>.

4. Discharge of the Members of the Board of Directors and of the Executive Management from Liability for the Financial Year 2022

Motions

(a) Discharge of the Members of the Board of Directors

The Board of Directors proposes to grant discharge from liability to the members of the Board of Directors for their activities during the financial year 2022.

(b) Discharge of the Members of the Executive Management

The Board of Directors proposes to grant discharge from liability to the members of the Executive Management for their activities during the financial year 2022.

Explanations

According to Swiss law and the Company's Articles of Incorporation, the general meeting of shareholders is competent to discharge the members of the Board of Directors and the Executive Management from liability.

5. Reverse Share Split

(a) Ordinary Capital Increase for the Implementation of the Reverse Share Split

Motions

The Board of Director proposes, in case that the AGM approves the proposal of the Board of Directors under agenda item 5(b), an ordinary capital increase as follows:

- (1) The share capital of the Company shall be increased by up to CHF 0.09 by issuing up to 9 fully paid-in registered shares with a nominal value of CHF 0.01 each.
- (2) The issue price shall be CHF 0.01 and shall be paid in cash.
- (3) The shareholders' subscription rights are hereby excluded. The Board of Directors is authorized to

allocate subscription rights to some or all shareholders or to third parties, to the Company or to one of its group companies for the purpose of rounding up the Company's share capital up to a whole multiple of CHF 0.10.

- (4) The new shares shall be entitled to dividends as from the date of their issuance and shall be subject to the restrictions on transferability in accordance with Article 5 of the Articles of Incorporation.

Explanations

The Board of Directors proposes a reverse share split (share consolidation) in the ratio of 10:1, as further explained under agenda item 5(b) below. For this purpose, the number of issued shares of the Company at the time of consummation of the reverse share split must be divisible by 10, and the share capital of the Company must be a whole multiple of CHF 0.10, being the nominal value per share after the reverse share split. As the Company's share capital is not a whole multiple of CHF 0.10 as of the date hereof and may further change until the date of implementation of the reverse share split, the Board of Directors proposes to increase the Company's share capital by issuing up to 9 registered shares at a nominal value of CHF 0.01 each.

According to Swiss law and the Articles of Incorporation, the proposed ordinary capital increase requires approval by two thirds of the votes represented at the AGM. If the shareholders approve this motion 5(a) but not motion 5(b) below, the Board of Directors will not consummate the ordinary capital increase resolved pursuant to this motion 5(a), and such resolution will lapse six months after the date of the AGM. If the shareholders approve motion 5(b) but not motion 5(a), the Company may not be able to implement the reverse share split.

(b) Reverse Share Split and Amendment of Articles of Incorporation

Motions

The Board of Directors proposes

- (1) a reverse share split (consolidation of shares) in the ratio of 10:1, as a result of which each holder of 10 (ten) registered shares of the Company with a nominal value of CHF 0.01 each (each a **Pre-Consolidation Share**), as held immediately prior to the effectiveness of the reverse share split, will receive 1 (one) new registered share of the Company with a nominal value of CHF 0.10 each (each a **Post-Consolidation Share**),
- (2) to amend Article 3 (*Share Capital*) of the Company's Articles of Incorporation accordingly,
- (3) if the AGM does not approve the proposals of the Board of Directors under agenda item 6 (*Capital Range and Amendment to the Articles of Incorporation*), to amend Article 3a (*Authorized Capital*) of the Articles of Incorporation such that the authorized share capital is reduced to the next whole multiple of CHF 0.10 and that it provides for the issuance of Post-Consolidation Shares,
- (4) if the AGM does not approve the proposal of the Board of Directors under agenda item 7 (*Conditional Capital for Financing Purposes and Amendment to the Articles of Incorporation*), to amend Article 3c (*Conditional Capital for Financings, Mergers and Acquisitions*) of the Company's Articles of Incorporation such that it provides for the issuance of Post-Consolidation Shares and its respective amount is rounded down to the next whole multiple of CHF 0.10, and
- (5) if the AGM does not approve the proposal of the Board of Directors under agenda item 8 (*Conditional Capital for Employee Participations and Amendment to the Articles of Incorporation*), to

amend Article 3b (*Conditional Capital for Employee Participations*) of the Company's Articles of Incorporation such that it provides for the issuance of Post-Consolidation Shares and its respective amount is rounded down to the next whole multiple of CHF 0.10.

Explanations

The Board of directors proposes a reverse share split (share consolidation) in the ratio of 10:1 in order to increase the nominal value per share and, ceteris paribus, the market price per share on the SIX Swiss Exchange. The reverse share split should make the Company's shares more attractive to a broader range of investors, as the current market price of the shares may affect the shares' acceptability to certain institutional investors, professional investors and other members of the investing public.

As a result of the reverse share split, the number of issued shares will decrease to 10% of the prior number of shares, resulting in a higher expected share price. The nominal value of the shares will at the same time increase from CHF 0.01 to CHF 0.10, while the share capital will remain the same.

The proposed reverse share split could only be implemented if the number of Pre-Consolidation Shares immediately prior to completion is divisible by 10. Therefore, the Company may not be able to consummate the reverse share split if the ordinary capital increase in motion 5(a) is not approved.

