



ANNUAL REPORT 2025



Group Overview



Financial Key Figures

<i>IFRS consolidated, in CHF thousands</i>	2025	2024
Revenue from contracts with customers	77,185	39,117
Operating expenses	(52,990)	(56,925)
Operating result	(37,612)	(33,110)
Net result	(49,236)	(41,974)
Basic net result per share (in CHF)	(3.78)	(3.69)
Diluted net result per share (in CHF)	(3.78)	(3.69)
Cash and cash equivalents at December 31	22,440	40,925
Net change in cash and cash equivalents	(18,485)	10,555

Share Price Development in 2025



High	CHF 17.18 (February 13, 2025)
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Low	CHF 9.58 (October 14, 2025)
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Share price performance in 2025	47.2%
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Share price at year-end	CHF 12.60
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Market capitalization at year-end	CHF 168 million
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Annual average trading volume	57,680 shares/day
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(based on closing share prices)

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Letter to Our Shareholders

Dear Shareholders,

The past year has been a defining period for Santhera, marked by strong commercial execution, accelerating global expansion, and continued progress towards sustainable profitability. Building on the foundations laid in 2024, we have entered a phase of significant revenue growth, driven by the expanding global rollout of AGAMREE® and the strength of our partnership model.

Operational progress

The continued uptake of AGAMREE across key markets has reinforced its position as a transformative treatment for patients with Duchenne muscular dystrophy (DMD). In Europe, adoption has strengthened further in Germany and Austria, while the successful launch in the United Kingdom represents another important milestone in expanding patient access. At the same time, encouraging progress has been made across additional European markets, with several pricing and reimbursement processes advancing towards anticipated launches in 2026.

Beyond Europe, our partners have continued to deliver strong performance. In the United States, Catalyst Pharmaceuticals has again exceeded expectations, demonstrating sustained demand and deep penetration across treatment centers. In China, Sperogenix has successfully initiated commercial rollout in the private payor market, highlighting the significant long-term opportunity in the region. The signing of a major licensing agreement with Nxera Pharma further extends our reach into key Asia-Pacific markets, strengthening our global footprint while maintaining a capital-efficient operating model.

Strategic direction

Our strategic focus remains clear: to maximize the global opportunity of AGAMREE while building a broader, sustainable rare disease portfolio. Alongside continued geographic expansion, we are actively evaluating additional licensing opportunities to leverage our existing infrastructure, enhance operational efficiency, and drive long-term growth. We remain disciplined in our approach, prioritizing assets aligned with our expertise and commercial capabilities.

At the same time, we continue to invest in generating robust long-term clinical evidence to further strengthen AGAMREE's differentiated profile and support its position as a foundational therapy in DMD.

Our values

At Santhera, our Company strategy is underpinned by a clear sense of purpose and a strong set of values that guide how we operate and make decisions. We are united by a shared commitment to improving the lives of patients living with rare diseases, and this mission shapes every aspect of our work.

Our values emphasize accountability, integrity, and collaboration. We act with urgency and focus, recognizing the importance of delivering meaningful outcomes for patients with limited treatment options. At the same time, we foster a culture of openness and respect, where diverse perspectives are valued and teams work together to achieve common goals.

Innovation and excellence are central to our approach. We combine scientific rigor with commercial discipline to deliver high-quality solutions while building a sustainable business. These values define who we are and provide the foundation for our continued growth.

Delivering on growth and path to profitability

The strong momentum achieved in 2025 positions us well for the years ahead. With continued expansion into new markets, growing partner revenues, and a disciplined cost base, we are confident in our trajectory towards sustainable profitability.

Looking ahead, the Board has also announced a planned leadership transition. Dario Eklund will step down as Chief Executive Officer after more than six years in the role, having led Santhera's successful transformation into a commercial-stage rare disease company. Orlando Oliveira will succeed him as CEO in July 2026, bringing extensive global biopharma experience to lead the Company's next phase of growth. The Board is confident that this transition positions Santhera well for the future. Beyond this transition, we remain focused on executing our strategy, expanding patient access to AGAMREE, and building a leading specialty pharmaceutical company in the rare disease field. The progress we are making reflects both the strength of our business model and the commitment of our teams and partners worldwide.

Finally, we thank our shareholders for their continued support and trust. We also extend our sincere appreciation to our employees and partners, whose dedication and hard work are driving our success. Together, we are making a meaningful difference for patients and building a strong future for Santhera.

Sincerely,



Thomas Meier, PhD

Chairman



Dario Eklund
Chief Executive Officer

BUSINESS REVIEW

2025/2026 Key Achievements

- January 2025**
 - Entered a supply and distribution agreement for AGAMREE with Clinigen Group.
- February 2025**
 - Reimbursement agreement secured with German GKV-SV for AGAMREE in Germany.
- March 2025**
 - Held Capital Markets Day for institutional investors.
- April 2025.**
 - AGAMREE available throughout the UK on a reimbursed basis.
- August 2025**
 - Secured agreement with GEN for the distribution of AGAMREE in Türkiye.
 - Secured agreement with Unipharm for the distribution of AGAMREE in five GCC Countries.
 - Entered into an agreement with Ikris Pharma Network for the distribution of AGAMREE in India
- September 2025**
 - Secured CHF 20 million growth funding to accelerate global AGAMREE rollout.
 - Chinese launch in the non-reimbursed market commenced.
- October 2025**
 - Announced approval in Canada for AGAMREE.
 - Secured agreement with Biomedica for the distribution of AGAMREE in Russia.
- November 2025**
 - Announced positive five-year data of AGAMREE in patients with DMD showing improved safety profile with comparable effectiveness to standard of care corticosteroids.
- January 2026**
 - Licensed AGAMREE to Nxera Pharma in Japan, South Korea, Australia and New Zealand.
 - Swissmedic approval of AGAMREE in Switzerland.
- February 2026**
 - Proposed inclusion and reimbursement of AGAMREE within Spain's National Health System.
- March 2026**
 - AGAMREE full results from long-term real-world comparative analyses, including data from the ongoing GUARDIAN study, presented at the MDA Clinical & Scientific Conference 2026.
- April 2026**
 - Santhera Appoints Orlando Oliveira as Chief Executive Officer from July 15 to lead next phase of growth.

BUSINESS REVIEW

2025 - A Year of Growth and Expansion as Global Rollout Continues to Build Momentum

Introduction

Santhera delivered strong commercial progress in 2025, driven by the continued global rollout of AGAMREE® (vamorolone) for the treatment of Duchenne muscular dystrophy (DMD). Total revenue increased by 97% to CHF 77 million, significantly exceeding prior guidance, reflecting strong growth in product sales in Europe and increasing royalties, milestones and product supply revenues from partners as sales outside Europe accelerated.

During 2025 and into 2026, several key foundations were established to support future growth. These included multiple new distribution partnerships, a major licensing agreement covering Japan and key Asia-Pacific markets and an agreement on reimbursement in Spain. The Company also presented long-term clinical data on AGAMREE demonstrating improved safety while maintaining efficacy comparable to traditional corticosteroids, and established a second European-based manufacturing site to support future demand.

These developments, together with continued progress on pricing and reimbursement discussions in additional countries expected to launch during 2026, support a strong outlook for Santhera and expand access for patients with DMD globally.

Continued strong uptake in core European markets

Following the initial launches in Germany and Austria in 2024, AGAMREE continued to demonstrate strong adoption in 2025.

In Germany, over 40% of corticosteroid-treated DMD patients have now been treated with AGAMREE, with increasing use across both newly diagnosed patients and in restarts and switches including among older patient populations. Austria continues to lead in terms of penetration, with more than 50% of steroid-treated patients receiving AGAMREE.

Across Germany and Austria, sales continued to grow strongly into Q1 2026, with orders in Q1 2026 over 50% higher than those for the same period in the prior year. While the price per bottle in Germany decreased to EUR 3,001 in January 2026 from EUR 3,612, reflecting a one-time, pre-agreed price adjustment at the time of initial pricing and reimbursement in early 2025, strong volume growth has more than offset this impact.

In the United Kingdom, AGAMREE became available nationwide from April 2025 following positive NICE guidance. Uptake has been supported by updated treatment guidelines and improved access initiatives, including home delivery programs. The UK launch is tracking the early trajectory seen in Germany and has also delivered a strong performance in Q1 2026.

Advancing rollout across Europe

Santhera continued to advance pricing and reimbursement discussions across key European markets throughout 2025.

In Spain, AGAMREE has been available through a named-patient program since mid-2024, with reimbursement discussions progressing during 2025. Post period-end, in February 2026, AGAMREE was proposed for inclusion in Spain's National Health System, representing a key milestone towards full reimbursement and broad patient access, with launch planned imminently. As part of the agreement with the Spanish National Health System and to accelerate patient access to therapy, Santhera will provide product free of charge during Q2 2026, with commercial sales commencing from July 2026.

In Italy, the Company continues to engage with the Italian Medicines Agency. Following submission of the long-term data, pricing and reimbursement discussions have continued positively. In a further positive step in April 2026, the Agency's Board of Directors approved the reimbursement of Agamree by the National Health Service. Santhera is now awaiting publication in the official Gazette, which will occur during Q2, after which commercialization will begin.

In other European markets, including the Nordics, Benelux, and Switzerland, pricing and reimbursement processes are progressing, with launches expected during the course of 2026.

Catalyst Pharmaceuticals - Continuing to beat expectations

Santhera's U.S. partner, Catalyst Pharmaceuticals, continued to deliver strong commercial performance in 2025, reinforcing AGAMREE's positioning as a new standard of care in DMD.

Catalyst reported full-year 2025 AGAMREE sales of USD 117 million, exceeding its initial full-year guidance of USD 100-110 million. As sales exceeded USD 100 million, this triggered a USD 12.5 million milestone payment to Santhera, recognized in 2025 revenue.

Sustained demand and broad penetration continue to support growth in the U.S., with Catalyst noting that approximately 90% of DMD Centers of Excellence have started using AGAMREE for their patients. Catalyst has guided that it expects to achieve USD 140-150 million of AGAMREE sales in 2026, reflecting continued adoption and momentum.

Since mid-2025, Catalyst has also held the license to manufacture AGAMREE® for use in North America and has established its own drug product manufacturing capabilities to serve its territory. As a result, from Q1 2026 onwards, Santhera does not expect to generate further product sales to Catalyst.

Sperogenix - Strong growth in private payor market

In China, Santhera's partner Sperogenix initiated a non-reimbursed commercial rollout of AGAMREE in September 2025, following prior early-access programs. Uptake has been strong, with more than 800 patients treated to date, supporting increasing demand and positioning the product for future reimbursement discussions.

China represents a significant long-term growth opportunity, with ongoing efforts focused on expanding access, preparing for potential inclusion in national reimbursement frameworks from early 2027, and discussing technology transfer to potentially enable local manufacturing from 2028.

Nxera Pharma - New licensing agreement

Post period-end, in January 2026, Santhera entered into an exclusive licensing agreement with Nxera Pharma covering Japan, South Korea, Australia and New Zealand. The agreement, valued at up to USD 215 million plus royalties, includes a USD 40 million upfront payment (comprising USD 30 million in cash and a USD 10 million equity investment), up to USD 175 million in potential milestone payments, and double-digit tiered royalties on net sales.

Under the terms of the agreement, Nxera will be responsible for regulatory approval, including, if required, conducting a registrational bridging study, as well as manufacturing and commercialization in the licensed territories. This licensing partnership significantly expands Santhera's geographic reach into key Asia-Pacific markets while maintaining a capital-efficient operating model.

Distribution agreements and geographic expansion

During 2024, Santhera signed distribution agreements with GENESIS Pharma SA covering 20 Central and Eastern European markets, as well as regional agreements for Israel and Qatar. These partnerships began contributing revenue during 2025 and are expected to accelerate as rollout progresses across additional countries.

Santhera continued to expand its global footprint through further distribution partnerships during 2025, signing new agreements across regions including the Gulf Cooperation Council countries, Türkiye, Russia and India.

These partnerships support rapid expansion into additional territories while leveraging local expertise in market access and commercialization.

Continued generation of long-term clinical data

During the year, Santhera continued to generate long-term clinical evidence supporting AGAMREE's differentiated profile in DMD. In November 2025, the Company reported positive topline results from the ongoing GUARDIAN study, demonstrating sustained efficacy over extended treatment durations, alongside a markedly improved safety profile.

Post period-end, in March 2026, full results were presented at the Muscular Dystrophy Association (MDA) Conference, including data from patients treated for up to eight years.

Importantly, the data demonstrated clinically meaningful safety advantages versus traditional corticosteroids. Patients treated with AGAMREE showed an approximately 80% reduction in vertebral fracture risk (8.1% vs 41.9% with deflazacort), as well as maintenance of normal growth, with a mean height advantage of over 12 cm compared to corticosteroid-treated patients.

Additional findings included a substantially lower incidence of cataracts, no observed cases of glaucoma, and a generally favorable metabolic profile, with no new safety signals identified.

Alongside a markedly improved safety profile, the analyses confirmed comparable long-term effectiveness with no statistically significant difference in time to loss of ambulation compared to prednisone and deflazacort.

These results further reinforce AGAMREE's differentiated benefit-risk profile and support its positioning as a foundational therapy for long-term disease management in DMD.

Expanded Manufacturing footprint

In 2025, Santhera, together with its partners, further expanded its manufacturing network to strengthen supply chain resilience, enhance scalability, and materially improve the cost base.

The approval of a new drug product manufacturer for AGAMREE® in the EU enabled a fivefold increase in production scale, driving significant cost efficiencies. In parallel, licensing partners have established, or are in the process of establishing, local manufacturing capabilities in their respective territories. This decentralized approach supports capacity expansion, reduces supply risk, and underpins a robust, globally scalable supply infrastructure through close coordination across territories.

Executive and Board changes

Santhera continued to evolve its leadership team and governance structure during the year.

In February 2025, Catherine Isted was appointed Chief Financial Officer, and following the AGM in May 2025, Dr. Melanie Rolli was elected to the Board of Directors.

Post year-end, Marc Clausse was appointed Chief Commercial Officer, effective 1 June 2026, bringing over 25 years of international life sciences experience across specialty, oncology, and rare diseases to lead the next phase of commercial growth.

Post year-end, in April 2026, Santhera announced a planned leadership transition. Dario Eklund will step down as Chief Executive Officer after more than six and a half years in the role, having led the Company's transformation into a commercial-stage rare disease business. Orlando Oliveira has been appointed as CEO, effective July 15, 2026. He brings more than 25 years of global experience across specialty pharmaceuticals, oncology and rare diseases, and will lead Santhera's next phase of growth. Dario Eklund will remain available during a transition period to support an orderly handover.

FINANCIAL REVIEW

Financial Performance, Activities & Outlook

In 2025, Santhera achieved a revenue of CHF 77.2 million and a net loss of CHF -49.2 million. The cash reserves of CHF 22.4 million at year-end 2025, together with 2026 product revenue, royalties and milestones, including the USD 40 million received from the Nxera licensing agreement in January 2026, means the Company expects to reach cash flow break-even during Q3 2026, with no additional funding required.

2025 full year revenue driven by strong underlying revenue growth

In 2025, Santhera reported total revenue from contracts with customers of CHF 77.2 million (2024: CHF 39.1 million). Product sales of CHF 25.8 million (2024: CHF 15.0 million) were driven by accelerating AGAMREE adoption in Germany and Austria, as well as early sales from the UK following launch in Q2 2025. Royalties and milestones in the year amounted to CHF 23.1 million (2024: CHF 16.9 million), representing a 37% increase driven by strong growth in royalties from licensing partners Catalyst Pharmaceuticals in the U.S., and the receipt of a USD 12.5 million sales milestone payment from Catalyst after achieving more than USD 100 million of U.S. sales in calendar year 2025, underlining AGAMREE's increasing global momentum. Revenue from supply of product and services to partners was CHF 28.3 million (2024: CHF 7.2 million).

Cost of sales

Cost of sales amounted to CHF 62.0 million (2024: CHF 15.5 million). In addition to increased direct and indirect costs due to growing sales, this figure also reflects the milestone payment of USD 25 million (CHF 20.2 million) to ReveraGen and R-Bridge for the achievement of an AGAMREE sales milestone, which is agreed to be paid in line with cash flow generation. Cost of sales includes CHF 5.0 million in intangible amortization (2024: CHF 5.0 million) and royalties payable of CHF 8.5 million (2024: CHF 3.5 million) in addition to costs relating to product supplies and logistics.

Operating expenses and result

Operating expenses were CHF 53.0 million (2024: CHF 56.9 million). 2025 operating expenses were 7% lower year-on-year, due to decreased development, general and administrative expenses, partially offset by higher marketing and sales expenses.

Development expenses amounted to CHF 22.2 million (2024: CHF 26.5 million). The decrease of -16% was driven by the completion of longer-term studies and CMC (chemistry, manufacturing, and controls) development activities coming to a close in the prior year.

Marketing and sales expenses were CHF 13.2 million (2024: CHF 11.0 million). This represents an increase of 20%, driven by the Company's expansion to support the commercialization of AGAMREE in Europe.

General and administrative expenses amounted to CHF 17.6 million (2024: CHF 19.5 million), a reduction year-on-year of -10%. This reflects an overall decrease in consulting-related expenses.

The operating result amounted to a loss of CHF -37.6 million (2024: loss of CHF -33.1 million).

Financial income and expenses

The financial income in 2025 amounted to CHF 10.8 million (2024: CHF 11.6 million). The decrease was predominantly related to realized foreign exchange gains.

Financial expenses in 2025 were CHF 22.3 million (2024: CHF 20.2 million), primarily driven by higher interest and make-whole expenses as well as (un)realized foreign exchange losses, partially offset by changes in fair value of financial instruments.

This resulted in a net financial expense of CHF -11.5 million, an increase of 34% on the previous year (2024: CHF -8.6 million), reflecting the overall change in funding structure.

Net result

The net result in 2025 was a loss of CHF -49.2 million, compared to a net loss of CHF -42.0 million in the year 2024. The increase in loss for the year reflects higher COGS due to milestone expenses and product mix, which outweigh sales growth and reduced operating costs for the period.

Cash balance and cash flows

As of December 31, 2025, the Company had cash and cash equivalents of CHF 22.4 million, compared to CHF 40.9 million as of December 31, 2024.

Net cash outflow from operating activities amounted to CHF -34.8 million (2024: net cash outflow of CHF -35.5 million), and remained broadly consistent year-on-year, reflecting the continued investment in commercialization activities.

Net cash flow used in investing activities was consistent year-on-year, amounting to CHF -0.1 million (2024: CHF -0.1 million) and primarily related to limited capital expenditures, with no significant investments in intangible assets or disposals in the current year.

Net cash flow from financing activities in 2025 was CHF 16.4 million (2024: CHF 46.1 million), reflecting proceeds from royalty monetization and other financing transactions, partly offset by the partial repayment of the royalty purchase agreement.

In summary, the net decrease in cash and cash equivalents in 2025 amounted to CHF -18.5 million (2024: net increase of CHF 10.6 million).

Assets and liabilities

Intangible assets decreased by CHF -5.0 million to CHF 63.9 million, reflecting amortization of AGAMREE intangible in use.

Total assets decreased to CHF 148.1 million (from CHF 152.5 million in 2024) and included an increase in inventory of CHF 7.3 million to CHF 24.9 million. Trade and other receivables increased by

CHF 12.4 million to CHF 26.3 million, reflecting increases in milestones receivable and working capital during the commercialization stage. This was offset by a decrease in cash and cash equivalents by CHF 18.5 million to CHF 22.4 million.

Total liabilities increased by CHF 35.1 million to CHF 159.9 million, mainly due to the modified convertible bond and new royalty monetization agreement, as well as the milestone payable owed to ReveraGen and R-Bridge for the achievement of an AGAMREE sales milestone.

Shareholders' equity

Total consolidated equity as of December 31, 2025, amounted to CHF -11.8 million, compared to a total equity of CHF 27.7 million as of December 31, 2024. This was a result of the net loss for the period.

Royalty and debt financing

In September, Santhera announced that it had secured CHF 20.4 million net in additional growth capital to meet increased product demand from partners and to support the acceleration of global launches.

R-Bridge royalty monetization agreement (USD 13 million)

Santhera secured a royalty monetization with existing investor R-Bridge and new investor Partners Group. Under the terms of the agreement, R-Bridge and Partners Group will receive 25% of net royalties on AGAMREE from Catalyst (North America) and Sperogenix (China). Upon closing, R-Bridge and Partners Group paid Santhera USD 13 million (CHF 10.4 million), net of certain fees.

This is in addition to an existing agreement under which R-Bridge is entitled to 75% of future royalty income from these licenses. As with the prior arrangement, payments to R-Bridge are capped; once the agreed ceiling or duration is met, North American & China royalties revert to Santhera. Santhera retains buy-back rights over the royalty stream.

Highbridge convertible bond extension (CHF 10 million)

Under the agreement, Highbridge provided an additional CHF 10 million via a new convertible note. The instrument also exchanged, at parity, the prior CHF 7 million convertible bond that was scheduled to mature on 30 September. The new convertible bond has a three-year maturity, with a conversion price set at CHF 13.5446, a 10% premium to the closing share price on the date of the announcement. The coupon is 7%, reflecting a reduction compared with the previous bond and the aggregate principal amount of the convertible bond, including the exchange at parity of the prior bond, was CHF 20.132 million. In addition, the Company issued Highbridge approximately 110,000 shares as consideration for Highbridge agreeing to increased flexibility in relation to the CHF 35 million 4-year term loan signed in August 2024.

Share capital, treasury shares and warrants

As of December 31, 2025, issued share capital consisted of 14,015,505 shares with a total nominal value of CHF 1,401,550.50 (nominal value CHF 0.10 per share), and the Company held 621,791

treasury shares with total nominal value of CHF 62,179.10 for future equity-based financings. The Company also had 695,044 warrants in issue, comprising 236,540 at a strike price of CHF 11.0975 and 458,504 at a strike price of CHF 20.

Financial guidance and outlook

Santhera expects continued strong sales momentum in 2026, with total revenues projected in the range of CHF 80-90 million. Product sales are anticipated to grow by more than 50%, despite a one-off 17% price reduction in Germany, the Company's largest EU market, agreed as part of the pricing and reimbursement process and effective from the start of 2026.

Royalty income from Catalyst and Sperogenix is expected to increase year-on-year. However, royalty income from Catalyst will lag underlying US sales due to a step-down in the royalty rate applicable to the first USD 100 million of U.S. sales following the initial 24-month post-launch period.

Milestone income is expected to exceed 2025 levels, driven primarily by the USD 30 million upfront payment from Nxera. Additional sales milestones may be achieved during 2026; however, these are not currently included in revenue guidance pending greater visibility on the commercial performance of licensing partners.

Revenues from product supply and services are expected to decline significantly compared to 2025. Increased supply volumes to China will not fully offset the reduction in US product sales following Catalyst's transition to direct sourcing from Q1 2026.

Operating expenses are expected to remain within the previously guided range of CHF 50-55 million.

Following the planned commercial launch in Spain in July 2026, a one-off non-sales related milestone linked to the third commercial launch in a major European market falls due to ReveraGen and R-Bridge (having previously taken over the former Idorsia milestones). An amount of USD 20 million falls due and will be recorded within cost of sales (COS). Approximately 75% of this payment is expected to be made in the first half of Q3 2026, unlike remaining sales-related milestones, where the associated cash outflow is linked to corresponding sales milestone cash inflows.

As previously communicated, Santhera expects to achieve cash flow break-even in Q3 2026, after accounting for the milestone payment noted above, with no additional funding required.

Santhera reiterates its mid-term outlook, targeting revenues of EUR 150 million (excluding milestones) in 2028. By 2030, the Company expects to generate more than EUR 150 million in revenues from its directly operated EU markets, excluding distributor revenues, royalties, and milestone income from licensing partners.

Duchenne Muscular Dystrophy (DMD)

What is DMD?

Duchenne muscular dystrophy (DMD) is a rare, inherited neuromuscular disorder and one of the most severe forms of muscular dystrophy. It predominantly affects boys, with clinical symptoms typically emerging between the ages of three and five years¹. DMD has an estimated birth prevalence of approximately one in 5,000 male births globally². Applying this prevalence to demographic data, an estimated 30,000–35,000 patients live with DMD across the United States and Europe.