*Only whole Post-Consolidation Shares will be "allotted" to holders of Pre-Consolidation Shares. Any remaining number of Pre-Consolidation Shares between 1 and 9 that shareholders may hold will be rounded down for operational efficiency and transaction security reasons. The resulting fractions will be compensated and the affected shareholders will receive a cash compensation in CHF at a fixed price (the **Fractional Share Compensation**), being the volume-weighted average price (VWAP) of the Pre-Consolidation Shares for three trading days preceding the ex date of the reverse share split. The Fractional Share Compensation will be financed by the Company and/or by the sale of excess Post-Consolidation Shares remaining due to the rounding down. The Company expects the ex date for the reverse share split to be at the beginning of July 2023.*

The Board of Directors proposes in agenda items 6, 7 and 8 the introduction of a capital range or the replacement of the existing conditional capital for financing purposes or employee participations, respectively, in which the reverse share split is already reflected. In case that the AGM approves the reverse share split but rejects the proposals of the Board of Directors in agenda items 6, 7 or 8, the Board of Directors proposes to reflect the reverse share split in the existing Articles 3a, 3b and 3c of the Articles of Incorporation. This is the objective of items (3) to (5) of the motion 5(b) of the Board of Directors.

According to Swiss law, the proposed reverse share split requires approval by two thirds of the votes represented at the AGM.

Shareholders will be informed separately by their own custody bank about the implementation of the reverse share split. Further information, including a list of frequent questions and answers, is available at <https://www.santhera.com/investors-and-media/investor-toolbox/share-bondholder-meetings>.

6. Capital Range and Amendment to the Articles of Incorporation

Motions

The Board of Directors proposes

- (1) the introduction of a capital range from CHF 630,000.00 (lower limit) to CHF 1,860,000.00 (upper

limit) as replacement of the existing authorized share capital (Article 3a of the Articles of Incorporation); the Board of Directors shall be authorized to increase or reduce the share capital within the capital range once or several times and in any amounts or to acquire or dispose of shares directly or indirectly, until June 26, 2028, or until an earlier expiry of the capital range; and

- (2) to replace Article 3a of the Articles of Incorporation by a new Article 3a* and to introduce a new Article 3b* in the Articles of Incorporation, all as set out in the Annex;

effective as of the completion of the reverse share split according to agenda item 5(b).

* In case that the AGM does not approve the reverse share split according to agenda item 5(b), the Board of Directors will amend its proposal regarding this agenda item 6 so that the new Article 3a provides for the issuance of up to 60,411,555 fully paid-in registered shares with a nominal value of CHF 0.01 each or the cancellation of up to 62,588,445 registered shares with a nominal value of CHF 0.01 each, respectively, and the new Article 3b provides for the issuance of up to 60,411,555 fully paid-in registered shares with a nominal value of CHF 0.01 each and that both Articles shall enter into force immediately. The individual instructions of the shareholders to the independent proxy regarding the exercise of voting rights shall also apply to a proposal of the Board of Directors potentially amended as described.

Explanations

As of January 1, 2023, the revised Swiss corporate law became effective and the instrument of the authorized share capital was replaced with that of a capital range. Generally, a capital range may authorize the board of directors of a company to increase or reduce the share capital within a certain range – maximum permissible range being 150 % (upper limit) to 50 % (lower limit) – of the share capital registered in the commercial register at the time the capital range is introduced. The authorization is limited by law to five years. The general meeting of shareholders has the right to restrict or cancel the subscription rights of the shareholders directly, or it may delegate this right to the board of directors, provided that the reasons for the restriction or cancellation of the subscription rights are specified in the articles of incorporation.

The capital range provides the Board of Directors with a flexible instrument enabling it, among other things, to decrease the Company's share capital or to issue, without delay, new shares for financing purposes at a moment favorable to the Company.

The Board of Directors proposes to replace the existing authorized capital in Article 3a of the Company's Articles of Incorporation with a capital range in accordance with the revised Swiss corporate law. The Board of Directors proposes to introduce a capital range that enables the Board of Directors to increase or decrease the share capital of the Company by means of issuing or canceling new shares within the range of 50.2% to 148.1% of the share capital currently registered in the commercial register for a period of five years without an additional vote of the shareholders. As under the previous authorized capital, the Board of Directors shall have the right to restrict or cancel shareholders' subscription rights in the event of an issue of shares within the capital range. The reasons for the restriction or cancellation of subscription rights are largely the same as under the previous authorized capital.

The Board of Directors further proposes the introduction of an Article 3b in the Company's Articles of Incorporation, which would authorize the Board of Directors to use conditional capital within the capital range. Subject to the rules on the conditional capital under Swiss statutory law, the Board of Directors may issue rights or agree on obligations to subscribe and purchase shares up to the limit of the capital range. If and to the extent that financial instruments granting such rights or imposing such obligations

are outstanding, the amount of the capital range available for additional capital increases is reduced accordingly.

The capital range and the new Articles 3a and 3b of the Articles of Incorporation shall enter into force upon completion of the reverse share split. In case that the AGM rejects the reverse share split, the Board of Directors will amend its proposal regarding this agenda item 6 as described above so that the shareholders will also be able to vote on the capital range in this case. The individual instructions of the shareholders to the independent proxy regarding the exercise of voting rights shall also apply to a proposal of the Board of Directors potentially amended as described.

According to Swiss law, the resolution of the general meeting to introduce a capital range as proposed by the Board of Directors in this agenda item 6 requires approval by two thirds of the votes represented at the AGM.