DMD is caused by mutations in the dystrophin gene located on the X chromosome. These mutations, often occurring in specific regions of the gene known as exons, result in the absence or severe reduction of dystrophin protein expression. Dystrophin plays a critical structural role in muscle cells by linking the intracellular cytoskeleton to the extracellular matrix, thereby maintaining membrane stability during repeated cycles of muscle contraction and relaxation.

In the absence of functional dystrophin, muscle fibers become highly susceptible to damage, leading to chronic inflammation, progressive muscle degeneration, and replacement of muscle tissue with fat and fibrotic tissue. Clinically, this manifests as worsening muscle weakness, loss of motor function, and ultimately multi-system complications.

Disease progression is characterized by loss of ambulation, typically during early adolescence, followed by declining respiratory function requiring ventilatory support. Cardiomyopathy develops in most patients and becomes a major determinant of survival. Despite advances in supportive care, DMD remains a life-limiting condition, with significant impact on patients, families, and healthcare systems.

Managing side effects and improving tolerability remain key challenges with traditional corticosteroids^{1,3-12}



What are the current and emerging treatment options?

There is currently no cure for DMD, and treatment strategies are focused on slowing disease progression, preserving function, and managing complications. Over recent decades, the therapeutic landscape has evolved significantly, with a growing number of treatment approaches targeting different aspects of disease pathology.

Corticosteroids remain the cornerstone of standard of care. As potent anti-inflammatory agents, they are used irrespective of the underlying genetic mutation and have been shown to delay disease progression, prolong ambulation, and improve survival outcomes. Early initiation of corticosteroid therapy is associated with preservation of muscle strength and functional milestones, extending time to loss of ambulation by approximately two to three years. In addition, corticosteroid treatment has been linked to reductions in all-cause mortality and delayed onset and progression of cardiomyopathy. However, the long-term use of corticosteroids is associated with a well-established safety burden, including weight gain, Cushingoid features, behavioral effects, growth suppression, and increased fracture risk. These adverse effects often necessitate dose reductions or discontinuation, resulting in suboptimal long-term disease control. As a result, there remains a significant unmet medical need for therapies that can deliver comparable efficacy with improved tolerability.

Beyond corticosteroids, **non-steroidal therapeutic approaches** have emerged that target either the underlying genetic defect or downstream disease mechanisms. Mutation-specific treatments, such as **exon-skipping therapies**, aim to restore the production of a shortened but partially functional dystrophin protein by bypassing specific mutated exons. While these approaches represent important advances, their applicability is limited to defined patient subpopulations based on genetic mutation and are commonly prescribed in combination with corticosteroids.

Gene therapy approaches are being developed with the objective of delivering functional copies of shortened dystrophin genes (micro- or mini-dystrophin) to muscle tissue. These therapies are typically evaluated in combination with background corticosteroid treatment and hold the potential to address the underlying cause of the disease, although long-term efficacy and durability remain under investigation.

More recently, **non-steroidal pharmacological approaches**, including **histone deacetylase (HDAC) inhibitors**, have been introduced to modulate key pathogenic pathways such as inflammation and muscle degeneration. These therapies are also being used alongside corticosteroids and represent an additional mechanism to slow disease progression across a broad patient population.

With improvements in standards of care and increasing life expectancy, there is a growing focus on long-term disease management and quality of life. Patients with DMD are now more frequently surviving into adulthood, necessitating a shift towards comprehensive, lifelong treatment strategies that address both disease progression and long-term complications. Across all therapeutic modalities, the overarching goal remains consistent: to slow the progression of muscle weakness, preserve functional independence for as long as possible, and extend survival. As the DMD treatment landscape moves toward combinations of mutation-specific therapies, gene therapy and non-steroidal modulators alongside a corticosteroid backbone, the tolerability profile of corticosteroids is an increasingly important determinant of long-term outcomes. AGAMREE is positioned to serve this role in long-term disease management.

AGAMREE® (vamorolone) in DMD

What is AGAMREE?

AGAMREE is the first approved dissociative corticosteroid developed for the treatment of Duchenne muscular dystrophy (DMD), a rare, progressive, and ultimately fatal neuromuscular disorder caused by mutations in the dystrophin gene. The absence of functional dystrophin leads to chronic muscle damage, inflammation, and degeneration, resulting in progressive loss of ambulation, respiratory decline, and cardiomyopathy¹³.

Corticosteroids have long been the cornerstone of DMD management due to their anti-inflammatory effects, which help slow disease progression. However, their clinical utility is limited by a well-characterized safety burden, particularly with long-term use

AGAMREE has been designed to address this fundamental limitation. It binds to the glucocorticoid receptor but induces a differentiated downstream signaling profile compared to traditional corticosteroids. In particular, vamorolone demonstrates reduced transactivation activity associated with many steroid-related adverse effects, while maintaining transrepression pathways linked to anti-inflammatory efficacy¹³⁻¹⁵.

In addition, AGAMREE is not a substrate for 11 β -hydroxysteroid dehydrogenase (11 β -HSD) enzymes, which are involved in local amplification of glucocorticoid activity in tissues and are believed to contribute to corticosteroid-associated toxicity. This pharmacological profile supports its classification as a “dissociative” steroid, aiming to preserve efficacy while reducing the systemic side effects that complicate chronic corticosteroid therapy^{14,15}.



AGAMREE has been evaluated in a comprehensive clinical development program and is approved for the treatment of DMD by the US FDA (patients ≥ 2 years, October 2023), the European Commission (patients ≥ 4 years, December 2023), the UK MHRA, Swissmedic in Switzerland, the NMPA in China, the Department of Health in Hong Kong, and Health Canada, providing an important new therapeutic option for patients requiring long-term disease-modifying treatment. Santhera retains rights to AGAMREE in Europe and the rest of the world, and has out-licensed rights to Catalyst Pharmaceuticals for North America, to Sperogenix Therapeutics for China and certain Southeast Asian countries, and to Nxera Pharma for Japan, South Korea, Australia and New Zealand.

In April 2026, the Committee for Medicinal Products for Human Use (CHMP) of the European Medicines Agency adopted a positive opinion recommending an extension of the existing European Union indication for AGAMREE to include the treatment of DMD in patients from two years of age. Subject to a subsequent decision by the European Commission, the authorized EU age range would expand from four years and older to include younger children from two years of age; a population for

whom a better-tolerated anti-inflammatory treatment option is of particular clinical relevance, given the tolerability burden of conventional corticosteroids in very young patients. If adopted, AGAMREE would become the first treatment for DMD authorized across the full pediatric age spectrum in the European Union, addressing a long-recognized unmet need at the earliest stage of disease.

Why is AGAMREE different?

The long-term management of DMD requires sustained suppression of inflammation and muscle degeneration. While conventional corticosteroids such as prednisone and deflazacort are effective in delaying functional decline, their use is associated with significant and cumulative toxicities, including growth suppression, bone fragility, metabolic disturbances, Cushingoid features, and ocular complications. These adverse effects frequently necessitate dose reductions, treatment interruptions, or discontinuation, thereby limiting long-term clinical benefit.

AGAMREE was rationally designed to decouple efficacy from these adverse effects. The mechanistic profile of vamorolone – partial glucocorticoid-receptor agonism with preserved anti-inflammatory transrepression, mineralocorticoid-receptor antagonism, and absence of 11 β -HSD-mediated local amplification^{14,15}– translates into four clinically relevant areas of differentiation from classic corticosteroids:

- **Growth and endocrine effects:** Unlike conventional corticosteroids, AGAMREE has demonstrated preservation of linear growth in pediatric patients, with statistically significant differences observed versus traditional corticosteroids over time ($p < 0.0001$). Growth suppression is one of the most clinically significant consequences of long-term steroid therapy in DMD, and its mitigation represents a meaningful advancement for patients and caregivers.
- **Bone health:** Chronic corticosteroid use is associated with reduced bone formation, increased resorption, delayed bone age, and a high incidence of vertebral and long-bone fractures. AGAMREE has shown a more favorable impact on bone metabolism, including a significantly lower incidence of vertebral fractures compared with deflazacort-treated patients ($p = 0.0082$).
- **Ocular safety:** Cataract formation is a well-recognized complication of long-term corticosteroid therapy. AGAMREE has demonstrated a substantially lower incidence of cataracts compared with deflazacort ($p = 0.015$) and numerically lower vs prednisone ($p = 0.05$), with no observed cases of glaucoma.
- **Metabolic profile:** Traditional corticosteroids are associated with weight gain, insulin resistance, and dyslipidaemia. Available data indicate that AGAMREE maintains a more favorable metabolic profile, with most glucose and lipid parameters remaining within normal ranges over long-term treatment.

Importantly, these safety improvements are achieved without compromising clinical efficacy. The ability to sustain therapeutic dose levels without treatment-limiting adverse effects is directly relevant to long-term disease control in DMD, where persistence on therapy over years is itself a determinant of outcomes. This is particularly relevant in the context of an evolving DMD treatment landscape, where

corticosteroids remain a foundational therapy and are increasingly used in combination with emerging disease-modifying approaches in populations that may benefit for over longer periods.

AGAMREE: Key clinical data

The clinical profile of AGAMREE is supported by a robust body of evidence from controlled clinical trials and long-term observational analyses.

In the pivotal Phase 2b VISION-DMD study, AGAMREE met its primary endpoint, demonstrating a statistically significant improvement in Time to Stand (TTSTAND) velocity compared with placebo at 24 weeks ($p=0.002$)¹⁶. Secondary endpoints assessing motor function were supportive of a clinically meaningful benefit, and the treatment was generally well tolerated, with most adverse events being mild to moderate in severity.

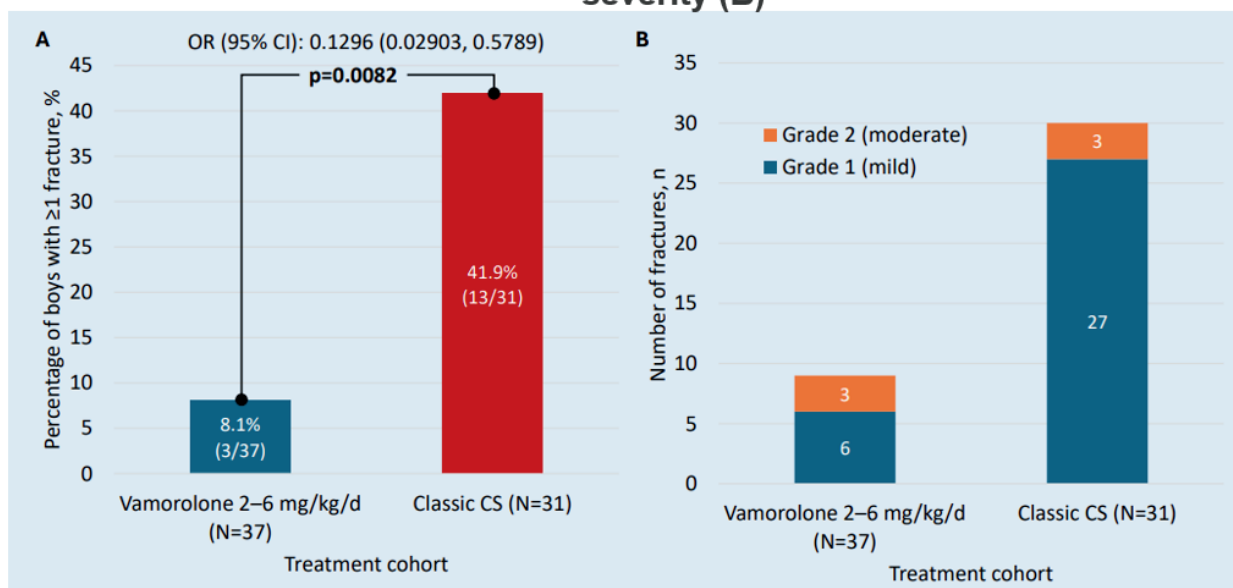
Beyond short-term efficacy, long-term outcomes are critical in DMD, where treatment is administered over many years. Data presented at the MDA 2026 Clinical & Scientific Conference provide important insights into the extended benefit-risk profile of AGAMREE based on up to eight years of treatment exposure. Across approximately 190 patient-years of AGAMREE exposure in these analyses, consistent patterns are observed¹⁷.

- **Sustained efficacy over time:** Long-term analyses demonstrate that AGAMREE maintains effectiveness comparable to traditional corticosteroids, with no statistically significant difference in time to loss of ambulation versus pooled corticosteroids ($p=0.9041$), deflazacort ($p=0.6544$), or prednisone ($p=0.8587$), providing supportive real-world evidence of durable effectiveness consistent with the pivotal VISION-DMD study. These analyses compare AGAMREE-treated patients (median exposure approximately five years, up to eight years; 190.6 patient-years) with a propensity-matched historical cohort treated with deflazacort or prednisone (167.5 patient-years).
- **Maintenance of growth:** Over a median follow-up of approximately five years, patients treated with AGAMREE maintained normal height trajectories, with a mean height advantage of 12.17 cm compared to patients receiving conventional corticosteroids ($p<0.0001$).
- **Reduced skeletal complications:** The incidence of vertebral fractures was markedly lower in AGAMREE-treated patients, with an approximately 80% reduction compared to deflazacort-treated cohorts (8.1% vs 41.9%; $p=0.0082$). Non-vertebral fractures occurred in 27.5% of AGAMREE-treated patients (long-bone fractures 12.5%), at the lower end of rates reported in the literature for classic corticosteroids. Bone age on AGAMREE remained within normal limits relative to chronological age, whereas delays are commonly reported with classic corticosteroids.
- **Improved ocular safety profile:** Cataracts were reported in 5.3% of patients treated with AGAMREE compared with 37.8% in patients receiving deflazacort ($p=0.015$), with no cases of glaucoma observed.
- **Favorable overall tolerability:** Long-term data indicate that AGAMREE is generally well tolerated, with no new safety signals identified. Consistent with the pharmacology of

glucocorticoid-receptor agonists, morning cortisol levels on AGAMREE indicated adrenal suppression as expected for this drug class; adrenal insufficiency is addressed in the Summary of Product Characteristics and managed through established clinical guidelines. The ability to maintain dosing over extended periods without treatment-limiting adverse effects is an important consideration in chronic diseases such as DMD

AGAMREE substantially lowers Vertebral Fracture Risk versus Classic Corticosteroids^{17,18}

Prevalence of boys with ≥1 vertebral fracture (A) and vertebral fracture severity (B)



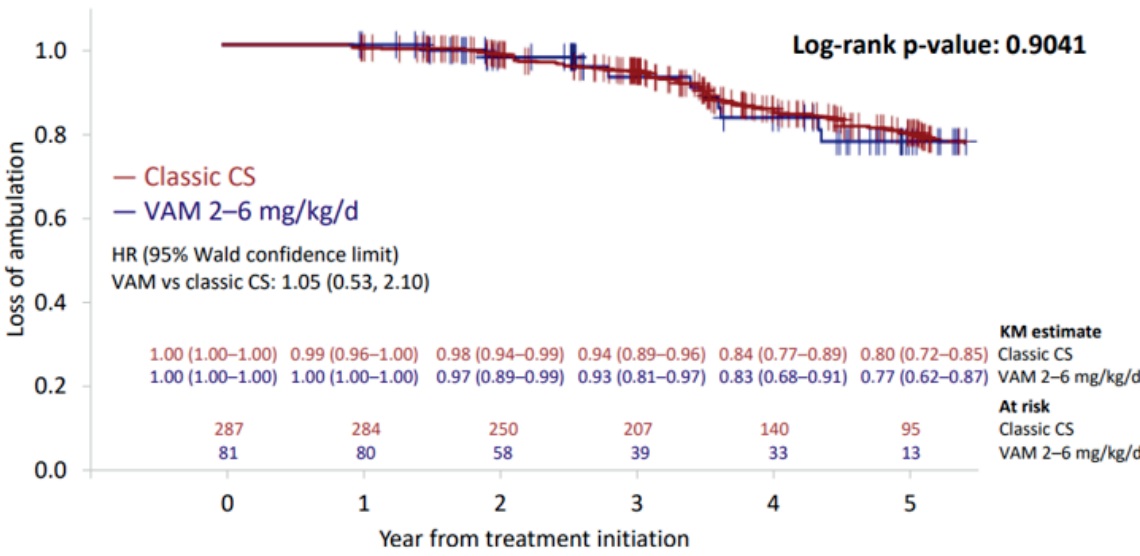
Grading of vertebral fractures by height loss:
Grade 1 [mild]: 20–25%, Grade 2 [moderate]: 25–40% Grade 3 [severe]: >40%

Long-term impact of vamorolone on bone health compared to standard of care glucocorticoids (SoC-GC) in boys with Duchenne Muscular Dystrophy (DMD). Guglieri Michela et al. MDA conference 2026, poster 62 S

These analyses integrate data from clinical trial participants and real-world treatment settings, including ongoing follow-up in the Phase 4 GUARDIAN study. The results provide evidence that AGAMREE can deliver sustained clinical benefit while mitigating key adverse effects associated with long-term corticosteroid use.

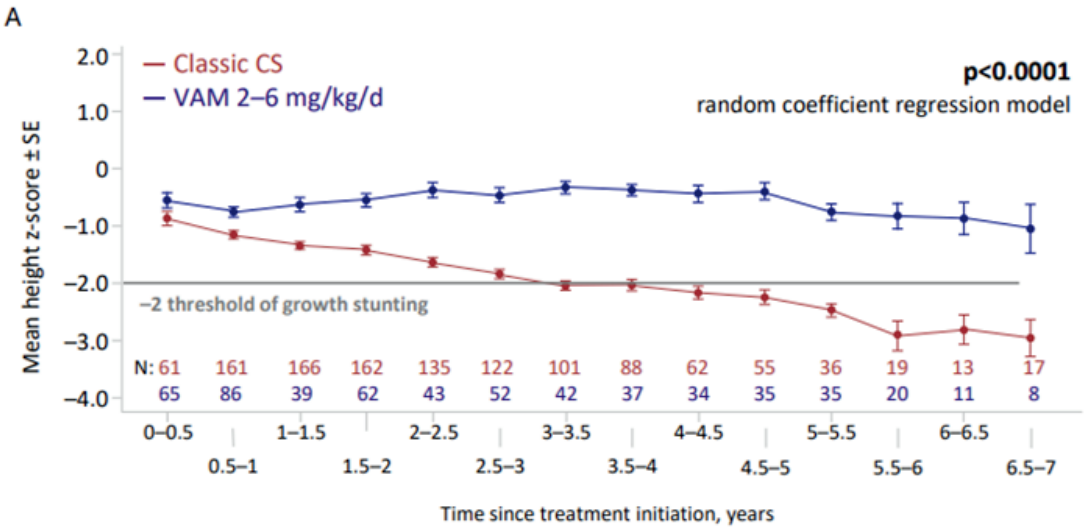
Ongoing studies, including the Phase 4 GUARDIAN study (NCT06713135), continue to evaluate long-term outcomes across multiple domains, including motor function, growth, bone health, and cardiac and respiratory function, ocular safety, pubertal development, and endocrine development. These data will further characterize the role of AGAMREE in long-term disease management and support long-term benefit-risk characterization for patients, physicians, payers and regulators, and its potential to support improved patient outcomes over the course of this progressive disorder.

Comparable Long-Term Effectiveness¹⁸



Comparative analysis of long-term effectiveness of vamorolone vs standard of care glucocorticoid (SoC-GC) treatment in boys with DMD.

Maintained Growth Without Compromising Motor Function¹⁸



Comparative analysis of long-term effectiveness of vamorolone vs standard of care glucocorticoid (SoC-GC) treatment in boys with DMD.

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OUR OPERATIONS

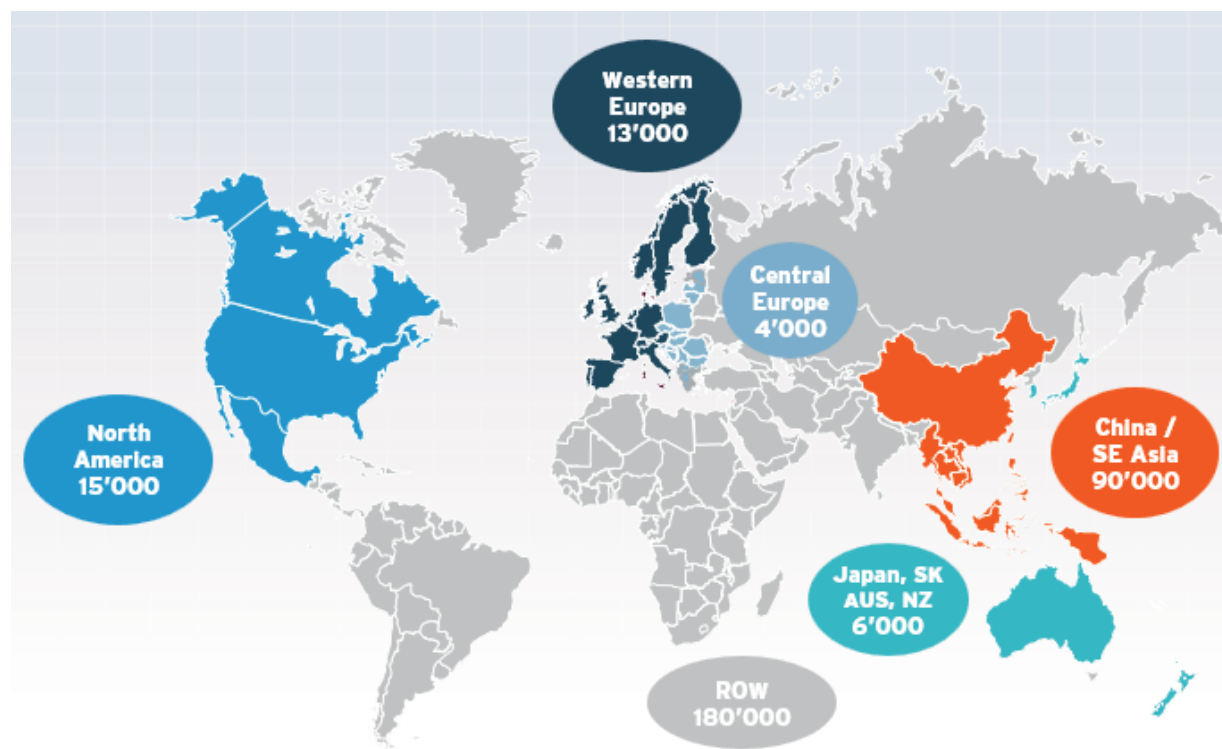
Targeted commercialization in a concentrated rare disease market

Duchenne muscular dystrophy (DMD) represents a well-defined rare disease market characterized by a concentrated patient population and treatment within a limited number of specialized centers. Patients are typically diagnosed early and managed by experienced healthcare professionals in dedicated neuromuscular centers, with around 90% of patients diagnosed across North America and Europe.

Across the four largest EU markets and the UK, treatment is concentrated in approximately 180 specialized centers involving around 750 healthcare professionals (HCPs). In the United States, care is delivered through approximately 90 centers and around 450 HCPs. This high degree of concentration enables a focused and efficient commercial approach, with targeted engagement of key stakeholders and centers of excellence.

The DMD community is further supported by a well-organized network of patient advocacy groups, which play an important role in disease awareness, treatment access, and patient support

DMD is one of the largest rare disease markets, with a clearly defined patient population



Foundational role of corticosteroids and positioning of AGAMREE

Corticosteroids remain the established standard of care in DMD and are used across all patient subgroups and disease stages, either as monotherapy or in combination with other therapies. Their use is independent of genetic mutation and they are typically prescribed to slow disease progression and preserve muscle function.

However, treatment with conventional corticosteroids is often limited by their safety profile. In clinical practice, therapy may be initiated later than optimal, dose-adjusted to manage tolerability, or discontinued prematurely due to side effects.

AGAMREE has been developed to address these limitations, with the potential to serve as a foundational therapy across the broad DMD population. Its differentiated profile supports sustained use over time and positions it for use both as a first-line treatment and in combination with mutation-specific therapies and emerging gene therapies

Global commercialization model combining direct presence and partnerships

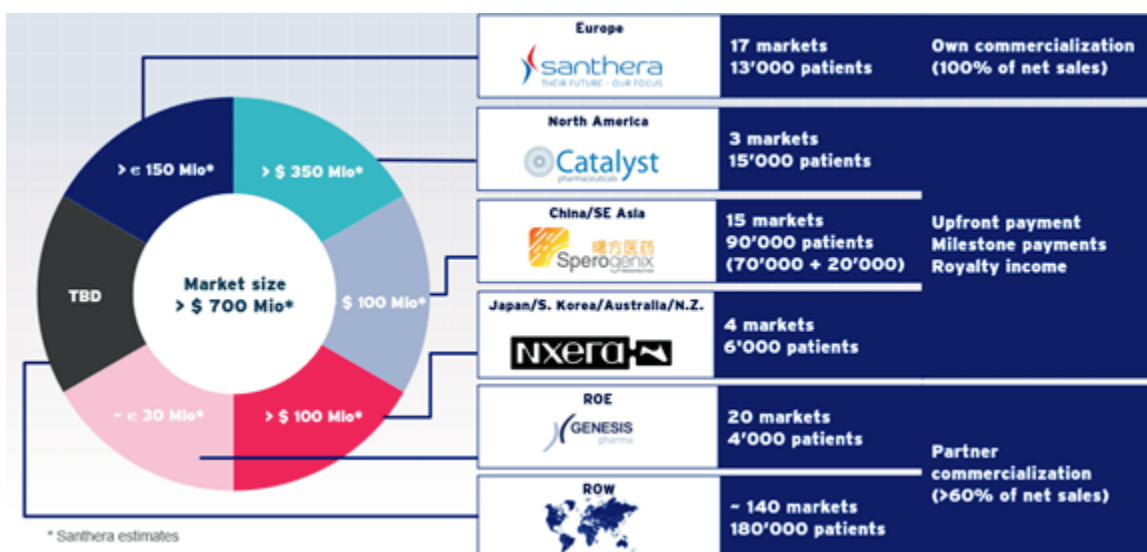
Santhera’s commercial strategy is based on a hybrid model, combining direct commercialization in core European markets with licensing and distribution partnerships to extend global reach.

In Western Europe, the Company is building a direct commercial presence, supported by centralized functions at headquarters. This lean structure enables efficient execution while maintaining flexibility to scale as additional markets are launched.

Outside of these core territories, Santhera leverages partnerships to maximize market access in a capital-efficient manner. Key agreements include:

- Catalyt Pharmaceuticals for North America
- Sperogenix Therapeutics for China and Southeast Asia
- Nxera Pharma for Japan, South Korea, Australia and New Zealand
- Distribution partners across Central and Eastern Europe, the Gulf region, Russia, Türkiye, and India support entry into a broad range of additional markets

This approach allows Santhera to access major global markets while leveraging local expertise in regulatory, market access and commercialization activities.



* Santhera Estimates

Market opportunity and long-term positioning

Santhera estimates that the global market opportunity for AGAMREE in DMD alone exceeds USD 700 million, with the United States representing the largest segment at over USD 350 million, Europe accounting for more than EUR 150 million, and China and Southeast Asia representing an opportunity in excess of USD 100 million.

AGAMREE is positioned to address this need as a broadly applicable therapy that can be used across patient populations and in combination with other treatment modalities. As the treatment landscape evolves, combination approaches are expected to become increasingly important, with corticosteroid-based therapies continuing to play a central role.

Santhera’s focused commercial approach, combined with its partnership network and scalable operating model, positions the Company to expand access to AGAMREE and capture long-term growth opportunities in this evolving market.

European roll-out progressing well, with strong sales in Germany, Austria and the UK with other markets expected to launch during 2026

Following launches in Germany and Austria in Q1 2024, first sales in the UK were achieved in Q2 2025. In Spain, pricing and reimbursement approval was granted in February 2026, with launch planned imminently.

In Italy, the Company continues to engage with the Italian Medicines Agency. In mid-April the agency acknowledged the price agreed between Santhera and the Scientific and Economic Commission for Medicines (CSE). Santhera is now awaiting publication in the official Gazette, which will occur during Q2, after which commercialization will begin.

In other European markets, including the Nordics, Benelux, and Switzerland, pricing and reimbursement processes are progressing following submission of the long-term data, with pricing approvals and launches expected during the course of 2026.

		Status	2024				2025				2026	
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	H1	H2
PHASE 1	Germany / Austria	Launched	Launch	Pricing negotiations			✓					
	UK	Launched	Pricing negotiations			✓	Launch					
PHASE 2	Spain	Launch imminent	NPP*	Pricing negotiations							✓	
	Italy	Pricing Agreed			NPP*	Pricing negotiations						
	Nordic	Submitted					Pricing negotiations					
	Benelux	Submitted / ongoing	NPP*				Pricing negotiations					
PHASE 3	France	In preparation	Pricing negotiations								TBD	
	Switzerland	Submitted			Regulatory submission and pricing negotiations							
	Other Europe	Ongoing	Launch preparations									TBD

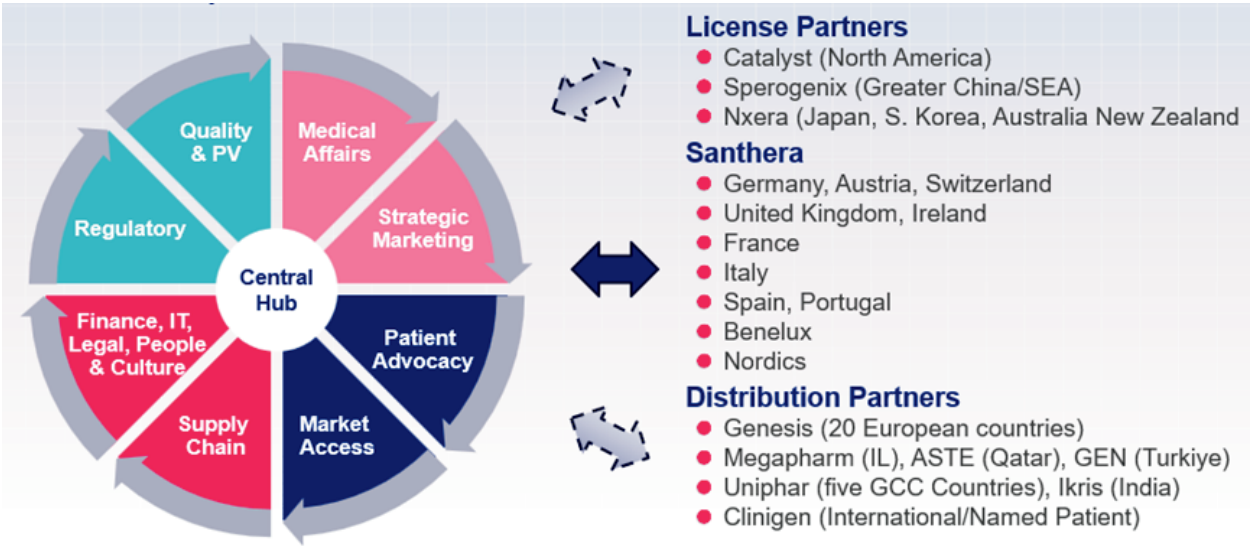
*Named Patient Program

Scalable and efficient operating infrastructure

Santhera operates a lean and scalable organization, with approximately 100 employees globally and a strategy to maintain a focused footprint as the business grows.

Headquarters functions provide centralized support across key areas including market access, medical affairs, supply chain, and partner management, enabling local teams and partners to execute effectively in their respective markets.

This model supports efficient resource allocation while ensuring the flexibility to scale operations in line with geographic expansion and increasing demand.



THIS IS US

Our Vision, Our Promise, Our Values

Santhera's employees jointly defined what they stand for - and expressed it in our Company values. Since then, these values have become an integral part of the Company culture, one that serves as a role model in everyday work life and is also an integral part of the employee performance assessments.

Our vision is to improve the lives of people with rare diseases, by delivering therapeutic options where none previously existed.



Everything we do at Santhera, we do with **respect**. For the patients that inspire us with their courage, for the scientists at the cutting edge of therapeutic breakthroughs, for all our stakeholders in this important and rewarding enterprise, and for the partnerships with our colleagues.



Passion is the cornerstone of Santhera's aspirations to improve patients' lives. Our focus is on individuals with rare diseases - small groups of patients often overlooked by the wider pharmaceutical industry. We feel strongly that all patients deserve the best care, regardless of the prevalence of their condition.



The area of rare diseases presents many challenges, and our mission to improve the lives of patients with rare diseases requires great resolve and dedication. Only by ensuring our ongoing **commitment** will we be able to overcome the challenge of bringing new therapies to market.



A core pillar that gives the other values cohesion and depth. By fostering a strong team spirit at Santhera, and by combining our efforts with trusted external partners - from clinicians to scientists to patient organizations - we can achieve success through **collaboration**.



Where passion gives us drive, **accountability** gives us direction. Our results-driven approach to research, development and commerce with integrity at its heart, ensures we will deliver benefits to all our stakeholders, including effective solutions for the patients affected by rare and devastating diseases.

Our Contribution to Society

Santhera's vision is rooted in delivering a positive social impact through its focus on patients living with Duchenne muscular dystrophy (DMD). In addition, the Company remains committed to supporting the broader DMD community and contributing to a healthy and inclusive society.

In 2025, Santhera continued its commitment to the Duchenne community and to broader societal engagement through the following initiatives:

- **Community Engagement Activities:** Santhera supported initiatives that foster connection and awareness within the Duchenne community. This included involvement in activities such as the Power Chair Hockey Games in Zurich, which bring together individuals with neuromuscular conditions, families, and supporters in an inclusive sporting environment. In addition, Santhera supported awareness activities in collaboration with patient organizations, such as World Duchenne Muscular Dystrophy Awareness Day initiatives, which aim to promote understanding of DMD and solidarity with affected individuals and families.
- **Employee Volunteering:** Santhera continues to encourage employee participation in community-related initiatives. In 2025, employees supported activities linked to the Duchenne community, including volunteering efforts connected to community events.
- **Promoting Sustainable and Healthy Lifestyles:** Santhera participated in the Swiss "Bike to Work" Challenge, encouraging employees to adopt more sustainable commuting habits. Through this initiative, employees contributed to reducing environmental impact while promoting personal health and well-being.

Meet the Team

Santhera is led by an experienced team¹ with an extensive background in the pharmaceuticals and biotech industry, from small and large companies.

Board of Directors



Thomas Meier, PhD,
Chairman



Philipp Gutzwiller



Bradley C. Meyer



Melanie Rolli, MD

Executive Committee



Dario Eklund, CEO



Catherine Isted, CFO



Shabir Hasham, MD,
Chief Medical Officer



Marc Schrader, Chief
Technology Officer



Oliver Kronenberg,
Chief Legal Officer



Geert Jan van Daal, MD,
PhD, Chief Commercial
Officer

Extended Management Team

Sarah Holmes-Klotz, Global Head People & Culture

Neville Kodkani, MD, Head Global Marketing & Partner Management

Andreas Missy, EVP Corporate Planning & Business Development

¹ Details on the profiles of the team members can be viewed in the Corporate Governance section in this Annual Report or by visiting <http://www.santhera.com/about-overview>

Our People

Santhera employs 99 people, all of whom are permanent, representing 22 nationalities. Details regarding our diversity approach, including employee, management, Board of Directors demographics, are available in the Code of Conduct, Chapter II: Respecting Each Other. The following table illustrates gender diversity as at December 31, 2025.

	<u>Female</u>	<u>Male</u>
Number of total employees	65	34
Board Members	1	3
Executive Committee	1	5
Extended Management Team	1	2
Managers	21	7

Our working conditions and workplace

Santhera is committed to fostering a supportive and sustainable work environment. In Switzerland, we exceed mandatory pension contributions, covering 60% while employees contribute 40%. We also provide 16 weeks of paid maternity leave, two weeks beyond the Swiss legal requirement, ensuring new mothers have valuable time for recovery and bonding.

To enhance operational efficiency and reduce our environmental impact, we embrace a flexible work model. In Switzerland, our headquarters in the Basel area offers employees the option to work remotely up to 50% of the time. Outside Switzerland, our teams operate fully remotely while frequently coming together across the region for collaboration. This approach maximizes flexibility, strengthens team engagement, and minimizes commuting-related emissions.

Our headquarters in Pratteln, outside Basel, is located in Ceres Tower, which holds the green property label (CS Asset Management). This certification assesses buildings based on ESG criteria, including infrastructure, CO₂/energy efficiency, materials, life cycle, and use. By aligning with these sustainability standards, our office reinforces Santhera's commitment to environmental responsibility.

Financial Review



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Consolidated Balance Sheet

<i>In CHF thousands</i>	Notes	December 31, 2025	December 31, 2024
Assets			
Tangible assets	5	2,010	2,571
Intangible assets	6	63,935	68,946
Financial assets long-term		315	245
Noncurrent deferred loss on financial instruments	13.4	1,584	4,913
Noncurrent assets		67,844	76,675
Current deferred loss on financial instruments	12.4	6,315	3,103
Prepaid expenses		580	373
Inventories	8	24,868	17,527
Trade and other receivables	9	26,038	13,885
Cash and cash equivalents	10	22,440	40,925
Current assets		80,241	75,813
Total assets		148,085	152,488
Equity and liabilities			
Share capital	11	1,402	1,343
Capital reserves and share premium		651,963	644,410
Accumulated losses		(663,929)	(614,693)
Employee benefit reserve		(1,017)	(3,025)
Treasury shares	11	(62)	(65)
Translation differences		(173)	(272)
Total equity		(11,816)	27,698
Noncurrent payables	20	7,616	-
Noncurrent term loans	12.3	32,733	31,729
Noncurrent liability from royalty purchase agreements	12.4	39,934	33,165
Noncurrent derivative financial instruments	12	6,406	2,216
Noncurrent lease liabilities	14	1,369	1,940
Noncurrent contract liabilities	19.3	3,156	1,925
Pension liabilities	22.2	6,516	7,672
Noncurrent liabilities		97,730	78,647
Trade and other payables	15	18,005	9,224
Accrued expenses	16	19,404	19,345
Income tax payable		893	144
Current liability from royalty purchase agreements	12.4	7,153	3,810
Current lease liabilities	14	588	553
Current convertible bonds	12.2	14,259	6,398
Current contract liabilities	19.3	139	56
Current derivative financial instruments	12	-	2,323
Current warrant financial instruments	12	1,730	4,290
Current liabilities		62,171	46,143
Total liabilities		159,901	124,790
Total equity and liabilities		148,085	152,488

Consolidated Income Statement

<i>In CHF thousands (except per share data)</i>	Notes	Year ended December 31,	
		2025	2024
Net sales	19.1	25,838	14,970
Revenue from outlicensing transactions	19.1	23,072	16,924
Net sales to licensing partner	19.1	28,275	7,223
Revenue from contracts with customers		77,185	39,117
Cost of sales	20	(62,011)	(15,534)
<i>Of which amortization intangible assets</i>	20	(4,981)	(4,977)
<i>Of which royalties payable</i>	20	(8,512)	(3,522)
<i>Of which milestones payable</i>	20	(20,170)	-
Other operating income		204	232
Development	21	(22,218)	(26,468)
Marketing and sales	21	(13,203)	(11,016)
General and administrative	21	(17,569)	(19,482)
Net gain on entity liquidation	21	-	41
Operating expenses	21	(52,990)	(56,925)
Operating result		(37,612)	(33,110)
Financial income	23.1	10,849	11,617
Financial expenses	23.2	(22,288)	(20,169)
Result before taxes		(49,051)	(41,662)
Income taxes	24	(185)	(312)
Net result		(49,236)	(41,974)
Basic net result per share (in CHF)	25	(3.78)	(3.69)
Diluted net result per share (in CHF)	25	(3.78)	(3.69)

Consolidated Statement of Comprehensive Income

<i>In CHF thousands</i>	Notes	Year ended December 31,	
		2025	2024
Net result		(49,236)	(41,974)
<i>Items that will not be reclassified to profit or loss in subsequent periods:</i>			
Actuarial gains/(losses) on defined benefit pension plans	22.2	2,008	(4,043)
<i>Items that may be reclassified to profit or loss in subsequent periods:</i>			
Foreign currency translation differences		99	(228)
Reclassification adjustment for foreign currency translation reserve		-	(41)
Other comprehensive result		2,107	(4,312)
Total comprehensive result		(47,129)	(46,286)

Consolidated Statement of Cash Flows

<i>In CHF thousands</i>	Notes	Year ended December 31,	
		2025	2024
Result before taxes		(49,051)	(41,662)
Depreciation and impairment of tangible assets	5	670	626
Amortization and impairment of intangible assets	6	5,010	5,020
Share-based compensation	18	4,250	3,973
Change in fair value of financial instruments, net		(3,136)	3,581
Modification of convertible bonds		(102)	17
Change in pension liabilities		852	(229)
Reversal of current provisions		-	(151)
Income taxes paid		-	(11)
Change in contract liabilities		1,314	1,981
Change in net working capital		(2,624)	(14,342)
Financial result net of change in fair value of financial instruments		11,308	7,344
Interest received		409	929
Interest paid		(3,663)	(2,603)
Net cash flow from/(used in) operating activities		(34,763)	(35,527)
Investments in tangible assets	5	(52)	(151)
Purchase of financial assets long-term		(70)	-
Proceeds from sale of financial assets		-	90
Net cash flow from/(used in) investing activities		(122)	(61)
Proceeds from exercise of equity rights		660	101
Proceeds from exercise of warrants financial instruments		-	958
Proceeds from term loans	12.3	-	34,300
Proceeds from royalty purchase agreements	12.4	10,386	25,632
Proceeds from convertible bonds	12.2	9,686	
Repayment of convertible bonds	12.2	-	(13,547)
Repayments of royalty purchase liability	12.4	(3,523)	(462)
Financing transaction costs		(238)	(325)
Payment of lease liabilities		(595)	(579)
Net cash flow from/(used in) financing activities		16,376	46,078
Effects of exchange rate changes on cash and cash equivalents		24	65
Net increase/(decrease) in cash and cash equivalents		(18,485)	10,555
Cash and cash equivalents at January 1		40,925	30,370
Cash and cash equivalents at December 31		22,440	40,925

Consolidated Statement of Changes in Equity

<i>In CHF thousands</i>	Notes	Share capital	Capital reserves and share premium	Accumulated losses	Employee benefit reserve	Treasury shares	Translation differences	Total
Balance, January 1, 2024		1,262	630,516	(572,719)	1,018	(131)	(3)	59,943
Net result				(41,974)				(41,974)
Other comprehensive result					(4,043)		(269)	(4,312)
Total comprehensive result		-	-	(41,974)	(4,043)	-	(269)	(46,286)
Share-based compensation	18	-	3,973	-	-	-	-	3,973
Settlement of bonuses in shares		-	768	-	-	8	-	776
Shares issued		80	-	-	-	(80)	-	-
Delivery of shares on conversion of convertible bonds into shares	12.2	-	7,177	-	-	82	-	7,259
Delivery of shares for exercises of share-based compensation		1	100	-	-	37	-	138
Delivery of shares for exercise of warrants financial instruments	12.5	-	1,949	-	-	19	-	1,968
Cost of issuance of capital		-	(73)	-	-	-	-	(73)
Balance, December 31, 2024		1,343	644,410	(614,693)	(3,025)	(65)	(272)	27,698
Balance, January 1, 2025		1,343	644,410	(614,693)	(3,025)	(65)	(272)	27,698
Net result				(49,236)				(49,236)
Other comprehensive result					2,008		99	2,107
Total comprehensive result		-	-	(49,236)	2,008	-	99	(47,129)
Share-based compensation	18	-	4,250	-	-	-	-	4,250
Delivery of shares for financing transactions	12.3	11	1,564	-	-	-	-	1,575
Delivery of shares for exercises of share-based compensation	18	40	671	-	-	3	-	714
Delivery of shares for exercise of warrants financial instruments	12.5	8	1,076	-	-	-	-	1,084
Cost of issuance of capital		-	(8)	-	-	-	-	(8)
Balance, December 31, 2025		1,402	651,963	(663,929)	(1,017)	(62)	(173)	(11,816)

Notes to the Consolidated Financial Statements

1. General Information

Santhera Pharmaceuticals Holding AG (the **Company**, together with its subsidiaries **Santhera** or **Group**) is a Swiss specialty pharmaceutical company focused on the development and commercialization of products for the treatment of neuromuscular diseases, areas which include many orphan and niche indications with high unmet medical need.

The Company, having the listing of its registered shares (**Shares**) on the SIX Swiss Exchange (**SIX**), is a Swiss stock corporation and the parent company of the Group. Its purpose is to acquire, dispose and manage investments. The Company has its registered offices at Hohenrainstrasse 24 in 4133 Pratteln, Switzerland.

The consolidated financial statements were authorized for issue by the Board of Directors (**Board**) on April 27, 2026. They are subject to approval by the Annual General Meeting of Shareholders (**AGM**) on May 26, 2026.

2. Accounting Policies

2.1 Basis of presentation

The Group's consolidated financial statements are prepared in accordance with IFRS Accounting Standards. The accounting policies applied in these consolidated financial statements are consistent with those applied in the audited consolidated financial statements for the year ended December 31, 2024.

The presentation currency is Swiss francs (**CHF**). Amounts shown are rounded to the nearest CHF 1,000 unless otherwise indicated. Certain reclassifications have been made to prior years' amounts or balances in order to conform to the current year presentation.

The preparation of consolidated financial statements requires management to make estimates and assumptions, which have an effect on the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet date and on the reported amounts of revenues and expenses during the reporting period. These estimates are based on historical experience and management's knowledge of current events and actions the Group may undertake in the future, however, actual results ultimately may differ from those estimates.

2.2 Changes in accounting policies

There were no IFRS Accounting Standards that required adoption by the Group. Amendments to existing standards, or interpretations that became effective in 2025 did not have a material impact on the Group's consolidated financial statements. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 is effective for annual reporting periods

beginning on or after January 1, 2027, with early adoption permitted. The Group plans to apply IFRS 18 from its mandatory effective date.

IFRS 18 introduces a more structured presentation of the statement of profit or loss, including: (i) the classification of income and expenses into specified categories (operating, investing and financing); (ii) the introduction of new defined subtotals, including operating profit and profit before financing and income taxes; (iii) enhanced principles on aggregation and disaggregation of information; and (iv) new disclosure requirements for management-defined performance measures.

The Group's assessment of IFRS 18 is ongoing. The Group expects that the adoption of IFRS 18 will primarily impact the presentation and disclosure of information in the consolidated financial statements, in particular the structure of the statement of profit or loss and related note disclosures.

At the reporting date, the Group has not yet completed a detailed assessment of all presentation and disclosure changes required by IFRS 18.

2.3 Going concern

The consolidated financial statements have been prepared under the going concern basis, which assumes that the Group will continue to operate for the foreseeable future and be able to realize its assets and discharge its liabilities in the normal course of business.

During 2025, the Group continued its commercial rollout of AGAMREE globally almost doubling revenues to CHF 77 million from CHF 39 million in the prior year. Additionally, the Group secured additional funding totaling CHF 20.4 million, comprising a CHF 10 million upsizing of its convertible bond with Highbridge Capital Management and an additional royalty purchase arrangement providing \$13 million (CHF 10.4 million).

As of December 31, 2025, there was cash and cash equivalents on hand of CHF 22 million. Management's forecasts indicate that this funding, combined with \$40 million (CHF 32.3 million) upfront payment received from Nxera post the signing of a license agreement for Japan and a number of APAC countries in January 2026, combined with projected revenue growth, provides sufficient liquidity to support operations through to the anticipated cashflow break-even point in Q3 2026.

While management appreciates there is still some uncertainty around time of launches and pricing in certain European countries, and that forecasts for growth in existing markets are by their nature not certain, following pricing and reimbursement agreement in Spain in February 2026 and continued positive discussions with the Italian health authorities, the main uncertainties for pricing and reimbursement relate to smaller European countries/regions such as the Nordics, Portugal and Switzerland. While launch is expected in these markets during 2026, due to the small size of any individual market, this limits downside risk to forecasts. With regards to assumed sales growth in existing markets, to date there has been strong uptake of AGAMREE in launched markets, with 40% market share achieved in Germany, 50% in Austria, with the UK following the same trajectory as Germany. With the addition of strong long-term data presented in March 2026 adding to the value proposition for AGAMREE, the management is confident in their forecasts and sees limited downside risk.

In the case of either delays to launches in the minor European regions/countries or sales in launched markets being below forecasts, with a strong cash position at the start of the year bolstered by the \$40 million (CHF 32.3 million) from Nxera in January, the management does not see either of these potential situations being material to the assumption of remaining a going concern.