7. Conditional Capital for Financing Purposes and Amendment to the Articles of Incorporation

Motion

The Board of Directors proposes to replace the existing conditional capital for financings purposes in Article 3c of the Articles of Incorporation by a new conditional capital for financings, mergers and acquisitions in the amount of CHF 550,000.00 in Article 3d* of the Articles of Incorporation as set out in the Annex, and effective upon completion of the reverse share split according to agenda item 5(b).

* In case that the AGM does not approve the reverse share split according to agenda item 5(b), the Board of Directors will amend its proposal regarding this agenda item 7 so that the new Article 3d provides for the issuance of up to 55,000,000 fully paid-in registered shares with a nominal value of CHF 0.01 each, effective immediately. The individual instructions of the shareholders to the independent proxy regarding the exercise of voting rights shall also apply to a proposal of the Board of Directors potentially amended as described.

Explanations

Currently, the conditional capital for financing purposes amounts to CHF 298,886.87. In this agenda item 7, the Board of Directors proposes to replace the conditional capital for financing purposes by a new, increased conditional capital for such purposes. Such conditional capital would be used, as the existing conditional capital, as underlying for existing or new share delivery obligations of the Company, which otherwise have to be covered by shares from other sources. If approved, the new conditional capital according to Article 3d of the Articles of Incorporation would correspond to around 43.8% of the Company's share capital registered in the commercial register as of the date hereof.

The conditional capital for financing purposes and the new Article 3d of the Articles of Incorporation shall be effective upon completion of the reverse share split. In case that the AGM rejects the reverse share split, the Board of Directors will amend its proposal regarding this agenda item 7 as described above so that the shareholders will also be able to vote on this conditional capital in this case. The individual instructions of the shareholders to the independent proxy regarding the exercise of voting rights shall also apply to a proposal of the Board of Directors potentially amended as described.

According to Swiss law, the resolution of the general meeting to replace the conditional capital for financing purposes as proposed by the Board of Directors in this agenda item 7 requires approval by two thirds of the votes represented at the AGM.

8. Conditional Capital for Employee Participations and Amendment to the Articles of Incorporation

Motion

The Board of Directors proposes to replace the existing conditional capital for employee participation in Article 3b of the Articles of Incorporation by a new conditional capital for employee participation in the amount of CHF 55,730.00 in Article 3c* of the Articles of Incorporation as set out in the Annex, and effective upon completion of the reverse share split according to agenda item 5(b).

* In case that the AGM does not approve the reverse share split according to agenda item 5(b), the Board of Directors will amend its proposal regarding this agenda item 8 so that the new Article 3c provides for the issuance of up to 5,573,000 fully paid-in registered shares with a nominal value of CHF 0.01 each, effective immediately. The individual instructions of the shareholders to the independent proxy regarding the exercise of voting rights shall also apply to a proposal of the Board of Directors potentially amended as described.

Explanations

The Board of Directors proposes to replace the conditional capital for employee participations by a new, increased conditional capital for such purposes. Such conditional capital would be at the level that it had immediately after the AGM in 2021. If approved, the new conditional capital according to Article 3c of the Articles of Incorporation would correspond to around 4.4% of the Company's share capital registered in the commercial register as of the date hereof.

The conditional capital for employee participations and the new Article 3c of the Articles of Incorporation shall be effective upon completion of the reverse share split. In case that the AGM rejects the reverse share split, the Board of Directors will amend its proposal regarding this agenda item 8 as described above so that the shareholders will also be able to vote on this conditional capital in this case. The individual instructions of the shareholders to the independent proxy regarding the exercise of voting rights shall also apply to a proposal of the Board of Directors potentially amended as described.

According to Swiss law, the resolution of the general meeting to replace the conditional capital for employee participations as proposed by the Board of Directors in this agenda item 8 requires approval by two thirds of the votes represented at the AGM.

9. Election and Re-Election of Members of the Board of Directors and Re-Election of the Chairman of the Board

Motions

(a) Re-election of Thomas Meier to the Board of Directors and as Chairman of the Board of Directors

The Board of Directors proposes the re-election of Thomas Meier as a member and as Chairman of the Board of Directors until the end of the 2024 AGM.

(b) Re-election of Philipp Gutzwiller to the Board of Directors

The Board of Directors proposes the re-election of Philipp Gutzwiller as a member of the Board of Directors until the end of the 2024 AGM.

(c) Election of Bradley C. Meyer to the Board of Directors

The Board of Directors proposes the election of Bradley C. Meyer as member of the Board of Directors until the end of the 2024 AGM.

(d) Election of Otto Schwarz to the Board of Directors

The Board of Directors proposes the election of Otto Schwarz as member of the Board of Directors until the end of the 2024 AGM.

Explanations

The members and the Chairman of the Board of Directors will have to be elected individually. The term of office of all members of the Board of Directors will end at this year's AGM. Patrick Vink has decided not to stand for re-election to the Board of Directors. All other members of the Board of Directors stand for re-election. Thomas Meier is proposed for re-appointment as chairman of the Board of Directors. His experience provides crucial support to the management, in particular as the Company is moving towards a first launch of vamorolone in the USA.

Furthermore, the Board of Directors nominates Bradley C. Meyer and Otto Schwarz for election to the Board. As announced by Santhera on February 28, 2023, Santhera has agreed with funds managed by Highbridge Capital Management, LLC, in connection with a financing to nominate Bradley C. Meyer as a new member of the Board of Directors for election at the 2023 AGM. Currently, Bradley C. Meyer acts as a board observer of the Board of Directors.