2.4 Consolidation

Subsidiaries in which the Company has a direct or indirect controlling interest are consolidated. Control exists when the investor is exposed, or has rights, to variable returns from its investment with the investee and has the ability to affect those returns through its power over the investee. Control is normally evidenced when the Company owns, either directly or indirectly, more than 50% of the voting rights or potential voting rights of a company's share capital that are currently exercisable.

The consolidated financial statements of Santhera include the accounts of Santhera Pharmaceuticals Holding AG, Pratteln, Switzerland, and its wholly owned subsidiaries Santhera Pharmaceuticals (Schweiz) AG, Pratteln, Switzerland; and Santhera Pharmaceuticals (Deutschland) GmbH, Lörrach, Germany. In 2024, Santhera Pharmaceuticals (USA), Inc., Burlington, US; and Santhera Pharmaceuticals (Canada), Inc., Montreal, Canada were liquidated. In 2025, Santhera Pharmaceuticals (Sweden) AB, Stockholm, was created and Santhera (Italy) S.r.l., Milano, Italy, was liquidated. The accounts further include the wholly owned subsidiaries of Santhera Pharmaceuticals (Schweiz) AG: Santhera Pharmaceuticals (Liechtenstein) AG, Ruggell, Fürstentum Liechtenstein; Santhera (Germany) GmbH, München, Germany; Santhera (Netherlands) B.V., De Meern, The Netherlands; Santhera (UK) Limited, London, United Kingdom; and Santhera Pharmaceuticals (Spain), S.L.U, Bilbao, Spain.

Consolidation commences from the date on which control is transferred to the Company, and subsidiaries are no longer consolidated from the date that control ceases. Intercompany balances and transactions between Group companies are eliminated. Intercompany transactions solely result from providing services, financing and selling goods to other Group companies.

2.5 Segment reporting

Santhera has one operating segment, namely the development and commercialization of products for the treatment of neuromuscular diseases. The Board, the Executive Management and Extended Management Team (including the Head of Development, Global Head People & Culture, Head Global Marketing & Partner Management, and EVP Corporate Planning & Business Development), being the Chief Operating Decision Makers (CODM), assess the reporting data and allocate resources as one segment on a consolidated level according to operating expenses by function. Santhera generates revenue from product sales, outlicensing transactions and product sales to licensing partners. Geographic revenue information is based on location of the customer or licensee.

2.6 Foreign currency translations

The consolidated financial statements are presented in CHF. The functional currency of each of Santhera's companies is the currency of the primary economic environment in which the local entity operates. Transactions in foreign currencies are accounted for at the rates prevailing at the dates of the

transaction. Translation differences from financial transactions are included in the consolidated financial result.

Gains and losses resulting from the translation of foreign currency transactions and from the adjustment of foreign currency monetary assets and liabilities at the reporting date are recognized in the consolidated income statement.

Assets and liabilities of foreign entities are translated into CHF using the balance sheet exchange rates at year-end. Income and expenses are translated into CHF at average exchange rates. The exchange differences arising on the retranslation are accounted for in the consolidated statements of comprehensive income/equity.

2.7 Tangible assets

Tangible assets are stated at cost less accumulated depreciation and any impairment losses. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset or the shorter lease term, as follows:

	<u>Useful life</u>
Equipment	4 to 10 years
IT hardware	2 to 5 years
Right-of-use assets (leased assets that meet criteria for capitalization)	2 to 6 years
Leasehold improvements	2 to 10 years

2.8 Intangible assets

Patents, licenses, sublicenses, trademarks and other intangible assets are capitalized as intangible assets when it is probable that future economic benefits will be generated. Such assets are in general amortized on a straight-line basis over their useful lives. Estimated useful life is the lower of legal duration or economic useful life. The estimated useful life of the intangible assets is regularly reviewed and if necessary, the future amortization charge is accelerated. For pharmaceutical products, the estimated useful life normally corresponds to period of exclusivity, the remaining lifetime of the patent or orphan drug protection (up to 20 years).

Inlicensing agreements or similar arrangements which require milestone payments dependent on the achievement of agreed objectives or performance targets as defined in the contracts are recognized as part of the cost of intangible assets when they become probable.

2.9 Software

Acquired software licenses are for internal use and are capitalized as intangible assets on the basis of the costs incurred to acquire and implement the specific software. Capitalized costs are amortized on a straight-line basis over their estimated useful lives (2 to 5 years).

2.10 Impairment of tangible assets, right-of-use assets, and intangible assets

Tangible assets, right-of-use assets, and intangible assets available for use with a finite useful life are evaluated for potential impairment whenever facts and circumstances indicate that the asset's carrying value may not be recoverable. In addition, intangible assets that are not yet available for use and not yet amortized, are reviewed for impairment annually, or when facts and circumstances warrant.

If the carrying value of the asset exceeds the recoverable value, which is calculated using a discounted cash flow model, then an impairment loss equal to the difference is recognized in the consolidated income statement. The use of discounted cash flow models requires significant judgment and estimates, which are inherently uncertain and thus, actual results may differ from those estimates. Sensitivity analyses are performed around certain of these assumptions in order to assess the reasonableness of the assumptions and the resulting estimated recoverable values.

2.11 Trade and other receivables

Receivables, which generally have 30 to 60 days payment terms are stated at their nominal value less an allowance for any uncollectible amount based on expected credit losses. Credit risk arises from the possibility that counterparties to transactions may default on their obligations causing financial losses for the Group. Receivables are written off (either partly or in full) when there is no reasonable expectation of recovery. Where receivables have been written off, the Group continues to engage in enforcement activities to attempt to recover the receivable due.

2.12 Inventories

Inventories are stated at the lower of cost or net realizable value. Cost is determined using the First in First out (FIFO) method and includes all costs of purchase, conversion, and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Where necessary, provisions are made for obsolete, slow-moving, or defective inventories based on management's assessment of their condition and anticipated future sales.

2.13 Financial assets

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the transaction date. Generally, Santhera classifies its financial assets in the following two categories:

Financial assets at fair value through profit or loss

This category includes instruments held for trading. Assets in this category are classified as current assets if they are either held for trading or are expected to be realized within 12 months of the reporting date. Valuation is at fair value through profit or loss. Realized and unrealized gains and losses arising from changes in the fair value are included in the consolidated income statement in the period in which they arise.

Financial assets measured at amortized cost

These are financial assets held to collect contractual cash flows representing principal and interest only. With the exception of trade receivables, financial assets are initially measured at fair value plus transaction costs. Trade receivables are measured at transaction price established. Subsequent to initial recognition these financial assets are measured at amortized cost using the effective interest rate and are subject to impairment using the expected credit loss model.

2.14 Interest income

Interest income is recognized on a pro rata temporis basis using the effective interest method.

2.15 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurements of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment assessments.

Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period during which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accumulation of interest and reduced by the lease payments made. In addition, the carrying amount of lease liabilities

is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (below CHF 5 thousand). Lease payments on short-term leases and leases of low-value assets are recognized as expense over the lease term.

2.16 Cash and cash equivalents

Cash and cash equivalents include cash on hand and at banks, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

2.17 Share capital

Common shares are classified as equity. Incremental costs directly attributable to the issue of new common shares or options are shown in equity in the capital reserves and share premium as a deduction, net of tax, from the proceeds.

2.18 Treasury shares

Treasury shares are purchased at cost and recognized as a deduction from equity. Gains or losses from subsequent sales are presented in equity.

2.19 Financial liabilities

Financial liabilities at fair value through profit or loss

This category includes derivatives with negative replacement values. They are initially recognized at their fair value. Any subsequent change in fair value is recognized in the consolidated income statement in the period the changes occur, within financial income or financial expenses.

In the case of the royalty purchase agreement, the liability represents the Group's obligation to deliver future cash flows based on royalty income streams. These financial liabilities do not meet the criteria for amortized cost classification under IFRS 9 and are therefore designated at fair value through profit or loss. Fair value movements arise due to changes in expectations of future royalty payments, discount rates, and other market-related factors, and are recognized in the consolidated income statement, within financial income or financial expenses.

Derivatives may be embedded in other contractual arrangements. The Company accounts for an embedded derivative separately from the host contract when:

- the host contract is not an asset in the scope of IFRS 9 Financial Instruments
- the host contract is not itself carried at fair value through profit or loss
- the terms of the embedded derivative would meet the definition of a derivative if they were contained in a separate contract

- the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host

Separated embedded derivatives and other financial liabilities held at fair value through profit or loss are initially and subsequently measured at fair value, with all changes in fair value recognized in profit or loss.

Other financial liabilities measured at amortized cost

This category principally covers debt instruments and trade and other payables. The debt instruments held at amortized cost are initially recognized at fair value less transaction costs and subsequently measured at amortized cost using the effective interest method. Any difference between the net proceeds received and the principal value due on redemption is amortized over the duration of the debt instrument and is recognized as part of interest expense in the consolidated income statement.

2.20 Income taxes

The income tax charge is based on profit for the year and includes deferred taxes. Deferred taxes are calculated using the liability method. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Deferred tax assets and liabilities are measured using the tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled based on enacted or substantially enacted tax rates as of the balance sheet date.

The amount of deferred tax liabilities and deferred tax assets reflects the tax consequences on the balance sheet date of the Company's expectation of recovery or settlement of such carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are not discounted and are classified as noncurrent assets (or liabilities) in the consolidated balance sheet. They are offset against each other if they relate to the same taxable entity and tax authority.

Deferred tax assets are recognized when it is probable that sufficient taxable profits will be available against which the deferred tax assets can be utilized. At each balance sheet date, Santhera reassesses unrecognized deferred tax assets and the carrying amount of deferred tax assets. Santhera recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. The Company conversely reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or the entire deferred tax asset to be utilized. Deferred tax is provided on temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the difference will not reverse in the foreseeable future.

2.21 Earnings/(loss) per share

Basic earnings/(loss) per share is calculated by dividing the net profit/(loss) attributable to owners of ordinary shares of the Company by the weighted average number of shares outstanding during the

reporting period. For diluted earnings per share, the weighted average number of shares outstanding during the reporting period is increased by the assumed conversion of other potentially dilutive securities during the period.

2.22 Employee benefits

Post-retirement benefits

Santhera operates both defined benefit and defined contribution pension schemes.

Defined benefit scheme

Santhera's pension plan in Switzerland is classified as a defined benefit plan. Payments under this scheme are made directly to the pension fund for the account of each insured person. Typically, on retirement, an employee will receive an amount of the accumulated defined benefit obligation depending on several factors such as the total individual amount paid in, age and implied life expectancy. The compensation will be in the form of a lifelong pension or a lump sum payment. The scheme also covers disability as a consequence of illness and death-in-service.

The liability recognized in the consolidated balance sheet for defined benefit pension plans is the present value of the defined benefit obligation at the consolidated balance sheet date less the fair value of plan assets, adjusted for the effects of the asset ceiling, when relevant.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension liability.

Defined contribution scheme

Defined contribution schemes are also funded through direct payments for the account of each insured person. Upon retirement, an employee will receive an amount of the accumulated contributions in the form of a lifelong pension or a lump sum payment. No further obligations arise from these schemes other than the fixed periodic contributions to the plan.

Share-based compensation

Santhera has established various equity settled plans to align the long-term interests of the members of the Board, the Executive Management, employees and selected consultants who are eligible to participate. The fair value of instruments granted is determined at the grant date and recognized as personnel expense over the period Santhera receives services for each award. Where awards are modified as a minimum, the expenses are recognized as if no terms had been modified; modifications which increase the fair value of options are expensed additionally. Unless determined otherwise by the Board, terminations of employment by the employer are treated as forfeiture and any previously accumulated share-based payment expenses for unvested awards are reversed.

2.23 Provisions

Provisions are recognized when Santhera has a present obligation (legal or constructive) as a result of a past event, where it is more probable than not that an outflow of resources will be required to fulfill the obligation and where a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future outflows.

2.24 Revenue recognition

Revenue from contracts with customers is recognized at an amount that reflects the consideration to which Santhera expects to be entitled in exchange for transferring goods or services to a customer.

Net sales from the sale of products are recognized at the point in time when the customer obtains control of those products which is generally upon delivery to the customer. Revenue is net of value-added tax, rebates, discounts, returns and after eliminating intercompany sales.

Where revenue arrangements include variable consideration, such as reimbursement prices achieved in market, these amounts are not included in the estimated transaction price unless it is highly probable that a significant reversal of the cumulative revenues recognized will not occur in future periods once the uncertainty related to the variable consideration is resolved. Payment terms usually range between 30 and 60 days for the sale of goods.

Revenue from outlicensing, including revenue from royalties

Outlicensing agreements are concluded, where the counterparty has to pay license fees which are usually in the form of upfront and milestone payments as well as royalty payments. Santhera determines its performance obligations under such arrangements and in case of multiple deliverables, allocates the transaction price to each distinct performance obligation on a relative stand-alone selling price basis. Typically, these arrangements include obligations such as maintenance of patents, research and development support and services, memberships in joint steering committees and other involvement in the arrangement, in which case the upfront and milestone payments may represent advance payments for future services and/or the right to access the underlying intellectual property of the Group. Revenue from such agreements is recognized upon transfer of control of the license or services rendered in line with agreement obligations.

Sales-based or usage-based royalties received in exchange for licenses of intellectual property are recognized as revenue at the later of when: (1) the subsequent sale or usage occurs; or (2) the performance obligation to which some or all of the sales-based or usage-based royalty has been allocated is satisfied (in whole or in part) where the license is the only or predominant item to which the royalty relates.

Cost reimbursements and pass-through arrangements

In certain arrangements, the Group provides services to counterparties for which the consideration is structured as reimbursement of costs incurred. These arrangements include services related to early access programs, manufacturing transfer activities, and other operational or administrative support services. The Group assesses such arrangements to determine whether they give rise to distinct

performance obligations and whether the Group controls the specified service prior to its transfer to the customer. Where the Group concludes that it controls the service provided and is responsible for integrating inputs, directing the activities, and ensuring overall delivery of the service, the Group acts as principal. In these circumstances, all consideration to which the Group is entitled, including cost-based reimbursements, is recognized as net sales to licensing partner as the related performance obligation is satisfied.

Directly attributable costs incurred in fulfilling these services, including third-party vendor costs and internal personnel costs, are recognized within cost of sales in the period in which the related revenue is recognized. Where such services are performed continuously over a period of time and the customer simultaneously receives and consumes the benefits as the services are performed, revenue is recognized over time, using a measure that faithfully depicts the transfer of services to the customer.

2.25 Development expenses

Development expenses are charged to the consolidated income statement as incurred. Inlicensing costs are capitalized as intangible assets when it is probable that future economic benefits will flow to Santhera. Capitalized inlicensing costs are amortized on a straight-line basis over the period of the expected benefit when the asset becomes available for use and are reviewed for impairment indicators at each balance sheet date.

3. Critical Accounting Estimates, Assumptions and Judgments

The preparation of consolidated financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying Santhera's accounting policies and in developing estimates and assumptions concerning the future. The resulting accounting will not necessarily equal the related actual outcome. The following areas involve assumptions and estimates that can have a significant impact on the consolidated financial statements:

- Assessment of the Group's ability to continue as a going concern;
- Revenue recognition and related accruals/deferrals, which is derived primarily from licensing fees, achievement of specified milestones and research services;
- Valuation of financial instruments measured at fair value through profit or loss.

4. Principal Currencies Translation Rates

The following table sets forth the foreign currency exchange rates of the CHF against key currency used for foreign currency translation when preparing the Group's consolidated financial statements.

	Average rates for year ended		Year-end rates	
	2025	2024	2025	2024
1 Euro (EUR)	0.9372	0.9525	0.9311	0.9419
1 US dollar (USD)	0.8314	0.8804	0.7933	0.9038
1 British pound (GBP)	1.0943	1.1251	1.0662	1.1350
1 Canadian dollar (CAD)	0.5944	0.6429	0.5790	0.6290

5. Tangible Assets

<i>In CHF thousands</i>	Right-of-use assets vehicles	Right-of-use assets offices	Equipment	IT hardware	Leasehold improvements	Total 2025
Cost						
Balance, January 1	88	6,339	603	860	1,480	9,370
Additions	57	-	-	52	-	109
Disposals	-	-	-	(2)	-	(2)
Balance, December 31	145	6,339	603	910	1,480	9,477
Accumulated depreciation						
Balance, January 1	(54)	(4,038)	(519)	(708)	(1,480)	(6,799)
Additions	(53)	(521)	(28)	(67)	-	(669)
Disposals	-	-	-	1	-	1
Balance, December 31	(107)	(4,559)	(547)	(774)	(1,480)	(7,467)
Net book value, December 31	38	1,780	56	136	-	2,010

<i>(continued)</i>	Right-of-use assets vehicles	Right-of-use assets offices	Equipment	IT hardware	Leasehold improvements	Total 2024
Balance, January 1	88	3,874	568	782	1,480	6,792
Additions	-	2,465	35	116	-	2,616
Disposals	-	-	-	(38)	-	(38)
Balance, December 31	88	6,339	603	860	1,480	9,370
Accumulated depreciation						
Balance, January 1	(34)	(3,615)	(492)	(690)	(1,379)	(6,210)
Additions	(20)	(423)	(27)	(55)	(101)	(626)
Disposals	-	-	-	37	-	37
Balance, December 31	(54)	(4,038)	(519)	(708)	(1,480)	(6,799)
Net book value, December 31	34	2,301	84	152	-	2,571

6. Intangible Assets

<i>In CHF thousands</i>	Vamorolone	Lonodelestat	Software and patents	Total 2025
Cost				
Balance, January 1	74,701	-	724	75,425
Balance, December 31	74,701	-	724	75,425
Accumulated amortization and impairment				
Balance, January 1	(5,861)	-	(618)	(6,479)
Additions	(4,981)	-	(30)	(5,011)
Balance, December 31	(10,842)	-	(648)	(11,490)
Net book value, December 31	63,859	-	76	63,935
Total 2024				
Cost				
Balance, January 1	74,701	6,210	724	81,635
Disposals	-	(6,210)	-	(6,210)
Balance, December 31	74,701	-	724	75,425
Accumulated amortization and impairment				
Balance, January 1	(886)	(6,210)	(573)	(7,669)
Additions	(4,975)	-	(45)	(5,020)
Disposals	-	6,210	-	6,210
Balance, December 31	(5,861)	-	(618)	(6,479)
Net book value, December 31	68,840	-	106	68,946

Vamorolone

Vamorolone, the active substance in the marketed product AGAMREE for the treatment of DMD, has received full approval in the U.S., EU, and UK. In October 2023, upon obtaining the U.S regulatory approval, the vamorolone intangible asset became available for use. The estimated useful life of the asset is determined to be fifteen years and it is amortized on a straight-line basis.

In 2023, upon achievement of the U.S. Food and Drug Administration (FDA) approval, Santhera was required to pay its licensing partners regulatory-based milestone payments totaling CHF 23.7million. The payments were capitalized and added to the cost of the intangible asset.

The results of the vamorolone intangible asset impairment assessment in 2025 and 2024 did not identify any indication that the asset may be impaired.

In April 2024, Santhera terminated the licensing agreement with Spexis AG. All rights to lonodelestat and all data generated by Santhera on lonodelestat during the term of the license reverted to Spexis, and the assets has been disposed in 2024.

7. Deferred Tax Assets

<i>In CHF thousands</i>	2025	2024
Temporary differences on convertible bonds	137	48
Temporary differences on term loan	344	-
Temporary differences on unrealized FX	647	-
Tax loss carryforwards	(1,128)	(48)
Deferred tax liabilities recognized	-	-
Tax loss carryforwards	280,670	244,603
Of which recorded	(8,391)	(356)
Of which unrecorded	272,279	244,247
Unrecorded tax loss carryforwards expiring in:		
1 year	1,455	20,950
2 years	46,035	1,455
3 years	67,530	46,035
4 years	41,996	67,530
5 years	9,112	41,996
More than 5 years	76,261	42,223
Without expiration	29,890	24,058
Total unrecorded tax loss carryforwards	272,279	244,247

Due to the uncertainty surrounding the future results of operations and the uncertainty as to whether Santhera can use the tax loss carryforwards for tax purposes, deferred tax assets on tax loss

carryforwards were only considered to the extent that they offset taxable temporary differences within the same taxable entity. As there are no temporary differences associated with investments in subsidiaries, no deferred tax liability has to be recognized. No deferred tax assets are recognized on temporary differences related to pension obligations (CHF 6.5 million at December 31, 2025 and CHF 7.7 million at December 31, 2024) and warrant liabilities (CHF 1.7 million at December 31, 2025 and CHF 4.3 million at December 31, 2024). No deferred tax assets are recognized on temporary differences related to the private convertible bond (December 31, 2025 nil and December 31, 2024 CHF 1.8 million).

8. Inventories

<i>In CHF thousands</i>	2025	2024
Raw materials	7,048	12,342
Semi-finished goods	15,517	3,651
Finished goods	2,303	1,534
Total inventories	24,868	17,527

9. Trade and Other Receivables

<i>In CHF thousands</i>	2025	2024
Trade receivables, gross	8,911	9,254
Other receivables	17,334	4,829
General allowance for expected credit losses on trade receivables	(33)	(60)
Specific allowance for expected credit losses on trade receivables	(174)	(138)
Total trade and other receivables, net	26,038	13,885

Trade receivables are due within 30 to 60 days and bear no interest.

Other receivables comprises accrued revenues related to royalties and milestone payments owed by licensing partners, as well as VAT receivables. As of December 31, 2025, other receivables amounted to CHF 17.3 million (December 31, 2024: CHF 4.8 million). The increase is due to milestone achievements recognized during the year, including approximately CHF 10.0 million related to milestones achieved by Catalyst, as well as an increase of CHF 1.5 million in VAT receivables.

The Group uses an allowance matrix to estimate the allowance for expected credit losses on trade receivables. The expected credit loss rate is based on the Group's historical experience and the Group's expectation of economic conditions over the period until the trade receivables are expected to be paid. Where there is no reasonable expectation of recovery, a specific allowance is established to fully write off trade receivables and other receivables. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan.

The allowance matrices below summarize the expected credit losses on the Group's trade receivables:

<i>In CHF thousands</i>	Current	0-30 days	31-60 days	61-90 days	91-180 days	181-360 days	>360 days	Total
								Dec 31, 2025
Expected credit loss rate for general losses	0.3%	0.9%	2.1%	4.2%	7.7%	11.5%	13.0 to 25%	
Trade receivables	8,073	517	110	24	49	-	138	8,911
General expected credit loss	23	4	3	1	2	-	-	33
Specific expected credit loss	-	-	-	-	36	-	138	174
Total expected credit loss	23	4	3	1	38	-	138	207
								Total Dec 31, 2024
Expected credit loss rate for general losses	0.3%	0.9%	2.1%	4.2%	7.7%	11.5%	13.0 to 25%	
Trade receivables	7,197	1,509	121	92	144	78	113	9,254
General expected credit loss	21	13	3	4	10	9	-	60
Specific expected credit loss	-	-	-	-	25	-	113	138
Total expected credit loss	21	13	3	4	35	9	113	198

The table below summarizes the changes in the allowance for expected credit losses:

<i>In CHF thousands</i>	2025	2024
Allowance for expected credit losses, January 1	198	114
Reversals	(28)	(4)
Increases	37	88
Allowance for expected credit losses, December 31	207	198

10. Cash and Cash Equivalents

<i>In CHF thousands</i>	2025	2024
Cash at banks and on hand	22,440	18,330
Short-term investments with maturity of less than three months	-	22,595
Total cash and cash equivalents	22,440	40,925

11. Share Capital

11.1 Ordinary share capital

Each registered share has a nominal value of CHF 0.10. During the year ended December 31, 2025, a total of 582,162 new Shares were issued for financing transactions, and share-based compensation. As of December 31, 2025, issued share capital totals CHF 1,401,550.50, consisting of 14,015,505 Shares. As of December 31, 2024, issued share capital totaled CHF 1,343,334.30, consisting of 13,433,343.

11.2 Treasury shares

During the year ended December 31, 2025, a total of 21,044 new shares were issued as part of share-based compensation. During the year ended December 31, 2024, a total of 800,000 new Shares were issued for the convertible bond conversion.

As of December 31, 2025, the Company held 621,791 treasury shares for a carrying amount of CHF 62,179.10. As of December 31, 2024, the Company held 642,835 treasury shares for a carrying amount of CHF 64,283.50.