***Bradley C. Meyer** has acted as a board observer of Santhera's Board since March 2023. He is the founding partner of and a senior advisor at Ducera Partners and has vast experience in M&A, financial and other advisory services. He was a founding member of Millstein & Co and previously, the managing director of Perella Weinberg Partners, with core competencies in finance and advisory services. From 2003 to 2012 Bradley C. Meyer was a member of the financial restructuring group of Houlihan Lokey. Previous work experience includes Lazard as a member of the M&A group. He is a graduate of Harvard University and currently serves on the board of directors of Aveng Group and Quotent.*

***Otto Schwarz**, PhD, is the former COO of Actelion Pharmaceuticals Ltd (2008-2017). He is a pharmacist and holds a PhD from the University of Vienna and was a post-doc at the University of Florida. Currently he is Managing Director of Conventus Consulting, Switzerland. Prior to Actelion, he was Executive Board Member of Altana Pharma, Germany (2004-2008) and before that spent 16 years at Schering-Plough and 4 years at Eli Lilly. He is currently on the board of privately held Stalicia, Lausanne and has been a board member of Kiadis Pharma AB/Netherlands and Chairman of the Board of Arvelle Therapeutics/Netherlands until the sale of both companies in 2021. He also served for 3 years as member of the foundation board of the MAX7 Foundation/Germany. As of July 1, 2023, Otto Schwarz will act as an advisor to the management of Idorsia Pharmaceuticals Ltd, Santhera's largest shareholder.*

10. Election and Re-Election of the Members of the Compensation Committee

Motions

(a) Re-election of Thomas Meier as member of the Compensation Committee

The Board of Directors proposes the re-election of Thomas Meier as a member of the Compensation Committee until the end of the 2024 AGM.

(b) Election of Bradley C. Meyer as member of the Compensation Committee

The Board of Directors proposes the election of Bradley C. Meyer as member of the Compensation Committee until the end of the 2024 AGM.

Explanations

The members of the Compensation Committee will have to be elected individually by the AGM. Only members of the Board of Directors are eligible. It is intended that Bradley C. Meyer will be appointed as Chairman of the Compensation Committee.

11. Approval of the Compensation of the Members of the Board of Directors

Motions

The Board of Directors proposes the approval of a maximum total amount of fixed compensation of the Board of Directors of CHF ~~710,000~~ 1,100,000 (excl. employer contributions to social security) until the 2024 AGM.

Explanations

The Board of Directors proposes to increase the number of directors from currently three to four. The proposals with respect to the compensation for the members of the Board of Directors reflects this enlargement of the Board of Directors.

In case of approval of the proposed total compensation of the Board of Directors by the AGM, the Board of Directors plans to compensate the chairmanship and the membership of the Board of Directors, and its Committees as follows:

Function	Compensation (CHF)*	Number	Total (CHF)*
Chairman of the Board of Directors	180,000	1	180,000
Member of the Board of Directors	115,000	4	460,000
Chairman of the Audit Committee	30,000	1	30,000
Member of the Audit Committee	10,000	1	10,000
Chairman of the Compensation Committee	20,000	1	20,000
Member of the Compensation Committee	10,000	1	10,000
Total			710,000

** excluding employer contributions to social security*

The total compensation of CHF 710,000 (excluding legally required employer's contributions to social security) would be paid at a minimum of 50% in the form of restricted shares and the remainder in cash fees. The value of the restricted shares represents a market value that takes into account the following elements, among others: Share price on the day of the AGM, vesting on the day before the 2024 AGM and thereafter a restriction period until June 26, 2026, during which the restricted shares may generally not be sold. Members of the Board of Directors may elect to receive up to 100% of their compensation in the form of restricted shares.

The table below sets out the approved maximum compensation for the Board of Directors for the period

from the 2022 AGM to the 2023 AGM, the estimated actual compensation for the same period and the proposed maximum compensation for the period from the 2023 AGM to the 2024 AGM.

	Proposed AGM 2023 - 2024	Approved AGM 2022 – AGM 2023	Paid/payable AGM 2022 – AGM 2023
<i>Board fees (CHF) cash</i>			240,000
<i>Board fees (CHF) elected to be received as RSU</i>	355,000	312,500	0
<i>Board fees (CHF) mandatory RSU portion</i>	355,000	312,500	240,000
<i>Total ordinary compensation (CHF)</i>	710,000	625,000	480,000
<i>Extraordinary compensation (CHF)¹</i>	390,000	0	0
<i>Total compensation (CHF)</i>	1,100,000	625,000	480,000

¹ The amount includes an amount for Restricted Share Units for the attraction of new Board members on a one-time basis based upon 75% of the normalized total annual compensation.

12. Approval of the Compensation of the Members of the Executive Management

Motions

(a) Fixed Compensation of the Members of the Executive Management for 2024

The Board of Directors proposes the approval of a maximum total amount of fixed compensation of the members of the Executive Management for the period from January 1, 2024 to December 31, 2024 of CHF 3,300,000 (incl. employer contributions to social security and pension plans).

(b) Variable Compensation of the Members of the Executive Management for 2022 (Cash Gratification)

The Board of Directors proposes a variable compensation for the financial year 2022 for the Executive Management in the maximum total amount of CHF 800,000 (incl. employer contributions to social security and pension plans).

(c) Variable Compensation of the Members of the Executive Management for 2023

The Board of Directors proposes a variable compensation for the financial year 2023 for the Executive Management in the maximum total amount of CHF 2,400,000 (incl. employer contributions to social security and pension plans).

Explanations

According to Article 25 of the Articles of Incorporation, the maximum fixed compensation of the Executive Management must be approved in each case for the following year, i.e. for the period from January 1 to

December 31, 2024. In addition, the Board of Directors must submit for approval any variable compensation of the Executive Management for the previous year, i.e., for the period from January 1 to December 31, 2022.

(a) Fixed Compensation of the Members of the Executive Management for 2024

At the 2022 AGM, the maximum amount of CHF 2,950,000 was approved as fixed compensation for the Executive Management for 2023.

For the period from January 1, 2024 to December 31, 2024, the Board of Directors proposes a fixed compensation for the six members of the Executive Management of CHF 3,300,000 (incl. employer contributions to social security and pension plans). This amount has increased compared to the prior year in particular due to the expansion of the Executive Management from five to six members in 2022.

(b) Variable Compensation of the Members of the Executive Management for 2022 (Cash Gratification)

Santhera's variable compensation consists of the compensation elements of the short-term incentive plan (STI) in cash and the share-based long-term incentive plan (LTI).

The cash gratification is based on the achievement of corporate and individual objectives and the financial situation of the Company. Corporate objectives included the successful completion of a financing, achieving milestones to pursue the development of vamorolone as well as to prepare partnering of vamorolone in China.

Overall, Company targets were partially achieved. The Company completed the New Drug Application (NDA) submission to the FDA (with delay) and submitted the Marketing Authorization Application (MAA) to the EMA (on time) for vamorolone in DMD. The Company completed a capital increase of 60 million shares for financing and restructured milestone payments by USD 20 million. However, financing until approval was not achieved due to difficult market conditions and the delay of the US FDA filing.

The Board of Directors proposes a maximum cash bonus of CHF 800,000 (incl. social security contributions), which is below the cash bonus at target.

(c) Variable Compensation of the Members of the Executive Management for 2023

The Company's LTI provides for the grant of options, Share Appreciation Rights (SAR) and Performance Share Units (PSU).

The objective of the variable long-term remuneration is to align the executive management's long-term compensation with the strategy of Santhera. The Long-Term Incentive (LTI) program is designed to motivate eligible managers to ensure that their actions and decisions promote the achievement of the medium- and long-term value-based targets. Santhera seeks to align the interests of management and the Group with the interests of its shareholders beyond share price appreciation. In addition, the LTI program aims to strengthen the loyalty of its managers to Santhera, identification with the Company and motivation among its key talents to stay with the Company.

Based on Article 25 para. 2 of the Company's Articles of Incorporation, the Board proposes a variable compensation for the financial year 2023 for the Executive Management in the maximum total amount of CHF 2,400,000. The Company plans to issue stock options, SAR and PSUs to the currently six members of the Executive Management as an annual grant under the LTI program with an aggregate value of up to CHF 2,400,000. The Company plans to propose additional variable compensation for the financial year

2023 for the Executive Management to the 2024 AGM.

13. Re-election of the Statutory Auditors

Motion

The Board of Directors proposes the re-election of Ernst & Young AG, Basel, as auditors for another one-year term until the end of the 2024 AGM.

Explanations

According to Article 22 para. 2 of the Articles of Incorporation, the AGM shall elect the auditors for a term until the next AGM.

14. Re-election of the Independent Proxy

Motion

The Board of Directors proposes the re-election of Dr. Balthasar Settelen, Basel, as independent proxy until the end of the 2024 AGM.

Explanations

According to Article 13a of the Articles of Incorporation, the independent proxy is elected annually for a term until the end of the next AGM.

Pratteln, June 5, 2023

For the Board of Directors

Dr. Thomas Meier
Chairman

Organizational Remarks

Documents

The 2022 Annual Report, including the auditors' reports, can be downloaded from www.santhera.com/financial-reports.

Admission cards/voting materials

Shareholders registered in the share register with the right to vote as of June 19, 2023, at 5:00 p.m. CEST, will receive the invitation to the AGM and – upon request – the admission card and the voting materials. Shareholders selling their shares before the AGM will not be entitled to participate in the AGM.

Book closure period

The Company's share register will close on June 19, 2023, at 5:00 p.m. CEST, and will reopen on June 28, 2023, at 7:00 a.m. CEST.

Granting of Power of Attorney to the Independent Proxy

Shareholders may give proxy to the independent proxy (*unabhängiger Stimmrechtsvertreter*), **Dr. Balthasar Settelen**, Advokat, Centralbahnstrasse 7, P.O. Box 206, 4010 Basel, Switzerland, or to another shareholder entitled to vote. Proxy may be given by completing and returning the registration form for the admission card and voting material or by filling in the respective proxy form on the admission card. In the absence of specific instructions given to the independent proxy, the proxy form will provide that the independent proxy will be deemed to be instructed to vote in favor of the proposals of the Board.

Electronic remote votes by proxy and voting instructions to the independent proxy (Netvote)

Shareholders may participate in the votes and elections by giving instructions to the independent proxy electronically via <https://santhera.netvote.ch>. The required login information will be sent to shareholders together with the written documents for the Annual General Meeting. Changes to the electronically transferred instructions can be made until June 23, 2023, 11:59 a.m. CEST.