11.3 Capital band

As of December 31, 2025 and December 31, 2024, the Company held a capital band between CHF 725,540.70 (lower limit) and CHF 1,955,540.70 (upper limit). Within the range of the capital band, the board of directors is authorized to increase the share capital in any amount once or several times until June 26, 2028.

11.4 Conditional shares

Pursuant to Articles 3b, 3c and 3d of the Company's Articles of Incorporation, the Company has conditional shares. The conditional shares represent conditional capital authorized for issuance for share-based compensation, under the exclusion of shareholders' pre-emptive rights, and financing transactions, respectively.

Article 3b conditional shares

As of December 31, 2025 and December 31, 2024, Article 3b conditional capital totals CHF 604,115.50 consisting of 6,041,155 shares.

Article 3c conditional shares

During the year ending December 31, 2025, a total of 387,617 shares were issued out of the Article 3c conditional shares for new share issuances for share-based compensation. During the year ending December 31, 2024, a total of 11,967 shares were issued out of the Article 3c conditional shares for new Share issuances for financing transactions.

As of December 31, 2025, Article 3c conditional capital totals CHF 72,518.50, consisting of 725,185 shares. As of December 31, 2024, the total was CHF 48,280.20, consisting of 482,802 shares.

Article 3d conditional shares

During the year ending December 31, 2025, a total of 194,545 shares were issued out of the Article 3d conditional shares for financing transactions and warrant conversions into shares. During the year ending December 31, 2024, a total of 800,000 shares were issued out of the Article 3d conditional shares for the conversion of convertible bonds into shares.

As of December 31, 2025, Article 3c conditional capital totals CHF 450,545.50, consisting of 4,505,455 shares. As of December 31, 2024, the total was CHF 470,000.00, consisting of 4,700,000 shares.

12. Financial Liabilities**12.1 Equity-linked financing arrangements**

The warrants issued in connection with exchangeable note arrangements do not meet the criteria for equity classification under IFRS and are therefore accounted for as financial liabilities and measured at fair value through profit or loss. The fair value of the warrants is determined using valuation techniques incorporating unobservable inputs, including the Company's share price volatility, expected life of the warrants and contractual exercise terms.

The table below summarizes the changes in financial liabilities arising from equity-linked financing arrangements and their financial instruments:

<i>In CHF thousands</i>	Exchangeable Notes warrants	Warrants
Balance, December 31, 2023	1,248	2,265
Derecognition of financial instruments on Exercise	(1,011)	-
Effective interest/amortized cost/fair value Adjustments	(237)	31
Balance, December 31, 2024	-	2,296
Derecognition of financial instruments on Exercise	-	(1,084)
Effective interest/amortized cost/fair value Adjustments	-	(1,041)
Balance, December 31, 2025	-	171

Warrants

Warrants issued in connection with exchangeable note arrangements had a fair value of CHF 10.50 per warrant at the date of grant. Each warrant is exercisable at any time until September 22, 2026, for one Share at an exercise price of CHF 20.00. The warrants are initially and subsequently recognized at fair value through profit or loss and are classified as financial liabilities until exercised by the holder.

As of December 31, 2024, the combined fair value of the warrants outstanding totaled CHF 2.3 million and nil were exercised in 2024. As of December 31, 2025, the combined fair value of the warrants outstanding totals CHF 0.2 million with 80,909 being exercised and 140,252 being forfeited in 2025. Refer to Note 12.5 for a summary of total warrants granted and outstanding at December 31, 2025.

Equity-linked financial instruments valuation and sensitivity analysis

The valuations are based on Level 3 unobservable input parameters applying a simulation-based approach. The implied volatility, a significant valuation input, is determined by reference to the annualized daily trading volatility of Santhera's Shares for a historical lookback period equal to the expected remaining life of the conversion right as of the valuation date. By construction, the compound financial instrument issued to Highbridge is assumed will be exercised by conversion to shares before maturity. For valuation purposes, it is therefore assumed that the expected exercise date is between the investing date and the maturity date.

The table below shows the implied volatility as of the valuation date:

<i>Financial instruments</i>	2025	2024
Equity-linked financing arrangements – warrants:		
Granted in September 2021	47%	61%
Granted in January 2023	N/A	60%

The table below shows the impact that a 5% increase/decrease in volatility has on the fair value for each category of financial instrument and its effect on result before taxes as of the valuation date.

<i>In CHF thousands</i>		2025	2024
<i>Financial instruments</i>	Increase/decrease in volatility assumption	Effect on result before taxes	Effect on result before taxes
Equity-linked financing arrangements – warrants			
Change in volatility	+5%	(67)	(298)
	-5%	56	257

12.2 Financing arrangements - senior unsecured convertible bonds*2021/24 Listed Bonds*

On August 18, 2024, the listed 2021/24 convertible bonds amounting to CHF 13.5 million were redeemed on maturity. At the settlement date the listed convertible bonds were derecognized.

2021/24 and 2025/28 Private Bonds

On October 14, 2021, in a private offering, Santhera issued senior unsecured convertible bonds to Highbridge with an aggregate nominal value of CHF 15.0 million (2021/24 Private Bonds). The terms of the 2021/24 Private Bonds are substantially similar to those of the 2021/24 Listed Bonds other than subsequent amendments to conversion price.

In February 2023, Santhera and Highbridge agreed on a new conversion price of CHF 5.00 for CHF 5 million of the 2021/24 Private Bonds and of CHF 10.00 for the remaining outstanding 2021/24 Private

Bonds. The modification of the terms resulted in a loss in the amount of CHF 0.3 million, which was recognized as financial expense during the year ending December 31, 2023.

On August 12, 2024, as part of the transaction to close the new term loan financing arrangement with Highbridge, the contract for the existing private convertible bonds were amended to extend a portion of the bonds by 12 months to August 2025, with the remainder being converted. CHF 7 million, with a strike price of CHF 10, was extended by 12 months, and CHF 4 million was converted at a strike price of CHF 5. On settlement, 824,044 shares were delivered on conversion. As a result of the contract amendment the transferred part of the old bond was derecognized and a modification loss of 0.017 million was recognized. The new bond at fair value was booked as a new hybrid financial instrument.

On September 23, 2025, the Group entered into a refinancing transaction with Highbridge Capital Management, LLC, resulting in the issuance of a new 2025/28 convertible bond with a nominal amount of CHF 20.1 million and a maturity date in September 2028. The transaction resulted in the derecognition of the existing 2021/24 convertible bond and the recognition of a new financial instrument at fair value in accordance with IFRS 9. The convertible bond contains a conversion feature that does not meet the fixed-for-fixed criterion under IAS 32 and is therefore accounted for as a derivative measured at fair value through profit or loss. Following initial recognition, the host liability is measured at amortized cost using the effective interest method, while changes in the fair value of the embedded derivative are recognized in profit or loss.

As of December 31, 2025, the 2025/28 Private Bonds have an aggregate nominal value of CHF 20.1 million and a carrying value of CHF 14.3 million. As of December 31, 2025, the fair value of the derivative totals CHF 4.9 million.

The following table summarizes the nominal and carrying values of the senior unsecured convertible bonds:

<i>In CHF thousands</i>					2025		2024	
	Offering	Currency	Interest	Maturity	Nominal value	Carrying value	Nominal value	Carrying value
2021/24 Private Bonds	Private	CHF	7.5%	Aug 2025	-	-	6,971	6,398
2025/28 Private Bonds	Private	CHF	7.0%	Sep 2028	20,132	14,259	-	-
Total current convertible bonds					20,132	14,259	6,971	6,398

The table below summarizes the changes in financial liabilities arising from convertible bond issuances and their financial instruments:

<i>In CHF thousands</i>	2021/24 Listed Bonds	2021/24 Listed Bonds derivatives	2021/24 2025/28 Private Bonds	2021/24 2025/28 Private Bonds derivatives
Balance, December 31, 2023	12,755	67	8,188	5,188
Derecognition of financial instruments on conversion of bonds into Shares	-	-	(4,028)	(3,080)
Amortization catch-up	-	-	67	-
Effective interest/amortized cost/fair value adjustments	792	(67)	3,042	-
Changes in fair value of derivative	-	-	-	(672)
Derecognition upon agreement update	-	-	(6,971)	(1)
Recognition upon modification	-	-	6,083	888
Adjustment for modification	-	-	17	-
Balance, December 31, 2024	-	-	6,398	2,323
Adjustment for modification	-	-	(102)	-
Proceeds from new bonds 2025/28	-	-	9,686	-
Effective interest/amortized cost/fair value adjustments	-	-	1,093	-
Changes in fair value of derivative	-	-	-	(590)
Derecognition upon agreement modification	-	-	(6,971)	(1,383)
Recognition upon modification	-	-	4,155	4,524
Balance, December 31, 2025	-	-	14,259	4,874

Convertible bonds financial instruments valuation and sensitivity analysis

The convertible bonds conversion rights, reset mechanisms, and early redemption options are considered embedded financial derivatives and require initial recognition and subsequent measurement at fair value through profit or loss. The valuation of the embedded derivatives is based on Level 3 unobservable input parameters applying a simulation-based valuation approach. The implied volatility is determined by reference to the annualized daily trading volatility of Santhera's shares for a historical lookback period equal to the expected remaining life of the conversion right as of the valuation date.

The embedded conversion rights and reset mechanisms are directly related and have the same risk exposure. Therefore, these two derivatives are accounted for as a single financial instrument (i.e., a compound derivative). Due to the reset mechanisms, the compound derivative is not settled for a fixed number of Shares and hence classifies as a financial liability. The convertible bonds are recognized as financial liabilities measured at amortized cost using the effective interest method and the embedded derivatives are recognized as financial liabilities measured at fair value through profit or loss.

A key input to determine the valuation of the financial instruments, the identified volatility, is calculated based on the historical returns of the Company's Shares over a period commensurate to the duration of the instrument.

The table below shows the implied volatility as of the valuation date:

<i>Financial instruments</i>	2025	2024
Derivatives:		
2021/24 and 2025/28 Private Bonds	58%	50%

The table below shows the impact that a 5% increase/decrease in volatility has on the fair value for each category of financial instrument and its effect on result before taxes as of the valuation date:

<i>In CHF thousands</i>		2025	2024
<i>Financial instruments</i>	Increase/decrease in volatility assumption	Effect on result before taxes	Effect on result before taxes
2021/24 and 2025/28 Private Bonds – derivatives			
	+5%	(20)	80
Change in volatility	-5%	14	(21)

12.3 Financing arrangements - term loan

On August 12, 2024, Santhera closed a new term loan financing agreement with Highbridge Capital Management, LLC (Highbridge). The agreement primarily serves to support the Company's growth initiatives, repayment of maturing convertible bonds and liquidity through Q3 of 2026, at which point Santhera expects to be cash flow break-even.

Under the terms of the agreement, Santhera received CHF 35 million as a term loan with a four-year maturity and an interest rate of 3-month SARON plus 9.75% paid quarterly. In 2025, Highbridge elected to capitalize CHF 0.9 million of interest under the term loan as payment-in-kind, which was recognized as additional debt. In addition, Highbridge received 236,540 warrants with a fair value of CHF 4.67 per warrant at the date of grant. Each warrant is exercisable at any time until August 12, 2029, for one Share at an exercise price of CHF 11.10. The warrants are initially and subsequently recognized at fair value through profit or loss and are classified as financial liabilities until exercised by the holder.

In September 2025, the Group amended certain covenants under its existing term loan agreement. The amendment did not result in changes to the contractual principal amount, interest rate, or maturity and was assessed as a non-substantial modification under IFRS 9. Accordingly, the existing financial liability was not derecognized. An amendment fee settled through the issuance of equity instruments was recognized as a transaction cost and capitalized as an adjustment to the carrying amount of the

term loan, with the revised carrying amount amortized over the remaining contractual term using a recalculated effective interest rate.

The following table summarizes the nominal and carrying values of the term loan:

<i>In CHF thousands</i>					2025		2024	
	Offering	Currency	Interest	Maturity	Nominal value	Carrying value	Nominal value	Carrying value
HB Term Loan	Private	CHF	3-month SARON plus 9.75%	Dec 2028	36,822	32,733	35,000	31,729
Total noncurrent loans					36,822	32,733	35,000	31,729

The table below summarizes the changes in financial liabilities arising from the term loan and its financial instruments:

<i>In CHF thousands</i>	HB Term Loan	HB Term Loan derivatives	HB Term Loan warrants
Balance, December 31, 2023	-	-	-
Cash flows:	-	-	-
Proceeds	34,300	-	-
Non-cash changes:			
Initial recognition of financial instruments at fair value	(2,855)	1,750	1,105
Effective interest/amortized cost/fair value adjustments	284	466	889
Balance, December 31, 2024	31,729	2,216	1,994
Non-cash changes:			
Adjustment for modification of loan	(1,575)		
Interest capitalized to term loan	1,828		
Effective interest/amortized cost/fair value adjustments	751	(684)	(435)
Balance, December 31, 2025	32,733	1,532	1,559

The interest rate on this term loan is tied to the SARON rate plus a spread of 9.75%, with an embedded interest rate floor of 2.00% for the SARON rate which is considered an embedded financial derivative and requires initial recognition and subsequent measurement at fair value through profit or loss. The valuation of the embedded derivatives is based on Level 3 unobservable input parameters applying a simulation-based valuation approach. The implied volatility is determined by reference to the annualized daily trading volatility of Santhera's shares for a historical lookback period equal to the expected remaining life of the conversion right as of the valuation date.

The term loan is recognized as financial liabilities measured at amortized cost using the effective interest method and the embedded derivatives are recognized as financial liabilities measured at fair value through profit or loss.

A key input to determine the valuation of the financial instruments, the identified volatility, is calculated based on the historical returns of the Company's Shares over a period commensurate to the duration of the instrument.

The table below shows the implied volatility as of the valuation date:

<i>Financial instruments</i>	2025	2024
Derivatives:		
HB Term Loan	0% - 11%	3% - 16%
Warrants:		
HB Term Loan	70%	73%

The table below shows the impact that a 5% increase/decrease in volatility has on the fair value for each category of financial instrument and its effect on result before taxes as of the valuation date:

<i>In CHF thousands</i>		2025	2024
<i>Financial instruments</i>	Increase/decrease in volatility assumption	Effect on result before taxes	Effect on result before taxes
HB Term Loan – derivatives			
	+5%	-	-
Change in volatility	-5%	-	-
HB Term Loan – warrants			
	+5%	(170)	(92)
Change in volatility	-5%	85	132

12.4 Financing arrangements - royalty purchase agreement

On August 13, 2024, Santhera closed a royalty monetization financing agreement with R-Bridge Investment Six PTE. LTD. The agreement primarily serves to support the Company's growth initiatives, repayment of maturing convertible bonds and liquidity through Q3 of 2026, at which point Santhera expects to be cash flow break-even.

Under the terms of the agreement, R-Bridge made an upfront cash payment of USD 29.3 million (CHF 25.6 million) to Santhera. In addition, R-Bridge will make staged sales-related milestone payments that, if achieved, would result in total payments to Santhera of a further USD 8 million (CHF 7.2 million).

The royalty agreement with R-Bridge is partial and capped. Santhera has monetized 75% of the future royalty income streams (net of any agreed payment obligations of Santhera to ReveraGen and R-Bridge) from its licensing agreements for AGAMREE with Catalyst Pharmaceuticals, Inc. and with Sperogenix Therapeutics Ltd., in respect of net product sales occurring from July 1, 2024. Once the agreed threshold or duration of royalty payments is met, the North America and China royalty payments will revert back to Santhera. In addition, Santhera retained certain rights to buy back the royalty income stream via a repurchase option.

The royalty agreement contains embedded derivatives, including minimum guarantee thresholds over both the net sales of Santhera's licensing partners and royalty revenue to be collected by R-Bridge, as well as a buy-out right by Santhera to repurchase the royalties from R-Bridge at any point after closing date. The embedded derivatives are directly related and have the same risk exposure. Therefore, the derivatives and financial liability are accounted for as a single financial instrument (i.e., a hybrid instrument).

At initial recognition, the cash receipt of USD 29.3 million (CHF 25.6 million), net of directly attributable transaction costs of USD 0.7 million (CHF 0.6 million), was measured at fair value and recognized as a non-current financial liability from future payments to R-Bridge. Subsequent to initial recognition, the financial liability is remeasured at fair value at each reporting date, with changes in fair value recognized in profit or loss. The fair value adjustments reflect changes in expected future sales of the Royalty Products and the likelihood of achieving the milestone payments.

The financial liability valuation is based on Level 3 unobservable input parameters applying a Monte Carlo simulation based on revenue forecasts with future monthly royalty revenues being modeled with a triangular distribution centered on management's projections, adjusted for upside and downside scenarios. Each simulated royalty revenue path triggers cash flows dependent on the potential termination of the contract due to the payment cap, or the potential exercise of the repurchase option.

Key inputs to the valuation model include:

- Projected future revenues of the licensed product derived from internal forecasts driven by projections from licensing partners.
- Expected royalty rates in accordance with the licensing agreement, ranging from 5% to 11% of product sales.
- Weighted average cost of capital (WACC): 10.9% and 10.2%, applied to discount future cash flows to present value for the initial and year-end remeasurement respectively.
- Foreign exchange rates: as all contractual cash flows are denominated in USD, future cash flows are converted to CHF (the Group's functional currency) using forward-looking exchange rate assumptions derived from observable market data.
- Volatility assumptions for forecasted sales: deviation of +/-25% compared to projections.

As a result of the fair value measurement a deferred loss balance was recognized, and is amortized over the expected life of the contract on a straight-line basis as it reflects a consistent and systematic allocation. As of the initial valuation date of 13 August 2024, and as remeasured at 31 December 2024, the fair value of the royalty purchase agreement were CHF 35.3 million and CHF 37.0 million respectively, with a deferred loss balance of CHF 9.0 million and CHF 8.0 million respectively.

In November 2025, the Group entered into a royalty purchase agreement with R-Bridge Investment Six Pte. Ltd. and Partners Group Access PF 900 L.P., pursuant to which it sold the remaining 25% of its rights to future royalty receipts arising from its licensing agreements with Catalyst Pharmaceuticals, Inc. and Sperogenix Therapeutics Ltd. The transaction was accounted for as a financing arrangement and resulted in the recognition of a financial liability measured at fair value through profit or loss in accordance with IFRS 9, as the contract contains embedded derivatives that significantly modify the cash flows. At initial recognition, the financial liability exceeded the consideration received, and the resulting day-one loss was deferred and is being amortized over the expected life of the arrangement. Subsequent changes in the fair value of the liability are recognized in profit or loss.

The table below summarizes the changes in financial liabilities arising from the royalty purchase agreement:

<i>In CHF thousands</i>	2024 Royalty Purchase	2024 Royalty Purchase Deferred Loss	2025 Royalty Purchase	2025 Royalty Purchase Deferred Loss
Balance, December 31, 2023	-	-	-	-
Proceeds	25,632	-	-	-
Deferred loss	9,011	9,011	-	-
Transaction costs	612	-	-	-
Initial recognition of financial instruments at fair value	35,255	-	-	-
Repayment	(462)	-	-	-
Fair value adjustments/amortization/FX impact	2,182	(995)	-	-
Balance, December 31, 2024	36,975	8,016	-	-
Proceeds	-	-	10,386	-
Deferred loss	-	-	4,374	4,374
Transaction costs	-	-	241	-
Initial recognition of financial instruments at fair value	-	-	15,001	-
Repayment	(3,523)	-	-	-
Fair value adjustments/amortization/FX impact	(1,119)	(3,704)	(247)	(787)
Balance, December 31, 2025	32,333	4,312	14,754	3,587

A sensitivity analysis is performed to assess the impact of changes in key assumptions on the fair value of the financial liability. The table below shows the impact that a 25% increase/decrease in volatility of royalty revenue projections has on the fair value of the liability:

<i>In CHF thousands</i>		2025	2024
<i>Financial instruments</i>	Increase/decrease in volatility assumption	Effect on liability balance	Effect on liability balance
2024 royalty purchase agreement			
	+25%	-	-
Change in revenue projections	-25%	10	10
2025 royalty purchase agreement			
	+25%	-	-
Change in revenue projections	-25%	(60)	-

12.5 Summary of warrants issued and outstanding

The table below summarizes the changes in warrants outstanding in connection with financing arrangements:

Warrants granted	Expiry date	Exercise price (CHF)	Outstanding 2024	Issued	Exercised	Expired/ Forfeited	Outstanding 2025
458,504	Sep 22, 2026	20.00	458,504	-	-	-	458,504
221,161	Jan 09, 2025	9.04	221,161	-	(80,909)	(140,252)	-
236,540	Aug 12, 2029	11.10	236,540	-	-	-	236,540
1,116,205			916,205	-	(80,909)	(140,252)	695,044

13. Fair Value of Financial Liabilities Arising from Financing Activities

The table below summarizes the fair value hierarchy of financial liabilities measured at amortized cost and measured at fair value through profit or loss as of December 31, 2025, and December 31, 2024. During the year ended December 31, 2025 and December 31, 2024, there have been no transfers between the different hierarchy levels.

In CHF thousands

	Carrying value	December 31, 2025			Total
		Fair Value Hierarchy			
		Level 1	Level 2	Level 3	
2025/28 Private Bonds	14,259	-	16,453	-	16,453
Term Loans	32,733	-	41,509	-	41,509
Total financial liabilities at amortized cost	46,992	-	57,962	-	57,962
2024 Royalty purchase agreement	32,333	-	-	32,333	32,333
2025 Royalty purchase agreement	14,754	-	-	14,754	14,754
Derivative financial instruments	6,406	-	-	6,406	6,406
Warrant financial instruments	1,730	-	-	1,730	1,730
Total financial liabilities at fair value through profit or loss	55,223	-	-	55,223	55,223

	Carrying value	December 31, 2024			Total
		Fair Value Hierarchy			
		Level 1	Level 2	Level 3	
2021/24 Private Bonds	6,398	-	4,721	-	4,721
Term Loans	31,729	-	39,623	-	39,623
Total financial liabilities at amortized cost	38,127	-	44,344	-	44,344
Royalty purchase agreements	36,975	-	-	36,975	36,975
Derivative financial instruments	4,539	-	-	4,539	4,539
Warrant financial instruments	4,290	-	-	4,290	4,290
Total financial liabilities at fair value through profit or loss	45,804	-	-	45,804	45,804

The Group applies the following assumptions in estimating fair values of financial liabilities carried on an amortized cost basis:

- The carrying amounts of short-term debt, trade payables, accrued expenses and current maturities of long-term debt, excluding finance lease obligations, are deemed a reasonable approximation of fair values
- Long-term debt, excluding finance lease obligations: Fair values of the convertible bonds and term loans without available quoted market prices, the fair values are determined by reference to the present value of future contractual cash flows discounted at observable market interest rates for instruments with similar characteristics to those held by the Company (Level 2 inputs)

14. Lease Liabilities

<i>In CHF thousands</i>	2025	2024
Balance, January 1	2,493	606
Additions	57	-
Modifications	-	2,465
Interest expense	42	35
Payments including interest expense	(633)	(614)
Currency translation effects	(2)	1
Balance, December 31	1,957	2,493
Less current portion of lease liabilities	588	553
Noncurrent portion of lease liabilities	1,369	1,940

Total cash outflow for lease payments amounted to CHF 0.6 million for each of the years ended December 31, 2025 and December 31, 2024, relating to leases recognized on the balance sheet under IFRS 16. In addition, cash outflows of approximately CHF 0.1 million for each of the years ended December 31, 2025 and December 31, 2024 were incurred for short-term leases and leases of low-value assets, which are not recognized as lease liabilities and are expensed as incurred.

15. Trade and Other Payables

Trade and other payables are due within 30 to 120 days and bear no interest.

<i>In CHF thousands</i>	2025	2024
Trade payables	13,583	5,752
Other payables (non-financial)	4,422	3,472
Total trade and other payables	18,005	9,224

16. Accrued Expenses

<i>In CHF thousands</i>	2025	2024
Development programs	1,546	2,638
Liabilities to employees (non-financial)	4,067	3,637
Accruals for pricing reimbursements	3,683	3,510
Accruals for audit, consulting and other	7,610	8,224
Accruals for milestones payable	1,904	-
Accruals for interest expense	594	1,336
Total accrued expenses	19,404	19,345

Accruals for milestones payable amounted to CHF 1.9 million as of December 31, 2025 (December 31, 2024: nil), relating to milestone expenses incurred during the year in connection with AGAMREE sales milestones, as described in Note 20. These accruals represent amounts contractually owed under the milestone arrangements with ReveraGen and R-Bridge (formerly Idorsia), which also give rise to additional future regulatory, commercial, and sales milestone commitments and royalty obligations, as outlined in Note 17.1 Commitments and Contingent Liabilities.

17. Commitments and Contingent Liabilities

17.1 Commitments to future payments

License agreements with ReveraGen and R-Bridge

In September 2020, Santhera exercised the option to obtain worldwide exclusive rights to vamorolone in DMD. Santhera is required to pay ReveraGen and Idorsia (now R-Bridge following Idorsia monetization agreement in December 2024 further described below) regulatory and commercial milestone payments of up to USD 90 million (CHF 79.3 million) in the DMD indication and five one-time sales milestone payments of up to USD 155 million (CHF 136.6 million) in aggregate. Regulatory milestone payments due to ReveraGen and Idorsia (now R-Bridge as described below) for three additional indications amount to up to USD 205 million (CHF 180.6 million) in aggregate. Upon commercialization of vamorolone, Santhera has also committed to pay ReveraGen and Idorsia (now R-Bridge as described below) tiered royalties ranging from a single-digit percentage to low double-digit percentage in total on the annual net sales of vamorolone.

In December 2024, Idorsia entered into a royalty monetization agreement with R-Bridge, in which Idorsia received an upfront cash payment from R-Bridge in exchange for the rights to receive 100% of the future vamorolone royalties and milestones due from Santhera up to a specified cap. Upon reaching the cap (earlier of the 10-year anniversary of the closing, or the date upon which R-Bridge has received payments under the assigned agreement equal to 2.00x the purchase price (i.e. USD 30 million) rights to vamorolone royalties and milestones will be reassigned to Idorsia.

Contracts for clinical development and other activities

As part of its ordinary course of business, Santhera has entered into several contracts for clinical and technical development services, product supply and other business services. Commitments are within current market prices and can be terminated at the Company's discretion.

17.2 Accrued liabilities and contingent liabilities

Management believes that accrued expenses are reasonably estimated based upon currently available information. However, given the inherent difficulties in estimating liabilities relating to clinical development, variable consideration, taxes, and possible litigation due to the uncertainty concerning both the amount and timing of future expenditures, additional costs may be incurred materially beyond the amounts accrued. The Company records a provision for its contingent obligations when it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

18. Equity Rights Plans

Santhera has established equity rights plans to align the long-term interests of the members of the Board, the Executive Management, its employees, and selected consultants who are eligible to participate. Rights granted under these plans are equity-settled and recognized as share-based compensation expense in the consolidated income statement. Pursuant to Article 3b of the Company's Articles of Incorporation, the Company has conditional shares. The conditional shares represent conditional capital authorized for issuance for share-based compensation, under the exclusion of shareholders' pre-emptive rights, and financing transactions, respectively.

18.1 Share-based compensation

The table below summarizes the classification of share-based compensation expense recognized in the consolidated income statement for the year ended December 31, 2025 and December 31, 2024:

<i>In CHF thousands</i>	2025	2024
Development	938	978
Marketing and sales	785	781
General and administrative	2,527	2,214
Total share-based compensation	4,250	3,973

18.2 Employee long-term Incentive Plan (LTIP)

The objective of the Group's long-term incentive plans (LTIP) is to align long-term variable remuneration with Santhera's strategy and long-term value creation. The LTIP is designed to incentivize eligible employees to support the achievement of medium- and long-term objectives, align employee interests with those of shareholders, and promote retention and long-term commitment to the Group. The LTIP comprises several active plans as well as certain legacy plans under which no further grants are made, as described below.

Employee Stock Option Plan (ESOP)

The table below summarizes the changes in the ESOP 2010, ESOP 2015, and the total number of stock options outstanding under the two plans:

<i>Number of stock options</i>	2025		2024	
	ESOP 2015	ESOP 2010	ESOP 2015	
Outstanding, January 1	17,534	2,205	21,371	
Exercised	-	-	-	
Granted	-	-	-	
Forfeited	-	-	-	
Expired	(16,269)	(2,205)	(3,837)	
Outstanding, December 31	1,265	-	17,534	

Employee Share Appreciation Rights Plans (ESARP)

Santhera introduced the Employee Share Appreciation Rights Plan (ESARP) in 2016, with annual versions through 2019 (ESARP 2016-2019) for Executive Management and employees.

The tables below summarize the ESARP plans and the total number of SARs outstanding under each plan. There were no changes in the number of SARs outstanding during 2024 and 2025, as no SARs were granted, exercised, forfeited, or cancelled.

<i>Number of SARs</i>	Outstanding Dec 31, 2024	Outstanding Dec 31, 2025
ESARP 2016	4,331	4,331
ESARP 2017	22,808	22,808
ESARP 2018	31,111	31,111
ESARP 2019	100,259	100,259
ESARP 2020	38,268	38,268
Total	196,777	196,777

Employee Long-term Incentive Plan 2021-2025 (ELTIP 2021-2025)

The Employee Long-term Incentive Plans adopted in 2021 and renewed in subsequent years (ELTIP 2021-2025) provide equity participation rights to Executive Management and other employees in the form of stock options, SARs and Performance Share Units (PSUs). The composition of awards is determined annually by the Nomination and Compensation Committee.

Equity participation rights generally vest over a three-year period, with approximately one-third vesting on each anniversary of the grant date, subject to continued employment and, in the case of PSUs, the achievement of defined performance conditions. SARs may be exercised after vesting and until expiry, which occurs ten years after the grant date, unless otherwise specified. Vested SARs entitle participants to receive shares equivalent in value to the excess of the share price at exercise over the exercise base value.

PSUs are assessed against market and non-market performance conditions established at grant date. Performance criteria include relative total shareholder return, revenue targets, and strategic objectives. Shares relating to vested PSUs are delivered following the final performance assessment after the vesting period.

The tables below summarize the changes in the ELTIP 2021 - ELTIP 2025 and the total number of stock options, PSUs, and SARs outstanding under these plans:

<i>Number of PSUs and stock options</i>	Outstanding Jan 1, 2025	Exercised	Granted	Forfeited	Expired	Outstanding Dec 31, 2025
PSUs	7,126	(5,343)	-	(1,783)	-	-
Stock options	49,186	-	-	(5,851)	-	43,335
Total ELTIP 2021	56,312	(5,343)	-	(7,634)	-	43,335
PSUs	337,742	(244,567)	-	(83,172)	-	10,003
Stock options	146,818	(20,971)	-	(696)	-	125,151
Total ELTIP 2022	484,560	(265,538)	-	(83,868)	-	135,154
PSUs	409,914	-	-	(5,957)	-	403,957
SARs	243,629	(25,216)	-	(12,754)	-	205,659
Total ELTIP 2023	653,543	(25,216)	-	(18,711)	-	609,616
PSUs	622,120	(11,234)	37,439	(93,518)	-	554,807
SARs	232,080	(11,108)	9,542	(32,508)	-	198,006
Total ELTIP 2024	854,200	(22,342)	46,981	(126,026)	-	752,813
PSUs	-	-	419,810	(2,520)	-	417,290
SARs	-	-	179,490	(1,080)	-	178,410
Total ELTIP 2025	-	-	599,300	(3,600)	-	595,700
Total ELTIP	2,048,615	(318,439)	646,281	(239,839)	-	2,136,618

<i>Number of PSUs and stock options</i>	Outstanding Jan 1, 2024	Exercised	Granted	Forfeited	Expired	Outstanding Dec 31, 2024
PSUs	192,395	(131,746)	-	(53,523)	-	7,126
Stock options	45,765	-	-	3,421	-	49,186
Total ELTIP 2021	238,160	(131,746)	-	(50,102)	-	56,312
PSUs	343,131	(1,000)	-	(4,389)	-	337,742
Stock options	155,313	(5,167)	-	(3,328)	-	146,818
Total ELTIP 2022	498,444	(6,167)	-	(7,717)	-	484,560
PSUs	514,895	-	4,269	(109,250)	-	409,914
SARs	253,608	(4,107)	2,104	(7,976)	-	243,629
Total ELTIP 2023	768,503	(4,107)	6,373	(117,226)	-	653,543
PSUs	-	-	622,120	-	-	622,120
SARs	-	-	232,080	-	-	232,080
Total ELTIP 2024	-	-	854,200	-	-	854,200
Total ELTIP	1,505,107	(142,020)	860,573	(175,045)	-	2,048,615

During the year ended December 31, 2025, a total of 261,144 PSUs, 20,971 stock options, and 36,324 SARs under the ELTIP 2021 - ELTIP 2024 equity rights plan were exercised with a weighted average share price at the date of exercise of CHF 11.55. During the year ended December 31, 2024, a total of 132,746 PSUs, 5,167 stock options, and 4,107 SARs under the ELTIP 2021, ELTIP 2022 and ELTIP 2023 equity rights plan were exercised with a weighted average share price at the date of exercise of CHF 9.48.

18.3 Board equity rights plans

In June 2021, the Company adopted the Board Restricted Share Plan (BRSP) and its subsequent renewal; BRSP 2022 - BRSP 2025. Under the BRSP, members of the Board are granted at least 50% of their annual remuneration, as approved by the general meeting of shareholders of the Company, in Restricted Share Units (RSUs), valued at their fair market value based on the Share price at the grant date and other factors. Under the BRSP, annual RSU grants are made as of the day following the Company's annual general meeting of shareholders. In case of a termination of a participant's Board mandate, non-vested RSUs vest pro rata based upon the service period of the participant. If the participant has committed a severe breach of his/her duties or if he/she voluntarily resigns during the (one-year) term of his/her mandate, all of his/her RSUs are forfeited (unless the Board decides otherwise). In case of a termination by reason of disability, unvested RSUs continue to vest after termination of the mandate. In case of termination by reason of death, unvested RSUs vest immediately. Any existing period during which the transferability of the RSUs is limited will continue to run.

The tables below summarize the changes during the period and the total number of stock options, SARs and RSUs, collectively outstanding under each of these plans:

<i>Number of stock option, SAR, RSU</i>	Outstanding Jan 1, 2025	Exercised	Granted	Forfeited	Expired	Outstanding Dec 31, 2025
BSOP 2015	628	-	-	-	(300)	328
BSARP 2017	1,512	-	-	-	-	1,512
BSARP 2018	6,266	-	-	-	-	6,266
BSARP 2019	7,894	-	-	-	-	7,894
BSARP 2020	16,533	-	-	-	-	16,533
BRSP 2021	2	-	-	(2)	-	-
BRSP 2022	-	-	-	-	-	-
BRSP 2023	20,161	(10,081)	-	-	-	10,080
BRSP 2024	40,529	(40,529)	-	-	-	-
BRSP 2025	-	-	31,347	-	-	31,347
Total	93,525	(50,610)	31,347	(2)	(300)	73,960

<i>Number of stock option, SAR, RSU</i>	Outstanding Jan 1, 2024	Exercised	Granted	Forfeited	Expired	Outstanding Dec 31, 2024
BSOP 2015	1,356	-	-	(728)	-	628
BSARP 2017	1,512	-	-	-	-	1,512
BSARP 2018	6,266	-	-	-	-	6,266
BSARP 2019	7,894	-	-	-	-	7,894
BSARP 2020	16,533	-	-	-	-	16,533
BRSP 2021	6,666	(4,998)	-	(1,666)	-	2
BRSP 2022	-	-	-	-	-	-
BRSP 2023	78,226	(58,065)	-	-	-	20,161
BRSP 2024	-	-	40,529	-	-	40,529
Total	118,453	(63,063)	40,529	(2,394)	-	93,525

During the year ended December 31, 2025, a total of 50,610 RSUs under the BRSP 2023 and BRSP 2024 equity rights plans were exercised with a weighted average share price at the date of exercise of CHF 12.57. During the year ended December 31, 2024, a total of 63,063 RSUs under the BRSP 2021 and BRSP 2023 equity rights plans were exercised with a weighted average share price at the date of exercise of CHF 8.53.

18.4 Terms of stock options outstanding

The table below summarizes the terms of the total number of stock options outstanding under all plans

Exercise price range adjusted for reverse share split (CHF)	December 31, 2025			December 31, 2024		
	Number of stock options outstanding	Number of stock options exercisable	Weighted average remaining contractual life (years)	Number of stock options outstanding	Number of stock options exercisable	Weighted average remaining contractual life (years)
8.40 to 8.42	125,151	125,151	6	459,501	408,500	7.00
13.50 to 27.30	43,335	43,335	5	49,185	42,060	6.13
38.90 to 45.30	-	-	-	-	-	-
222.50	-	-	-	-	-	-
693.00	1,265	1,265	-	1,265	1,265	1.00
821.00 to 1,145.00	328	328	-	16,897	16,897	1.00
Total	170,079	170,079	5.68	526,848	468,722	6.34

18.5 Terms of SARs, PSUs, RSUs outstanding

The table below summarizes the terms of the total number of SARs, PSUs, and RSUs collectively outstanding under all plans:

Exercise price range adjusted for reverse share split (CHF)	December 31, 2025			December 31, 2024		
	Number of SARs, PSUs, RSUs outstanding	Number of SARs, PSUs, RSUs exercisable	Weighted average remaining contractual life (years)	Number of SARs, PSUs, RSUs outstanding	Number of SARs, PSUs, RSUs exercisable	Weighted average remaining contractual life (years)
0.00	1,427,484	974,112	-	1,437,591	574,101	-
8.40	203,555	163,461	7	241,525	82,453	8.00
8.51 to 10.5	190,568	72,899	8	234,184	-	9.00
12.64 to 16.1	187,952	-	9	-	-	-
66.10 to 189.00	169,453	169,453	3	169,453	169,453	4.39
367.00 to 387.00	34,112	34,112	2	34,112	34,112	2.97
517.50 to 548.50	22,566	22,566	1	22,566	22,566	1.98
765.00 to 778.00	2,725	2,725	1	2,725	2,725	1.77
Total	2,238,415	1,439,328	6.59	2,142,156	885,410	6.07

18.6 Fair value of equity rights

The fair value of the equity rights granted under all plans is measured on the grant date applying valuation models such as the Finnerty's average strike put option model for RSUs, Monte Carlo model for PSUs and the Black-Scholes model for stock options. The following are the parameters used at the valuation date:

	2025	2024
Market price of stock	CHF 12.64 to CHF 16.08	CHF 8.51 to CHF 10.83
Exercise price	CHF 0.00 to CHF 16.08	CHF 0.00 to CHF 10.50
Weighted average fair value at grant date	CHF 6.23 to CHF 13.52	CHF 3.95 to CHF 8.56
Expected volatility	12.5% to 78.11%	16.8% to 82.5%
Risk-free interest rate (spot rate, CHF)	(0.11)% to 4.13% p.a.	0.44% to 0.89% p.a.
Term	1 to 10 years	1 to 10 years
Expected life (years)	2.99 - 6.5	2.99 - 6.5
Expected dividend yield	0%	0%

All equity rights granted under all plans are equity-settled and recognized as non-cash share-based compensation expense in the consolidated income statement over the period Santhera receives services.

19. Segment and Geographic Information

19.1 Revenue from contracts with customers

The Group operates as a single operating segment in accordance with IFRS 8, as the Group's chief operating decision maker reviews financial information on a consolidated basis for the purpose of resource allocation and performance assessment. Revenue from contracts with customers is generated from the commercialization and licensing of AGAMREE and is disaggregated below by type of revenue and geographic location, based on the location of the customer.

The following table presents the Company's revenues from contracts with customers disaggregated by region.

<i>In CHF thousands</i>	2025				2024			
	Europe	North America	Asia	Total	Europe	North America	Asia	Total
Net sales	24,376	-	1,462	25,838	14,970	-	-	14,970
Revenue from outlicensing transactions								-
Upfront fees and milestones	-	10,005	860	10,865	-	-	12,454	12,454
Royalties	-	11,365	842	12,207	-	4,470	-	4,470
Net sales to licensing partners	-	24,917	3,358	28,275	-	6,884	339	7,223
Revenue from contracts with customers	24,376	46,287	6,522	77,185	14,970	11,354	12,793	39,117

Net sales

Net sales for the year 2025 relate to the sale of AGAMREE and amounted to CHF 25.8 million (2024: CHF 15.0 million). Net sales were generated primarily in Europe (CHF 24.4 million), with the strongest performance continuing to be in Germany, representing about CHF 20.7 million, with additional contributions from the UK following the launch in early 2025. For the year 2024 net sales relate to the sale of AGAMREE in the EU with the majority of the sales in Germany, representing about CHF 12.8 million.

Licensing and royalty revenues

Revenue from outlicensing transactions is comprised of royalty income and upfront and milestone payments under the exclusive licensing agreements with Catalyst Pharmaceuticals, Inc. (North America) and Sperogenix Therapeutics Limited (China & Southeast Asia). For 2025, outlicensing revenue totaled CHF 23.1 million (2024: CHF 16.9 million), comprising royalties of CHF 12.2 million (2024: CHF 4.5 million) and upfront fees and milestones of CHF 10.9 million (2024: CHF 12.4 million).

Net sales to licensing partners

Net sales to licensing partners relate to sales of AGAMREE supplied to partners for their local commercialization activities and amounted to CHF 28.3 million in 2025 (2024: CHF 7.2 million).

Major customers

For the years ended December 31, 2025 and December 31, 2024, revenues from one individual customer primarily relate to licensing and supply arrangements, and the largest customer amounted to 60% at CHF 46.3 million in 2025 (2024: 29% at 11.4 million).

19.2 Noncurrent assets (excluding financial instruments and deferred taxes)

The following table presents the Company's noncurrent assets (excluding financial instruments and deferred tax assets) disaggregated by country.

<i>In CHF thousands</i>	2025	2024
Switzerland	65,912	71,498
Germany	24	-
Netherlands	7	18
Total noncurrent assets (excluding financial instruments and deferred taxes)	65,943	71,516

19.3 Contract liabilities

Contract liabilities relate to advance/upfront payments received from distribution partners for which revenue is recognized over time as the performance obligations are satisfied. Additions for the year ending December 31, 2025 relate to contracts signed with new distribution partners in the year. The following table presents the Company's contract liabilities:

<i>In CHF thousands</i>	2025	2024
Balance, January 1	1,981	-
Additions (upfront payments received)	1,417	1,982
Amounts recognised as revenue	(103)	(1)
Balance, December 31	3,295	1,981
Current portion of contract liabilities	139	56
Noncurrent portion of contract liabilities	3,156	1,925

Remaining performance obligations

Revenue recognized during the year ended December 31, 2025 that was included in the contract liability balance at January 1, 2025 amounted to CHF 0.1 million (December 31, 2024: nil). No material revenue was recognized in the reporting period from performance obligations satisfied in prior periods due to changes in transaction price.

Remaining performance obligations

As of December 31, 2025, the Group's remaining performance obligations relate primarily to:

- distribution support and market access obligations under commercialization agreements; and
- post-approval development and regulatory support obligations under licensing arrangements

The aggregate amount of the transaction price allocated to unsatisfied (or partially unsatisfied) performance obligations at December 31, 2025 is reflected in the closing contract liability balance of CHF 3.3 million.

The Group expects to recognize this revenue over the following periods, based on the expected timing of satisfaction of the underlying performance obligations:

- within 12 months; and
- beyond 12 months, within 5-6 years depending on the term of the contract

Revenue is recognized as the Group performs its contractual obligations, primarily as services are delivered, depending on the underlying contract terms.

20. Cost of Sales

<i>In CHF thousands</i>	2025	2024
Direct cost of sales	26,403	5,516
Indirect cost of sales	1,945	1,519
Amortization of intangibles	4,981	4,977
Royalty expenses	8,512	3,522
Milestone expenses	20,170	-
Total cost of sales	62,011	15,534

Cost of Sales (COS) for the Group includes expenses directly associated with the sale of pharmaceutical products. These costs are categorized into four key components:

- Direct cost of sales - Includes the cost of inventory sold during the period, encompassing manufacturing expenses, procurement costs, and other direct costs incurred to bring the product to market.
- Indirect cost of sales - Comprises distribution expenses, such as warehousing, logistics, and freight costs necessary to deliver pharmaceutical products to customers.
- Amortization of intangibles - Represents the periodic amortization of capitalized intangible assets related to acquired drug rights, reflecting the allocation of acquisition costs over the estimated useful life of the asset.
- Royalty expenses - Consists of payments made to the third-party licensors for the rights to sell and commercialize licensed pharmaceutical products, based on sales performance and other contractual terms.
- Milestone expenses - Consists of payments owed to the third-party licensors upon achievement of specific contractual global sales targets

The significant increase is due primarily to the recognition of expenses incurred during the first half of the year in connection with milestone payments totaling CHF 20.2 million owed to ReveraGen and R-Bridge for achievement of sales milestones of AGAMREE, with CHF 12.6 million payable within 12 months after the reporting period, with CHF 11.4 million outstanding as of December 31, 2025 presented within trade payables and accrued expenses (current portion), and CHF 7.6 million payable

after more than 12 months (noncurrent portion). Royalty expense also increased to CHF 8.5 million reflecting the additional royalties owed to licensor partners as a result of increased sales.

For 2025, the amount of inventories recognized as an expense, totaled CHF 26.4 million (2024: CHF 5.5 million).

21. Expenses by Nature

<i>In CHF thousands</i>	2025	2024
Cost of inventories recognized as expense	26,403	5,516
Amortization of intangible	4,981	4,977
Employee expenses	22,881	18,739
Share-based compensation	4,250	3,973
Depreciation and amortization	708	671
Total expenses	59,223	33,876

Operating expenses as presented in the income statement include the following:

<i>In CHF thousands</i>	2025	2024
External development expenses	14,317	22,131
Patent and license expenses	194	167
Marketing and sales expenses	6,432	6,181
Employee expenses	22,005	17,965
Share-based compensation	4,250	3,973
General and administrative expenses	3,705	4,871
Depreciation and amortization	708	671
Facility related and lease expenses	212	268
Other	1,167	739
Net gain on liquidation of entity	-	(41)
Total operating expenses as presented in the income statement	52,990	56,925

Other amounted to CHF 1.2 million in 2025 (2024: CHF 0.7 million) and primarily consist of travel-related costs of CHF 0.8 million (2024: CHF 0.6 million), reflecting higher business travel activity as a result of increased commercialization efforts.

22. Employee Expenses and Benefits

22.1 Employee expenses

<i>In CHF thousands</i>	2025	2024
Wages and salaries	17,989	14,489
Social security and related expenses	4,304	3,072
Pension plans expenses	141	97
Share-based compensation	4,250	3,973
Other personnel-related expenses	448	1,081
Total employee expenses	27,132	22,712
<hr/>		
Average number of full-time equivalents throughout the year	85.7	64.5
Full-time equivalents at year-end	93.6	78.5
Total headcount at year-end	99.0	85

Employees with part-time and full-time permanent working contracts are considered under full-time equivalents.

22.2 Pension plan

In accordance with the Swiss pension fund law "Federal Act on Occupational Old Age, Survivors' and Invalidity Pension Provision" (**OPA**), all employees of Santhera Pharmaceuticals Holding AG, and Santhera Pharmaceuticals (Schweiz) AG, both in Pratteln, Switzerland, have to be affiliated with a collective independent pension fund. These funds provide for retirement benefits, as well as risk benefits (death and disability). The plans qualify as defined benefit plans under IAS 19 *Employee Benefits* and the assets cannot revert to the employer. Contributions to the plans are such that the employee contributes 40% and the employer the rest. Contributions are computed as percentage of the salary, depending on age.

In order to manage these risks, Santhera has an agreement with PKG Pensionskasse (**PKG**). PKG is responsible for the governance of the plan; its board is composed of an equal number of representatives from the employers and employees chosen from all affiliated companies. PKG has set up investment guidelines, defining the strategic allocation with margins. PKG has insured the risks of disability and death before retirement with PKRück AG, Vaduz, Fürstentum Liechtenstein. The accumulated savings capital is allocated to each insured individual and consists of annual contributions, savings credits and interest credits. In certain situations, additional payments or increased periodic contributions by the employer may become due based on the pension plan's funded status as measured under Swiss **OPA** rules.