If you would like to receive the invitation to the AGM by e-mail in the future, you can select the option "Delivery method" on <https://santhera.netvote.ch>. The login details are printed on the enclosed reply form. You may change the dispatch method on <https://santhera.netvote.ch> at any time.

Venue

The Haus der Wirtschaft, Hardstrasse 1, 4133 Pratteln, Switzerland, is located about 15 minutes from Basel SBB railway station and about 40 minutes from Basel Airport (EuroAirport).

Admission

On the day of the meeting, the admission desk will open from 9:30 a.m. CEST. The language of the meeting will be German.

Proposed Amendments to the Articles of Incorporation (convenience translation)

6. Capital Range and Amendment to the Articles of Incorporation

Article 3a (current)	Article 3a (proposed)
<p>Authorized Share Capital</p> <p>The Board of Directors shall be authorized, including in connection with an intended takeover, at any time until November 28, 2024, to increase the share capital in an amount not to exceed CHF 468,606.87 through the issuance of up to 46,860,687 fully paid registered shares with a nominal value of CHF 0.01 each. Increases in partial amounts are permitted. The Board of Directors shall determine the issue price, the type of contribution, the date of issue, the conditions for the exercise of subscription rights and the beginning of the dividend entitlement. The Board of Directors may issue new shares by means of a firm underwriting through by bank, a banking syndicate or a third party and a subsequent offer to the existing shareholders (if the subscription rights of the existing shareholders have been cancelled or not duly exercised). The Board of Directors is entitled to permit, restrict or exclude the trade with subscription rights. It may permit subscription rights that have not been exercised to lapse or it may place such rights or shares in respect of which subscription rights have been granted, but not exercised, at market conditions or may use them otherwise in the interest of the Company.</p> <p>Subscription and acquisition as well as any transfer of the newly issued registered shares are subject to the transfer restrictions of Article 5 of these Articles of Incorporation.</p> <p>The Board of Directors is further authorized to cancel or restrict subscription rights of existing shareholders and allocate such rights to third parties, the Company or any of its affiliates, in the event that the shares are to be used:</p> <p>a) for the acquisition of companies, parts of companies or participations, for the acquisition of products, intellectual</p>	<p>Capital Range</p> <p>¹ The Company has a capital range ranging from CHF 630,000.00 (lower limit) to CHF 1,860,000.00 (upper limit). The Board of Directors shall be authorized within the capital range to increase or reduce the share capital once or several times and in any amounts or to acquire or dispose of shares directly or indirectly, until June 26, 2028, or until an earlier expiry of the capital range. The capital increase or reduction may be effected by issuing up to 6,041,155 fully paid-in registered shares with a nominal value of CHF 0.10 each and cancelling up to 6,258,845 registered shares with a nominal value of CHF 0.10 each, as applicable, or by increasing or reducing the nominal value of the existing shares within the limits of the capital range.</p> <p>² In the event of an issue of shares, the subscription and acquisition of the new shares as well as any subsequent transfer of the shares shall be subject to the restrictions pursuant to Article 5 of the Articles of Incorporation.</p> <p>³ In the event of a capital increase within the capital range, the Board of Directors shall, to the extent necessary, determine the issue price, the type of contribution (including cash contributions, contributions in kind, set-off and conversion of reserves or of profit carried forward into share capital), the date of issue, the conditions for the exercise of subscription rights and the beginning date for dividend entitlement. In this regard, the Board of Directors may issue new shares by means of a firm underwriting through a financial institution, a syndicate of financial institutions or another third party and a subsequent offer of these shares to the existing shareholders or third parties (if the subscription rights of the existing shareholders have been withdrawn or have not been duly exercised). The Board of Directors is entitled to permit, to</p>