The tables below present the respective calculations performed by an independent actuary:

Changes in defined benefit obligations

<i>In CHF thousands</i>	2025	2024
Present value of obligation, January 1	31,650	22,788
Current service cost	2,309	1,107
Past service cost	-	1
Interest cost	279	311
Employee contributions	1,014	927
Benefits paid / transfer payments	(105)	2,428
Insurance premiums	(243)	(211)
Remeasurements	74	4,299
Present value of obligation, December 31	34,978	31,650
<i>Remeasurements:</i>		
Effect of changes in demographic assumptions	-	-
Actuarial (gain)/loss due to changes in financial assumptions	(1,807)	1,645
Actuarial (gain)/loss due to experience adjustments	1,881	2,654
Subtotal (gain)/loss	74	4,299
(Return)/loss on plan assets, excluding interest income	(2,082)	(256)
Total remeasurements in other comprehensive income (gain)/loss	(2,008)	4,043

Changes in plan assets

<i>In CHF thousands</i>	2025	2024
Fair value of plan assets, January 1	23,978	18,930
Interest income on assets	222	268
Employer contributions	1,514	1,380
Employee contributions	1,014	927
Benefits paid/transfer payments	(105)	2,428
Insurance premiums	(243)	(211)
Remeasurements (return)/(loss) on plan assets, excluding interest income)	2,082	256
Fair value of plan assets, December 31	28,462	23,978

Net defined benefit asset/(obligation)

<i>In CHF thousands</i>	2025	2024
Present value of obligation	34,978	31,650
Fair value of plan assets	28,462	23,978
Net defined benefit asset/(obligation)	(6,516)	(7,672)

Plan asset allocation

<i>In CHF thousands</i>	2025	2024
Cash	313	384
Debt instruments	10,503	9,472
Equity instruments	11,015	8,968
Property	6,091	4,676
Others	541	480
Total fair value of plan assets	28,463	23,980

The weighted average assumptions to determine benefit obligations and defined benefit cost were as follows:

	2025	2024
Discount rate	1.3%	0.9%
Disability probabilities	BVG 2020 80%	BVG 2020 80%
Lump sum probabilities	30%	30%
Expected future salary increases	2.3%	2.3%

The table below shows the impact that changes to key assumptions have on the defined benefit obligation and the gross (net) service cost as of the pension plan valuation date:

<i>In CHF thousands</i>		December 31, 2025		December 31, 2024	
Sensitivity analysis	Increase/decrease in assumption	Defined benefit obligation	Gross (net) service cost	Defined benefit obligation	Gross (net) service cost
	+0.25%	(1,042)	(100)	(966)	(121)
Discount rate	-0.25%	1,108	107	1,032	129
Salary	+0.25%	203	(21)	211	(32)
Life expectancy	+1 year	603	33	557	44

Mortality rate

	2025	2024
Mortality assumptions are based on the BVG 2020 generation table life expectancy at age 65 (in years):		
Male	23.1	23.0
Female	24.8	24.7

Expected employer contributions, benefit obligations for the pensioners, duration of plan liabilities were as follows:

<i>In CHF thousands (except duration of plan liabilities)</i>	2025	2024
Expected employer contributions for the subsequent year	1,628	1,674
Benefit obligations for the pensioners	6,633	3,997
Duration of plan liabilities (in years)	15.9	15.9

23. Financial Income/(Expense)

23.1 Financial income

<i>In CHF thousands</i>	2025	2024
Interest income on cash and cash equivalents	409	929
Realized and unrealized foreign exchange gains	6,852	9,637
Change in fair value of financial instruments	3,486	1,051
Gain on modification of 2021/24 Private Bonds	102	-
Total financial income	10,849	11,617

23.2 Financial expense

<i>In CHF thousands</i>	2025	2024
Interest and make-whole expenses	(11,513)	(7,741)
Interest expense on lease liabilities	(43)	(35)
Change in fair value of financial instruments	(350)	(4,632)
Loss on modification of 2021/24 Private Bonds	-	(17)
Financing transaction costs	(238)	(937)
Realized and unrealized foreign exchange losses	(10,144)	(6,807)
Total financial expense	(22,288)	(20,169)

24. Income Taxes

<i>In CHF thousands</i>	2025	2024
Current income tax expense	(185)	(312)
Deferred tax expense	-	-
Total income tax expense	(185)	(312)

The following is a theoretical reconciliation of income tax expense and the accounting profit multiplied by expected income tax rate of principal:

<i>In CHF thousands</i>	2025	2024
Result before taxes	(49,051)	(41,662)
Tax expense at expected Group tax rate of 13.45% (2022: 13.45%)	6,597	5,604
Effect of tax rate difference Group versus local	67	(199)
Foreign withholding tax non-recoverable	(167)	(272)
Effect of nondeductible expenses	(572)	(534)
Tax exempt income	250	228
Utilization of previously unrecognized tax losses	-	84
Unrecognized deferred taxes	(6,360)	(5,223)
Effective income tax expense	(185)	(312)

According to currently applicable Swiss tax law, the period to offset tax loss carryforwards against taxable profit is limited to seven years.

25. Net Result per Share

Basic earnings/(loss) per share is calculated by dividing the net profit/(net loss) attributable to equity holders by the weighted average number of Shares issued and outstanding during the reporting period, excluding shares held as treasury shares.

<i>In CHF thousands (except share and per share data)</i>	2025	2024
Net result attributable to shareholders	(49,236)	(41,974)
Weighted average number of shares used in basic net result per share	13,014,625	11,387,071
Adjustment for assumed exercise of warrants and equity rights plans instruments, where dilutive	-	-
Weighted average number of shares used in diluted net result per share	13,014,625	11,387,071
Basic net result per share	(3.78)	(3.69)
Diluted net result per share	(3.78)	(3.69)

Due to the loss for the years ending December 31, 2025 and December 31, 2024 basic and diluted net result per share excludes Shares to be issued upon the future conversion of convertible bonds, share based compensation and warrants, as they would be anti-dilutive for the period presented. Any future conversions of the convertible bonds to Shares may have a dilutive effect on the basic net result per share in the future.

26. Transactions with Related Parties

26.1 Board and Executive Management compensation

The Company's related parties include members of the Board and Executive Management. The table below presents the total Board and Executive Management compensation by compensation category:

<i>In CHF thousands</i>	2025	2024
Short-term employee benefits (wages, salaries, allowances)	3,659	3,379
Post-employment benefits (pension fund and defined benefit contributions)	1,133	993
Share-based compensation	3,377	2,818
Total Board and Executive Management compensation	8,169	7,190

Share-based compensation as disclosed in this note is based on fair values at the grant date of the equity right applying the parameters disclosed in Note 18.

27. Risk Management Objectives and Policies

Santhera Pharmaceuticals Holding AG maintains a Group-wide corporate risk management system consisting of the areas corporate governance, financial internal controls and quality control / quality assurance.

On a regular basis, operational corporate risks are identified and their likelihood and impact assessed (gross risks). By defining and undertaking appropriate measures, these risks are managed accordingly to either reduce or avoid such risk (net risk). The results of this process are discussed at Board meetings.

Those risks as identified within the area of accounting and financial reporting as well as related control processes are further covered by the Company's Group-wide internal control system.

Santhera conducts development activities primarily in Switzerland, the EU, and the UK, and is exposed to a variety of financial risks, such as, but not limited to, foreign exchange rate risk, credit risk, liquidity risk, cash flow and interest rate risk. Part of Santhera's overall risk management focuses on financial risks and the unpredictability of financial markets seeking to minimize potential adverse effects on the financial performance of the Group. Special guidelines and policies approved by the Board exist for overall risk management, financial internal controls and treasury management and are monitored by the Executive Management and the Board on a regular basis. The risk of foreign exchange rate fluctuations on the expenses can partly be managed by entering into foreign exchange derivative contracts. In accordance with the relevant treasury guidelines, Santhera only concludes contracts with selected high-quality financial institutions of good reputation and is not allowed to engage in speculative transactions. In addition, Santhera's treasury guidelines limit the Group to engage in money market deposits or similar instruments with a maturity beyond 6 months.

27.1 Foreign currency exchange rate risk

As of December 31, 2025, and December 31, 2024, cash and cash equivalents predominantly consist of three major currencies; CHF, USD and EUR. The following table demonstrates the sensitivity to a reasonable possible change in the exchange rate, with all other variables held constant on the Group's result before taxes. There is no impact on the Group's equity.

<i>In CHF thousands</i>		2025	2024
	Increase/decrease in volatility assumption	Effect on result before taxes	Effect on result before taxes
Exposure to cash and cash equivalents predominantly denominated in:		USD & EUR	USD & EUR
Change in foreign currency rate	+5%	(914)	(1,918)
	-5%	914	1,918

27.2 Interest rate risk

Santhera earns interest income on cash and cash equivalents and its profit or loss may be influenced by changes in market interest rates. Santhera holds its cash on deposit/current accounts or invests cash through deposits in line with its treasury guidelines to meet its financial needs over time.

The following table demonstrates the sensitivity to a reasonable change in interest rates, with all other variables held constant, on the Group's result before taxes. There is no impact on the Group's equity.

<i>In CHF thousands</i>		2025	2024
	Increase/decrease in volatility assumption	Effect on result before taxes	Effect on result before taxes
Exposure to cash and cash equivalents:			
Change in interest rate	+50 basis points	(112)	(205)
	-50 basis points	112	205

27.3 Credit risk

Santhera has a certain concentration of credit risk. Short-term investments are invested as cash on deposit or in low-risk money market funds.

Santhera has policies in place to ensure that sales of products or entered partnerships are made to or entered with customers or partners with an appropriate credit history and a commitment to ethical business practices. The maximum credit risk exposure is limited to the carrying amount of its financial assets including derivatives. Santhera estimates its expected credit losses based on default probabilities and the ageing of outstanding invoices.

27.4 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents. Currently, the Company is financed through equity and debt financing as disclosed in Note 12 and Note 13. Santhera calculates on a rolling basis the needs for aligning the current expenses against the need for optimized financial investments.

27.5 Contractual undiscounted cash flows for non-derivative financial liabilities

In CHF thousands

	December 31, 2025				
	Less than 3 months	3 to 12 months	1 to 5 years	Total cash flows	Carrying value
Term loan	-	-	36,822	36,822	32,733
Royalty purchase agreement	1,281	5,872	39,934	47,087	47,087
Convertible bonds	-	-	20,132 ¹	20,132	14,259
Noncurrent payables	-	-	7,616	7,616	7,616
Trade payables	13,583	-	-	13,583	13,583
Accrued expenses	15,337	-	-	15,337	15,337
Lease liabilities	165	452	1,398	2,015	1,957
Total financial liabilities	30,366	6,324	105,902	142,592	132,572

¹ Unless converted during the term, cash payments under the convertible bond are only made at maturity.

In CHF thousands

	December 31, 2024				
	Less than 3 months	3 to 12 months	1 to 5 years	Total cash flows	Carrying value
Term loan	-	-	35,000	35,000	31,729
Royalty purchase agreement	-	3,810	33,165	36,975	36,975
Convertible bonds	-	6,971	-	6,971	6,398
Trade payables	5,752	-	-	5,752	5,752
Accrued expenses	15,708	-	-	15,708	15,708
Lease liabilities	150	451	1,990	2,591	2,493
Total financial liabilities	21,610	11,232	70,155	102,997	99,055

27.6 Categories of financial instruments*In CHF thousands*

		December 31, 2025		
	Carrying value	Financial assets at amortized cost	Financial liabilities at amortized cost	Financial liabilities at fair value through profit or loss
Financial assets				
Financial assets long-term	315	315	-	-
Trade receivables, net	22,135	22,135	-	-
Cash and cash equivalents	22,440	22,440	-	-
Total financial assets	44,890	44,890	-	-
Financial liabilities				
Term loan	32,733	-	32,733	-
Royalty purchase agreement	47,087	-	-	47,087
Convertible bonds	14,259	-	14,259	-
Noncurrent payables	7,616	-	7,616	-
Derivative financial instruments	6,406	-	-	6,406
Warrant financial instruments	1,730	-	-	1,730
Noncurrent lease liabilities	1,369	-	1,369	-
Trade payables	13,583	-	13,583	-
Accrued expenses	15,337	-	15,337	-
Current lease liabilities	588	-	588	-
Total financial liabilities	140,708	-	85,485	55,223

*In CHF thousands***December 31, 2024**

	Carrying value	Financial assets at amortized cost	Financial liabilities at amortized cost	Financial liabilities at fair value through profit or loss
Financial assets				
Financial assets long-term	245	245	-	-
Trade receivables, net	13,885	13,885	-	-
Cash and cash equivalents	40,925	40,925	-	-
Total financial assets	55,055	55,055	-	-
Financial liabilities				
Term loan	31,729	-	31,729	-
Royalty purchase agreement	36,975	-	-	36,975
Convertible bonds	6,398	-	6,398	-
Derivative financial instruments	4,539	-	-	4,539
Warrant financial instruments	4,290	-	-	4,290
Noncurrent lease liabilities	1,940	-	1,940	-
Trade payables	5,752	-	5,752	-
Accrued expenses	15,708	-	15,708	-
Current lease liabilities	553	-	553	-
Total financial liabilities	107,884	-	62,080	45,804

27.7 Capital management

The first priority of Santhera's capital management is to provide adequate cash funds to ensure the financing of successful development and marketing activities so that future profits can be generated by gaining marketing authorization approvals for pharmaceutical products. As a company with currently only one marketed product, the capital management continues to be focused on the cash and cash equivalents position and is governed by specific Group treasury guidelines.

The funds raised in various private financing rounds, private placements, the sale of Shares by an independent broker, convertible bonds, Exchangeable Notes as well as funds generated through product sales and revenue from licensing provided financing for the Group.

During the years ending December 31, 2025 and December 31, 2024, there were no changes in goals and policies of the treasury management.

28. Events after the Reporting Date

In January 2026, the Company announced that it signed an exclusive license and collaboration agreement for AGAMREE in Japan, South Korea, Australia and New Zealand with Nxera Pharma UK Ltd., a commercial-stage biopharmaceutical company focused on rare and specialty medicines for patients living with rare diseases. Total consideration to Santhera is up to USD 215 million (CHF 170.6 million - including equity investment), plus royalty payments from product sales, with cash proceeds for Santhera of USD 40 million (CHF 32.3 million) received in January 2026.

To the General Meeting of
Santhera Pharmaceuticals Holding AG,
Pratteln

Basel, 27 April 2026

Report of the statutory auditor

Report on the audit of the consolidated financial statements



Opinion

We have audited the consolidated financial statements of Santhera Pharmaceuticals Holding AG and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2025, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements (pages 33 to 88) give a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and comply with Swiss law.



Basis for opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report. We are independent of the Group in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities, as well as those of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the “Auditor’s responsibilities for the audit of the consolidated financial statements” section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the consolidated financial statements.

Accounting treatment and valuation of financing transactions

Risk In 2025, the Group entered into several complex financing transactions as well as modified the terms of existing arrangements. Some of these arrangements also include derivative financial instruments.

Specifically, the Group:

- amended an existing term loan agreement, including the settlement of amendment fees in shares;
- entered into a new royalty purchase agreement, including an upfront payment, variable but capped future cash outflows and an embedded early buy-out option, and classified the liability at fair value through profit or loss; and
- restructured a private convertible bond through an exchange into a new convertible bond with modified terms and additional cash proceeds.

These financing transactions are considered a key audit matter based on the complexity of the accounting treatment and the inherent judgment in the valuation of level 3 fair value financial instruments.

Refer to note 2 “Accounting Policies”, note 3 “Critical Accounting Estimates, Assumptions and Judgments”, and note 12 “Financial liabilities”.

Our audit response We analyzed the underlying contractual agreements and the accounting position papers prepared by management and their specialists. We evaluated the appropriateness of the accounting treatment under the requirements of IAS 32, IFRS 7, IFRS 9 and IFRS 13. We assessed the valuation approach and the reasonableness of the assumptions applied to determine the value of the financial instruments. We involved internal valuation specialists to audit the valuation of the financial liabilities. We further evaluated sensitivities in the valuation of the financial instruments measured at fair value resulting from changes to key assumptions applied as well as the presentation and disclosure of the financing arrangements.

Our audit procedures did not lead to any reservations regarding the accounting and valuation for these financing transactions in 2025.



Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the compensation report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with IFRS Accounting Standards and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.



Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISA and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

Report on other legal and regulatory requirements



In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Ernst & Young Ltd

/s/ Martin Mattes
Licensed audit expert
(Auditor in charge)

/s/ Diana Vejina
FCCA

Statutory Financial Statements of Santhera Pharmaceuticals Holding AG

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Balance Sheet

<i>In CHF thousands</i>	Notes	December 31, 2025	December 31, 2024
Assets			
Cash and cash equivalents		2,566	177
Receivables from third parties		85	75
Receivables from shareholdings		-	2,638
Prepaid expenses		41	39
Current assets		2,692	2,929
Loans to shareholdings ¹	3.1	-	168,525
Investments in shareholdings	3.2	168,954	400
Noncurrent assets		168,954	168,925
Total assets		171,646	171,854
Liabilities and equity			
Trade accounts payable to third parties		57	106
Other current liabilities to third parties		2,130	1,988
Other current liabilities to shareholdings		11,437	19,301
Senior unsecured convertible bonds ²	3.3	-	6,971
Accrued expenses		2,221	1,318
Current liabilities		15,845	29,684
Senior unsecured convertible bonds ²	3.3	20,132	-
Noncurrent liabilities		20,132	-
Total liabilities		35,977	29,684
Share capital	3.4	1,402	1,343
Statutory capital reserves:			
<i>Reserves from capital contributions³</i>		89,955	89,284
<i>Other capital reserves</i>		2,341	2,349
Total statutory capital reserves		92,296	91,633
Other voluntary reserves (free reserves)		49,259	56,986
Accumulated losses:			
<i>Net result for the period</i>		(7,226)	(7,727)
Total accumulated losses		(7,226)	(7,727)
Treasury shares	3.5	(62)	(65)
Total equity		135,669	142,170
Total liabilities and equity		171,646	171,854

1. Non-interest bearing

2. Interest bearing

3. Value as per December 31, 2024 and 2025, to be confirmed by Swiss Federal Tax Administration.

Income Statement

<i>In CHF thousands</i>	Notes	Year ended December 31,	
		2025	2024
General and administrative expenses	3.6	(2,534)	(5,274)
Total operating expenses		(2,534)	(5,274)
Operating result		(2,534)	(5,274)
Financial income		12	27
Financial expenses		(4,704)	(2,480)
Financial result		(4,692)	(2,453)
Result before taxes		(7,226)	(7,727)
Direct taxes		-	-
Net result		(7,226)	(7,727)

Notes to the Statutory Financial Statements

1. Introduction

Santhera Pharmaceuticals Holding AG (the Company, together with its subsidiaries Santhera or Group) is the parent company of the Santhera Group. Group companies include all legal entities which are directly or indirectly owned and controlled by the Company. The Company, having the listing of its registered shares (Shares) on the SIX Swiss Exchange (SIX), is a Swiss stock corporation. Its purpose is to acquire, dispose and manage investments. The Company has its registered offices at Hohenrainstrasse 24, 4133 Pratteln, Switzerland.

2. Summary of Significant Accounting Policies

2.1 Basis of presentation

The statutory financial statements of the Company are prepared in accordance with the principles set out in the Swiss Code of Obligations (**CO**). Since Santhera prepares consolidated financial statements in accordance with the International Financial Reporting Standards (**IFRS Accounting Standards**) as issued by the International Accounting Standards Board (**IASB**), the Company has applied the exemption included in the CO article 961d, para. 1, thereby electing to forego presenting a statement of cash flows, the additional disclosures, and the management report otherwise required by the CO.

The presentation currency is Swiss francs (CHF). Amounts shown are rounded to the nearest CHF 1,000 unless otherwise indicated.

2.2 Going concern

The financial statements have been prepared under the going concern basis, which assumes that the Company will continue to operate for the foreseeable future and be able to realize its assets and discharge its liabilities in the normal course of business.

During 2025, the Company's subsidiaries continued its commercial rollout of AGAMREE globally almost doubling revenues to CHF 77 million from CHF 39 million in the prior year. Additionally, the Company and its subsidiaries secured additional funding totaling CHF 20.4 million, comprising a CHF 10 million upsizing of its convertible bond with Highbridge Capital Management and an additional royalty purchase arrangement providing \$13 million (CHF 10.4 million).

As of December 31, 2025, there was cash and cash equivalents on hand of CHF 22 million. Management's forecasts indicate that this funding, combined with \$40 million (CHF 32.3 million) upfront payment received from Nxera post the signing of a license agreement for Japan and a number of APAC countries in January 2026, combined with projected revenue growth, provides sufficient liquidity to support operations through to the anticipated cashflow break-even point in Q3 2026.

While management appreciates there is still some uncertainty around time of launches and pricing in certain European countries, and that forecasts for growth in existing markets are by their nature not certain, following pricing and reimbursement agreement in Spain in February 2026 and continued positive discussions with the Italian health authorities, the main uncertainties for pricing and

reimbursement relate to smaller European countries/regions such as the Nordics, Portugal and Switzerland. While launch is expected in these markets during 2026, due to the small size of any individual market, this limits downside risk to forecasts. With regards to assumed sales growth in existing markets, to date there has been strong uptake of AGAMREE in launched markets, with 40% market share achieved in Germany, 50% in Austria, with the UK following the same trajectory as Germany. With the addition of strong long-term data presented in March 2026 adding to the value proposition for AGAMREE, the management is confident in their forecasts and sees limited downside risk.

In the case of either delays to launches in the minor European regions/countries or sales in launched markets being below forecasts, with a strong cash position at the start of the year bolstered by the \$40 million (CHF 32.3 million) from Nxera in January, the management does not see either of these potential situations being material to the assumption of remaining a going concern..

2.3 Cash

Cash balances held primarily in Swiss francs include cash deposits in demand bank accounts, money market investment accounts and other liquid investments, and any interest earned on such cash balances.

2.4 Financial assets, short-term

Financial assets (units in a fund) are held for trading and measured at fair value. Gains and losses arising from such financial assets are recognized in the income statement as financial income or financial expense.

2.5 Current assets and liabilities

Current assets are recorded at historical cost less adjustments for impairment of value. Current liabilities are recorded at historical cost.

2.6 Loans to shareholdings

Loans to shareholdings are valued at their acquisition cost adjusted for any impairment losses.

2.7 Investments in shareholdings

Investments in shareholdings are recorded at acquisition cost less adjustments for impairment of value. Investments in shareholdings are evaluated for impairment annually and any impairment loss is recorded when the carrying amount of such assets exceeds the fair value. Fair value estimates of investments in shareholdings are predominantly based on the income approach.

2.8 Convertible bonds

Convertible bonds are presented at nominal value.

2.9 Treasury shares

Treasury shares are recognized at acquisition cost and deducted from shareholders' equity at the time of acquisition. Treasury shares held are intended to be used for financing transactions and share-based compensation. Santhera may also hold treasury shares for market making, for which is managed by an external bank. The gains or losses from market making are recognized in the income statement as financial income or financial expense.

2.10 Related parties

In the meaning of the CO, related parties are only considered to be shareholders, shareholdings, and the Board of Directors.

3. Information on Balance Sheet and Income Statement Items

3.1 Loans to shareholdings

Loans are granted to shareholdings primarily to fund the development and marketing activities of the Santhera Group. In April 2025, the subordinated loan receivable from the subsidiary company (Santhera Pharmaceuticals Schweiz AG) was converted to equity. The receivable was extinguished and recorded as an investment in the subsidiary. This transaction was recognized as an increase in capital contribution in the subsidiary and disclosed accordingly under investments. The loan amount of CHF 341 million was waived by Santhera Pharmaceuticals Holding AG in the form of a capital contribution without issuance of new shares. Following the conversion, the amount of CHF 341 million is included as equity. The subordinated loan to participant Santhera Pharmaceuticals Schweiz AG as per 31 December 2024 were subordinated and sum up CHF 341 million, and were partly interest bearing.

3.2 Investments in shareholdings

The following companies are direct subsidiaries of Santhera Pharmaceuticals Holding AG, with 100% ownership and 100% voting rights:

<i>Share capital nominal value</i>			2025	2024
Direct subsidiary of Santhera Pharmaceuticals Holding AG:		Currency		
Santhera Pharmaceuticals (Schweiz) AG Pratteln, Switzerland	Active	CHF	125,000	125,000
Santhera Pharmaceuticals (Deutschland) GmbH Lörrach, Germany	Active	EUR	25,000	25,000

Santhera Pharmaceuticals (Schweiz) AG is the primary operational entity while Santhera Pharmaceuticals (Deutschland) GmbH holds the market authorizations for the European Union. Santhera Pharmaceuticals (USA), Inc., which is not employing any personnel, was liquidated in 2024.