<p>property rights or licenses or for investment projects, including the product development programs, or for the financing or refinancing of any of such transactions or investment projects through a placement of shares with one or more investors; or</p> <p>b) for purposes of involving strategic partners (including in the case of a public takeover offer) or for purposes of broadening the shareholder base in certain investor groups or markets or for purposes, or in connection with the listing of shares on domestic or foreign stock exchanges, including for purposes of delivering shares to the participating banks upon exercise of the over-allotment option; or</p> <p>c) for the participation or compensation of persons or companies performing services to the Company or any of its subsidiaries; or</p> <p>d) if the issue price of the new shares is determined by reference to the market price; or</p> <p>e) for raising equity capital in a fast and flexible manner through a share placement which would be difficult to achieve with subscription rights or would be possible only on substantially worse terms; or</p> <p>f) for the defense of an actual, threatened or potential takeover bid that the Board of Directors, upon consultation with an independent financial advisor, has not or will not recommend to the shareholders to accept, respectively, because the Board of Directors does not consider such takeover bid to be financially adequate towards the shareholders.</p>	<p>restrict or to exclude the trade with subscription rights. It may permit the expiration of subscription rights that have not been duly exercised, or it may place such rights or shares as to which subscription rights have been granted, but not duly exercised, at market conditions or may use them otherwise in the interest of the Company.</p> <p>⁴ In the event of a share issue the Board of Directors is authorized to withdraw or restrict subscription rights of existing shareholders and allocate such rights to third parties, the Company or any of its group companies:</p> <p>a) if the issue price of the new shares is determined by reference to the market price; or</p> <p>b) for raising equity capital in a fast and flexible manner, which would not be possible, or would only be possible with great difficulty or at significantly less favorable conditions, without the exclusion of the subscription rights of existing shareholders; or</p> <p>c) for the acquisition of companies, part(s) of companies or participations, for the acquisition of products, intellectual property or licenses by or for investment projects of the Company or any of its group companies, or for the financing or refinancing of any of such transactions through a placement of shares; or</p> <p>d) for purposes of broadening the shareholder constituency of the Company in certain financial or investor markets, for purposes of the participation of strategic partners including financial investors, or in connection with the listing of new shares on domestic or foreign stock exchanges; or</p> <p>e) for the participation of members of the Board of Directors, members of the Executive Committee, employees, contractors, consultants or other persons performing services for the benefit of the Company or any of its group companies.</p>
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	<p>⁵ After a change of the par value, new shares shall be issued within the capital range with the same par value as the existing shares; this shall also apply to the issue of rights or obligations to acquire new shares based on Article 3b of these Articles of Incorporation.</p> <p>⁶ The Board of Directors may carry out an increase from conditional capital within the capital range in accordance with Article 3b of these Articles of Incorporation. To the extent that and as long as rights or obligations to acquire shares are outstanding on the basis of the capital range, an amount of the capital range corresponding to the maximum number of such shares may not be used for any other capital increases.</p> <p>⁷ If the share capital increases as a result of an increase from conditional capital pursuant to Article 3c or 3d of these Articles of Incorporation, the upper and lower limits of the capital range shall increase in an amount corresponding to such increase in the share capital.</p> <p>⁸ In the event of a reduction of the share capital within the capital range, the Board of Directors shall, to the extent necessary, determine the use of the reduction amount.</p>
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	<p>Article 3b (proposed)</p>
	<p>Conditional Share Capital based on the Capital Range</p> <p>¹ The share capital may be increased within the capital range through the issuance of up to 6,041,155 fully paid-in registered shares with a par value of CHF 0.10 each through the exercise or mandatory exercise of conversion, exchange, option, subscription or other rights to acquire shares, or through obligations to acquire shares, which were granted to or imposed on shareholders or third parties alone or in connection with bonds, notes, options, warrants or other securities or contractual obligations of the Company or any of its group companies (in this Article 3b, collectively the "Financial Instruments"). The subscription rights of</p>

shareholders shall be excluded upon the exercise of any Financial Instruments in connection with the issuance of shares. The then current owners of such Financial Instruments shall be entitled to acquire the new shares issued upon the exercise of any Financial Instruments. The main conditions of the Financial Instruments shall be determined by the Board of Directors. The Board of Directors shall be authorized to withdraw or restrict advance subscription rights of shareholders in connection with the issuance of Financial Instruments by the Company or one of its group companies if (1) there is an important reason pursuant to Article 3a para. 4 of these Articles of Incorporation or (2) the Financial Instruments are issued on appropriate terms. If the advance subscription rights are neither granted directly nor indirectly by the Board of Directors, the following shall apply:

- a) the acquisition price of the shares shall be set taking into account the market price at the date on which the Financial Instruments are issued; and
- b) the Financial Instruments may be converted, exchanged or exercised during a maximum period of 15 years from the date of the relevant issuance or entry.

² The declaration of acquisition of the shares based on this Article 3b shall refer to this Article 3b and be made in a form that allows proof by text. A waiver of the right to acquire shares based on this Article 3b may also occur informally or by lapse of time; this also applies to the waiver of the exercise and forfeiture of this right.

⁴ The direct or indirect acquisition of shares based on this Article 3b and any subsequent transfer of shares shall be subject to the restrictions of Article 5 of these Articles of Incorporation.

⁵ The grant of rights to acquire shares or the imposition of obligations to acquire shares on the basis of this Article 3b is only permitted as far as Article 3b of these Articles of Incorporation concerning the capital range is in full force. The lapse of the capital range shall not affect the validity

	of rights to acquire shares granted or obligations to acquire shares imposed on the basis of this Article 3b. If such rights or obligations have been granted or imposed, this Article 3b shall not cease to be effective upon the lapse of the capital range.
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7. Conditional Capital for Financing Purposes and Amendment to the Articles of Incorporation

Article 3c (current)	Article 3d (proposed)
<p>Conditional Share Capital for Financing, Mergers and Acquisitions</p> <p>The share capital of the Company shall be increased by maximum aggregate amount of CHF 298,886.87 through the issuance of a maximum of 29,888,687 registered shares, which shall be fully paid-in, with a par value of CHF 0.01 per share by the exercise of mandatory exercise of option and/or conversion rights which are granted in connection with the existing and future issue of bonds, loans, similar obligations or other financial instruments by or contractual obligations of the Company of another group company, and/or by the exercise of existing and future options which are granted by the Company or another group company (hereinafter, collectively, the Financial Instruments). When shares are issued upon the exercise of Financial Instruments, shareholders' subscription rights are excluded. The respective holder of the Financial Instruments are entitled to subscribe to the new shares. The terms and conditions of the Financial Instruments shall be determined by the Board of Directors. The acquisitions of registered shares through the exercise of Financial Instruments and the further transfer of the registered shares are subject to the transfer restriction pursuant to Article 5 of the Articles of Incorporation.</p> <p>The Board of Directors is authorized to limit or cancel the advance subscription rights of shareholders in connection with the issue of Financial Instruments,</p> <p>(1) If the Financial Instruments are issued for the purpose of financing or refinancing the acquisition of companies, parts of</p>	<p>Conditional Share Capital for Financing, Mergers and Acquisitions</p> <p>¹ The share capital may be increased in an amount not exceeding CHF 550,000.00 through the issuance of up to 5,500,000 fully paid-in registered shares with a nominal value of CHF 0.10 each through the exercise or mandatory exercise of conversion, exchange, option, subscription or other rights to acquire shares or through obligations to acquire shares, which were granted to or imposed on shareholders or third parties alone or in connection with bonds, notes, options, warrants or other securities or contractual obligations of the Company or any of its group companies (in this Article 3d, collectively the "Financial Instruments").</p> <p>² The subscription rights of shareholders shall be excluded upon the exercise of any Financial Instruments in connection with the issuance of shares. The then current owners of such Financial Instruments shall be entitled to acquire the new shares issued upon the exercise of any Financial Instruments. The main conditions of the Financial Instruments shall be determined by the Board of Directors.</p> <p>³ The declaration of acquisition of the shares based on this Article 3d shall refer to this Article 3d and be made in a form that allows proof by text. A waiver of the right to acquire shares based on this Article 3d may also occur informally or by lapse of time; this also applies to the waiver of the exercise and forfeiture of this right.</p> <p>⁴ The Board of Directors shall be authorized to restrict or withdraw advance subscription rights of</p>

<p>companies or participations, cooperations or investments or on national or international financial markets (including in the form of private placements);</p> <p>(2) for the purpose of a firm underwriting of the Financial Instruments by a bank or consortium of banks followed by a public offering;</p> <p>(3) for the purpose of flexibility raising equity capital by means of a share placement which would be difficult or possible only on substantially worse terms if the preferential subscription right were maintained.</p> <p>If the preferential subscription right is cancelled by resolution of the Board of Directors, the following shall apply: the Financial Instruments are at the respective standard market conditions (including the dilution protection clauses that are market standard) and the issue of new shares shall be made at the respective conversion or exercise conditions. In this context, conversion or exercise rights may be exercisable for a maximum of 10 years from the date of the relevant issue.</p>	<p>shareholders in connection with the issuance of Financial Instruments by the Company or one of its group companies if (1) there is an important reason pursuant to Article 3a para. 4 of these Articles of Incorporation or (2) the Financial Instruments are issued on appropriate terms. If the advance subscription rights are neither granted directly nor indirectly by the Board of Directors, the following shall apply</p> <p>a) the acquisition price of the shares shall be set taking into account the market price prevailing at the date on which the Financial Instruments are issued; and</p> <p>b) the Financial Instruments may be converted, exchanged or exercised during a maximum period of 15 years from the date of the relevant issuance or entry.</p> <p>⁵ The direct or indirect acquisition of shares based on this Article 3d and any subsequent transfer of such shares shall be subject to the restrictions of Article 5 of these Articles of Incorporation.</p>
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8. Conditional Capital for Employee Participations and Amendment to the Articles of Incorporation

Article 3b (to date)	Article 3c (proposed)
<p>Conditional Share Capital for Employee Participations</p> <p>The share capital may be increased through the issuance of up to 5,034,583 registered shares, to be fully paid up with a nominal value of CHF 0.01 each, by up to CHF 50,345.83 through the direct or indirect issuance of shares, options or respective subscription rights to employees or other participants and/or members of the Board of Directors of the Company and its affiliates.</p> <p>When shares, options or related subscription rights are issued, the subscription rights as well as the preferential subscription right of the shareholders of the Company shall be excluded. The issue of shares, options or related subscription rights shall be</p>	<p>Conditional Share Capital for Employee Participations</p> <p>¹ The share capital may be increased in an amount not exceeding CHF 55,730.00 through the issuance of up to 557,300 fully paid-in registered shares with a nominal value of CHF 0.10 each through the direct or indirect issuance of shares, or through the exercise or mandatory exercise of rights to acquire shares or through obligations to acquire shares, which were granted to or imposed on members of the Board of Directors, members of the Executive Committee, or employees of the Company or its group companies, or other persons providing services to the Company or its group companies.</p> <p>² The subscription rights and advance subscription</p>

effected in accordance with one or more participation plans to be issued by the Board of Directors and/or regulations and in compliance with section 4 of these Articles of Incorporation.

The new shares acquired directly or indirectly by employees or members of the Board of Directors of the Company and its affiliates within the framework of an employee participation program, as well as any subsequent transfer of the shares, are subject to the restrictions of Article 5 of these Articles of Incorporation.

rights of the shareholders of the Company shall be excluded in connection with the issuance of such shares, rights or purchase obligations. The issuance of such shares, rights or purchase obligations shall be made in accordance with one or more plans, regulations or resolutions to be issued by the Board of Directors or, to the extent delegated to it, the Compensation Committee, and to the extent applicable, taking into account the compensation principles pursuant to Article 27 of these Articles of Incorporation.

³ The declaration of acquisition of the shares based on this Article 3c shall refer to this Article 3c and be made in a form that allows proof by text. A waiver of the right to acquire shares based on this Article 3c may also occur informally or by lapse of time; this also applies to the waiver of the exercise and forfeiture of this right.

⁴ The direct or indirect acquisition of shares based on this Article 3c and any subsequent transfer of such shares shall be subject to the restrictions of Article 5 of these Articles of Incorporation.