The following companies are direct subsidiaries of Santhera Pharmaceuticals (Schweiz) AG, with 100% ownership and 100% voting rights:

<i>Share capital nominal value</i>			2025	2024
Direct subsidiary of Santhera Pharmaceuticals (Schweiz) AG:		Currency		
Santhera Pharmaceuticals (Liechtenstein) AG Ruggell, Fürstentum Liechtenstein	Active	CHF	50,000	50,000
Santhera (Italy) S.r.l. Milano, Italy	Liquidated	EUR	-	-
Santhera (Germany) GmbH München, Germany	Active	EUR	50,000	50,000
Santhera (Netherlands) B.V. De Meern, The Netherlands	Active	EUR	50,000	50,000
Santhera (UK) Limited London, United Kingdom	Active	GBP	50,000	50,000
Santhera Pharmaceuticals (Spain), S.L.U Bilbao, Spain	Active	EUR	50,000	50,000
Santhera Pharmaceuticals (Italy) S.R.L Milano, Italy	Active	EUR	50,000	50,000
Santhera Pharmaceuticals (Sweden) AB Stockholm, Sweden	Active	EUR	50,000	-

Santhera (Italy) S.r.l., which was not employing any personnel, was voluntarily liquidated with the dissolution finalized in March 2024.

3.3 Senior unsecured convertible bonds

The following table summarizes the nominal values of the senior unsecured convertible bonds outstanding:

<i>In CHF thousands</i>					2025	2024
	Offering	Currency	Interest	Maturity	Nominal value	Nominal value
2021/24 Private Bonds	Private	CHF	7.5%	Aug 17, 2025	-	6,971
2025/28 Private Bonds	Private	CHF	7.0%	Sep 23, 2028	20,132	-
Total current convertible bonds					20,132	6,971

3.4 Share capital

Each registered share has a nominal value of CHF 0.10. During the year ended December 31, 2025, a total of 582,162 new Shares were issued for financing transactions, and share-based compensation.

As of December 31, 2025, issued share capital totals CHF 1,401,550.50, consisting of 14,015,505 shares. As of December 31, 2024, issued share capital totaled CHF 1,343,334.30, consisting of 13,433,343 shares.

As of December 31, 2025, the Company held a capital band between CHF 725,540.70 (lower limit) and CHF 1,955,540.70 (upper limit). Within the range of the capital band, the board of directors is authorized to increase the share capital in any amount once or several times until June 26, 2028.

3.5 Treasury shares

The table below summarizes the changes in treasury shares:

<i>In CHF thousands (except share data)</i>	2025		2024	
	No. of shares	Nominal value (CHF 0.10)	No. of shares	Nominal value (CHF 0.10)
Balance, January 1	647,586	65	1,305,168	131
Shares created to be held as treasury shares	-	-	800,000	80
Shares delivered for financing transactions	-	-	(1,015,547)	(102)
Shares delivered for share-based compensation	(25,795)	(3)	(442,035)	(44)
Balance, December 31	621,791	62	647,586	65

3.6 General and administrative expenses

<i>In CHF thousands</i>	2025	2024
Administrative expenses	1,645	1,951
Personnel expenses	53	101
Consulting expenses	836	3,222
Total general and administrative expenses	2,534	5,274

4. Other Information

4.1 Full-time equivalents

The number of full-time equivalents at period end was not above 10 in 2025 and 2024.

4.2 Registered shares and significant shareholders (>5%)

Pursuant to information from the Company's share register and the disclosure of participations made to the Company in accordance with applicable stock exchange regulation, the following shareholder(s) hold 5% or more of the Company's share capital:

	2025		2024	
	No. of shares	% of share capital	No. of shares	% of share capital
Catalyst Pharmaceuticals, Inc., Coral Gables, Florida, USA	1,414,688	10.09%	1,414,688	10.53%
Idorsia Pharmaceuticals Ltd, Allschwil, Switzerland	-	0%	1,301,128	9.69%

4.3 Shareholdings of the members of the Board and the Executive Management

<i>Number of shares</i>	2025	2024
Members of the Board:		
Thomas Meier	62,501	48,878
Philipp Gutzwiller	32,805	22,928
Bradley Meyer	34,062	19,422
Melanie Rolli (from May 21, 2025)	-	-
Otto Schwarz (until May 21, 2025)	-	13,911
Total shares held by members of the Board	129,368	105,139
Executive Management:		
Dario Eklund	148,372	110,526
Catherine Isted (from February 24, 2025)	-	-
Andrew Smith (until February 24, 2025)	-	47,704
Shabir Hasham	69,915	46,850
Oliver Kronenberg	6,380	6,380
Marc Schrader	4,480	4,480
Geert Jan van Daal	4,666	4,666
Total shares held by the Executive Management	233,813	220,606

4.4 Equity rights granted to members of the Board

The tables below summarize the equity rights granted under all equity rights plans to the members of the Board that remain outstanding and that are vested and unvested:

<i>Members of the Board</i>	December 31, 2025					
	No. of Stock Options		No. of SARs ^(a)		No. of RSUs ^(b)	
	Vested	Unvested	Vested	Unvested	Vested	Unvested
Thomas Meier	1,487	-	11,471	-	31,418	10,537
Philipp Gutzwiller	-	-	6,179	-	23,237	7,639
Bradley Meyer	-	-	-	-	30,971	12,555
Melanie Rolli	-	-	-	-	-	6,059
Total	1,487	-	17,650	-	85,626	36,790

<i>Members of the Board</i>	December 31, 2024					
	No. of Stock Options		No. of SARs ^(a)		No. of RSUs ^(b)	
	Vested	Unvested	Vested	Unvested	Vested	Unvested
Thomas Meier	1,487	-	11,471	-	17,795	13,623
Philipp Gutzwiller	-	-	6,179	-	13,360	9,877
Bradley Meyer	-	-	-	-	16,331	20,083
Otto Schwarz	-	-	-	-	13,911	17,107
Total	1,487	-	17,650	-	61,397	60,690

4.5 Equity rights granted to Executive Management

The tables below summarize the equity rights granted under all equity rights plans to Executive Management that remain outstanding and that are vested and unvested:

<i>Executive Management</i>	December 31, 2025					
	No. of Stock Options		No. of SARs ^(a)		No. of PSUs ^(c)	
	Vested	Unvested	Vested	Unvested	Vested	Unvested
Dario Eklund	119,090	-	53,256	58,475	-	146,538
Catherine Isted	-	-	-	24,242	-	56,564
Shabir Hasham	33,220	-	28,425	34,885	-	87,496
Oliver Kronenberg	-	-	7,178	29,872	-	84,602
Marc Schrader	-	-	13,255	27,469	-	62,906
Geer Jan van Daal	17,772	-	17,838	26,832	-	61,458
Total	170,082	-	119,952	201,775	-	499,564

Executive Management	December 31, 2024					
	No. of Stock Options		No. of SARs ^(a)		No. of PSUs ^(c)	
	Vested	Unvested	Vested	Unvested	Vested	Unvested
Dario Eklund	111,062	8,028	30,296	57,705	-	149,377
Andrew Smith	62,619	5,138	24,035	38,022	-	98,175
Shabir Hasham	28,327	4,893	14,708	34,472	-	89,511
Oliver Kronenberg	-	-	-	21,750	-	65,650
Marc Schrader	-	-	3,806	24,828	-	55,590
Geer Jan van Daal	16,315	1,457	8,658	24,132	-	57,442
Total	218,323	19,516	81,503	200,909	-	515,745

(a) Share Appreciation Rights (**SARs**)

(b) Restricted Share Units (**RSUs**)

(c) Performance Share Units (**PSUs**)

4.6 Fair value of equity rights granted to members of the Board and employees

The table below presents the total equity rights granted under all equity rights plans during the years ended December 31, 2025 and December 31, 2024 and the respective fair value at the grant date summarized by grants made to the members of the Board and employees:

	2025		2024	
	Equity Rights Granted	Fair Value	Equity Rights Granted	Fair Value
	(Quantity)	(CHF 1,000s)	(Quantity)	(CHF 1,000s)
Board of Directors	31,347	298	40,529	298
Employees:				
Executive Management	337,906	3,377	541,708	2,555
Other employees	308,375	1,588	361,706	1,863
Total	677,628	5,263	943,943	4,716

The fair values presented are theoretical values and do not reflect income tax values. For information about the underlying equity rights plans, see Note 18 "Equity Rights Plans" of the consolidated financial statements included in the Annual Report 2025 on page 68.

4.7 Contingencies and guarantees

Guarantee towards Swiss VAT authorities

The Company is part of the value-added tax group of the Swiss affiliated companies of Santhera Pharmaceuticals and is therefore jointly and severally liable to the Swiss federal tax administration for their value-added tax liabilities.

Guarantee towards Santhera Pharmaceuticals (Schweiz) AG

The Company guarantees to pay for the liabilities of its subsidiary Santhera Pharmaceuticals (Schweiz) AG until the Annual General Meeting in 2026. In addition, the Company has issued a legally binding commitment letter in favor of its subsidiary Santhera Pharmaceuticals (Schweiz) AG, pursuant to which the Company undertakes to provide financial support of up to CHF 10.0 million in the event that the subsidiary becomes over-indebted within the meaning of Swiss law. This commitment is intended to ensure the subsidiary's ability to continue as a going concern and to cover any potential over-indebtedness situation during the period of validity of the commitment letter.

5. Events after the Reporting Date

In January 2026, the Company announced that it signed an exclusive license and collaboration agreement for AGAMREE in Japan, South Korea, Australia and New Zealand with Nxera Pharma UK Ltd., a commercial-stage biopharmaceutical company focused on rare and specialty medicines for patients living with rare diseases. Total consideration to Santhera is up to USD 215 million (CHF 170.6 million - including equity investment), plus royalty payments from product sales, with near term cash proceeds for Santhera of USD 40 million (CHF 32.3 million).

Mandatory Offset of Accumulated Losses Pursuant to art, 674 CO:

<i>In CHF thousands</i>	2025	2024
Other voluntary reserves (free reserves)	49,259	56,986
Mandatory offset of accumulated losses	(7,226)	(7,727)
Other voluntary reserves (free reserves) to be carried forward	42,033	49,259

To the General Meeting of
Santhera Pharmaceuticals Holding AG
Pratteln

Basel, 27 April 2026

Report of the statutory auditor

Report on the audit of the financial statements



Opinion

We have audited the financial statements of Santhera Pharmaceuticals Holding AG (the Company), which comprise the balance sheet as at 31 December 2025, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 94 to 104) comply with Swiss law and the Company's articles of incorporation.



Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the financial statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the financial statements.

Valuation of investments in shareholdings

Risk Santhera Pharmaceuticals Holding AG holds investments in shareholdings which are assessed for impairment as of the balance sheet date. Management's assessment requires estimation and judgment around assumptions used, including prospective financial information, probability of success (e.g., obtaining regulatory approvals for a drug), and discount rates. Changes to assumptions could lead to significant changes in the estimated recoverable amount, impacting both potential impairment charges as well as potential reversals of impairment. As such, we considered this matter to be significant to our audit.

Refer to note 3.1 and 3.2 related to the investments in shareholdings

Our audit response We evaluated management's impairment assessment, which is based on an income approach, and analyzed the underlying key assumptions in relation to prospective financial information, probability of success, as well as discount rates used. We evaluated the historical accuracy of the Group's previous estimates on prospective financial information. We tested the sensitivity of the assessment due to changes to key assumptions and compared these assumptions to externally available information in order to assess management's impairment conclusion. Our audit procedures did not lead to any reservations regarding the valuation of investments in shareholdings.



Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the compensation report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

Report on other legal and regulatory requirements



In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd

/s/ Martin Mattes
Licensed audit expert
(Auditor in charge)

/s/ Diana Vejina
FCCA

Governance



Compensation Report

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Letter from the Chairman of the Nomination & Compensation Committee

Dear Shareholders,

As Chairman of the Nomination & Compensation Committee (NCC), I am pleased to present the 2025 Compensation Report. This report, prepared in accordance with the Swiss Code of Obligations, SIX Exchange Regulation, the Swiss Code of Best Practice, and Santhera's Articles of Incorporation, details our approach to compensation and the key decisions regarding the compensation of the Board of Directors and the Executive Committee during the year.

2025 Say-on-Pay Outcomes

At the 2025 Annual General Meeting (AGM), shareholders demonstrated strong support for our compensation proposals, with approval rates of 92% for the Board of Directors' maximum compensation, 79% for the Executive Committee's fixed compensation, 89% for short-term variable compensation, and 89% for long-term variable compensation. The consultative vote on the 2024 Compensation Report received 80% approval.

These results affirm shareholder confidence in our balanced and transparent compensation framework. Maintaining this trust remains a priority, and we value the constructive dialogue with shareholders and proxy advisors throughout the year, which helps refine our practices and address evolving expectations.

2025 Performance Review

In 2025, Santhera continued to execute with focus on its strategic priorities, centered on expanding global patient access to AGAMREE® (vamorolone) and building the commercial, operational and financial platform required for sustainable long-term value creation.

Commercial momentum progressed meaningfully during the year, supported by strong sales performance in Germany and Austria and the successful mid-year launch in the United Kingdom. In parallel, we advanced pricing and reimbursement activities across Europe, including submissions and ongoing processes in Spain, Italy, Switzerland, the Nordics, and additional Central and Eastern European markets, supporting our objective of broad and timely patient access.

We further strengthened our international reach through additional commercial partnerships, enabling AGAMREE® access in markets beyond our direct footprint while maintaining a disciplined approach to resource allocation and execution.

During the year, Santhera also continued to build the long-term value proposition of AGAMREE® through the release of top-line results from the long-term GUARDIAN study, providing important supportive evidence of its differentiated safety profile. In addition, we reinforced supply chain resilience by securing an additional manufacturing site, supporting reliability and scalability as global demand expands.

Finally, we strengthened our financial position through approximately CHF 20 million in additional funding, supporting continued investment in market expansion and execution toward profitability.

The NCC assessed performance outcomes in line with our established pay-for-performance principles. Accordingly, no discretionary adjustments were made in determining variable compensation outcomes for 2025.

2025 Nomination & Compensation Committee Activities

The Nomination & Compensation Committee diligently fulfilled its mandate in 2025, supporting the Board of Directors in key areas such as reviewing compensation levels for the Board of Directors and the Executive Committee, preparing the 2024 Compensation Report, and managing the binding say-on-pay proposals for the 2025 AGM. The Committee also addressed specific topics, including the review and award of special equity incentives linked to key milestones, the ongoing assessment of Performance Share Units (PSUs) performance targets under the Long Term Incentive Plan (LTIP) framework, the review and approval of updated employee regulations, and executive succession planning.

Looking Ahead to 2026

The Annual General Meeting remains an important opportunity for shareholder input. At the 2026 AGM, shareholders will vote on the proposed maximum compensation amounts for the Board of Directors and Executive Committee and provide feedback on this Compensation Report. We encourage you to review the AGM invitation for further details: [Santhera Share-/Bondholder meetings](#).

On behalf of the Nomination & Compensation Committee, I would like to thank you for your trust and engagement. Your feedback has been essential in shaping a compensation framework that reflects both shareholder interests and Santhera's long-term goals. We remain committed to fostering open dialogue and aligning compensation practices with the company's priorities.

Bradley C. Meyer

Chairman of the Nomination & Compensation Committee

Compensation at a Glance

Board of Directors Compensation Summary

The compensation for the Board of Directors is entirely composed of fixed elements, including a base fee for Board membership and committee fees for service on Board Committees. This compensation is provided partly in cash and partly in the form of Restricted Share Units.

Structure of the Board of Directors fees:

Base fee	
Function	Compensation (CHF)
Chairperson	180,000
Member	115,000

Committee fee		
Function	Compensation (CHF)	
	Audit & Compliance Committee	Nomination & Compensation Committee
Committee Chairperson	30,000	20,000
Committee member	10,000	10,000

The total amount of compensation of the 4-membered Board of Directors for the 2024 - 2025 term of office (CHF 595,000) was within the maximum amount (CHF 595,000) approved at the 2024 AGM. The total amount of compensation of the Board of Directors for the 2025 - 2026 term of office (CHF 595,000) is expected to be within the maximum amount (CHF 595,000) approved at the 2025 AGM.

Approved versus effective compensation for the members of the Board of Directors:

Board of Directors		
Period	Total compensation (CHF)	
	Approved	Effective
2025 AGM - 2026 AGM	595,000	595,000 ¹
2024 AGM - 2025 AGM	595,000	595,000

¹ Compensation period still in progress, estimated amount

Executive Committee Compensation Summary

Members of the Executive Committee receive a combination of fixed and performance-based variable compensation, with the variable component encompassing both short-term and long-term elements.

For the CEO, variable compensation represented 60% of the total compensation for 2025, with a greater emphasis on long-term incentives. For other members of the Executive Committee, variable compensation accounted for on average 60% of total compensation for 2025. The Performance Share Units (PSU) granted in 2022 vested in 2025 with a final vesting level of 75% for the annual LTIP 2022 PSU grant.

Fixed compensation for 2025 was within the AGM-approved maximum; long-term variable compensation exceeded the approved maximum by CHF 0.3 million in connection with the appointment of a new Executive Committee member (CFO). The aggregate amount for the short-term variable compensation for the financial year 2025 will be proposed for shareholder approval at the 2026 AGM.

Approved versus effective compensation for the members of the Executive Committee:

Executive Committee		
2025 financial year	Compensation (CHF)	
	Approved	Effective
Fixed compensation	4,100,000	3,142,084
Short-term variable compensation	1,100,000 ¹	1,048,358
Long-term variable compensation	3,150,000	3,674,075 ²
Total compensation	8,350,000	7,864,517

¹ To be proposed for approval at 2026 AGM






² In accordance with Art. 735a CO and the Company's Articles of Association, an additional amount of up to 50% of the AGM-approved maximum compensation may be used to cover remuneration of Executive Committee members appointed after the AGM. The excess of CHF 0.3 million in 2025 relates to such appointment and falls within this permitted additional amount.

Compensation Governance

Role of Shareholders and Compensation Provisions in the Articles of Incorporation

Shareholders of Santhera play a central role in shaping the company's compensation framework. Each year, they approve the maximum aggregate amounts of fixed compensation for the Board of Directors, as well as fixed and variable compensation for the Executive Committee. Further, they provide annual consultative vote on the Compensation Report.

Overview of compensation-related votes at the AGM:

Voting item	Previous year	Current year	Next year
Board of Directors			
Total compensation			
Executive Committee			
Fixed compensation			
Short-term variable compensation			
Long-term variable compensation			
Compensation report			

 AGM voting

The Articles of Incorporation outline the framework for compensation governance, including voting rules at the General Meeting of Shareholders (Art. 25), the supplementary amount for changes in the Executive Committee (Art. 26), principles of compensation (Art. 27), and regulations on loans and credits (Art. 29).

Articles of Incorporation can be accessed under: [Articles of Incorporation](#)

Nomination & Compensation Committee

The Nomination & Compensation Committee consists of two independent and non-executive members of the Board of Directors (Board), as defined by Santhera’s Articles of Incorporation. All members of the Nomination & Compensation Committee are individually elected by the shareholders at each General Meeting. The Nomination & Compensation Committee currently consists of Bradley C. Meyer (Chairman) and Thomas Meier.

The Nomination & Compensation Committee supports the Board in establishing and reviewing the company’s compensation policies, guidelines, and performance objectives. It also prepares a Compensation Report and proposals for submission to the Annual General Meeting concerning the compensation of the Board of Directors and the Executive Committee.

The Nomination & Compensation Committee meetings are generally held prior to the Board of Directors’ meetings. After each meeting, the Chairman of the Nomination & Compensation Committee reports to the Board on the committee’s activities. Minutes of Nomination & Compensation Committee meetings are shared with all members of the Board of Directors. Members of the Executive Committee may attend Nomination & Compensation Committee meetings in an advisory capacity upon invitation but are excluded from discussions and decisions regarding their own compensation.

During 2025, the Nomination & Compensation Committee met 7 times, (all virtual meetings) with full attendance, to address the following key topics:

- Compensation framework for the Board of Directors, Executive Committee, and employees.

- Progress on outstanding long-term incentive awards as well as conditions and individual amounts awarded during the financial year.
- Results of the 2024 short-term incentive program and performance targets for 2025.
- Proposals for shareholder approval regarding maximum aggregate compensation for the Board of Directors and Executive Committee.
- Review and preparation of the 2024 and 2025 Compensation Reports.
- Individual compensation arrangements for members for the Board of Directors and Executive Committee.
- Review and approval of revisions to the Short-Term Incentive Policy and the Field Force Incentive Policy.
- Review and approval of the Swiss Employee Regulations.
- Assessment on prior year long-term incentive awards which vested in 2025.
- Succession planning of the Board of Directors and members of the Executive Committee

Compensation approval process:

Topic	Nomination & Compensation Committee	Board of Directors	AGM
Compensation policy	P	A	
Total compensation for the Board members	P	A	A (B)
Aggregate fixed compensation of the members of Executive Committee	P	A	A (B)
Aggregate short-term variable compensation of the members of Executive Committee	P	A	A (B)
Aggregate long-term variable compensation of the members of Executive Committee	P	A	A (B)
The Company's equity compensation plans	P	A	
Executive employment agreements	A		
Compensation report	P	A	A (C)

P = Propose. A = Approve. A (B) = Approve in binding vote. A (C) = Approve in consultative vote.

Market Competitiveness

The compensation of the Board of Directors and the Executive Committee undergoes regular review through a structured benchmarking process, designed to maintain competitiveness and alignment with market practices. The peer groups consist of the Swiss MidCap Index (SMIM) constituents of similar size and market relevance to provide a meaningful comparison.

For the Executive Committee, the compensation structure and levels are reviewed locally, taking into account comparable functional and financial responsibilities. The Company targets the 50th percentile for both fixed and variable compensation within the respective peer group, striking a balance between market competitiveness and financial prudence. This approach supports the Company's ability to attract and retain top talent while aligning with its strategic objectives.

Performance Management Process

The annual performance management process is comprised of an assessment by the Board of Directors of the achievement of the annual corporate objectives as well as an assessment by the Board of Directors of each executive's individual performance. The annual corporate objectives are defined at the beginning of the year and are comprised of financial and non-financial targets. In the first quarter of the following calendar year, the Board of Directors assesses the achievement of the individual KPIs comprising the company's goals for the prior year and determines the overall achievement level which becomes "the corporate factor" achievement level. The Board of Directors (BoD) determines the overall Bonus Pool based on the company's financial results and corporate performance for the year.

The Nomination & Compensation Committee reviews the pay-out ranges for the funding of the cash bonus pool for submission to the Board for final approval. The cash bonus for each member of the Executive Committee is determined at the discretion of the Nomination & Compensation Committee by assessing the performance of each executive as it relates to the achievement of the company's goals and overall individual performance. The Board approves the final bonus payout (subject to shareholder approval) for each Executive Committee member.

Forfeiture Provisions

Any variable compensation paid or granted to members of the Executive Committee is subject to forfeiture.

Upon termination of employment due to resignation or termination without cause, Equity Participation Rights are treated as follows: non-vested Rights will be forfeited without any claims for replacement or compensation. Vested Rights will be retained in accordance with the respective plan and agreement, and pre-clearance is required from the General Counsel before exercising or selling rights during the three-month post-termination period, if pre-clearance was required during employment. Vested Options or Share Appreciation Rights must be exercised within six months after termination; any unexercised rights will be forfeited without compensation claims.

Furthermore, any Equity Participation Rights granted to Executive Committee members will be forfeited if they engage in competitive activity or disclose confidential company information within one year of termination, with no claims for replacement or compensation.

The Nomination & Compensation Committee may deviate from these provisions based on the merits of the departing Participant.

Share Ownership Guideline

Members of the Executive Committee are required to build up and maintain a minimum share-holding in Santhera, within five years of their appointment or the implementation of this guideline. Minimum shareholding levels required under the share ownership guideline:

	Shareholding ownership requirement	Build-up period
CEO	at least CHF 1,000,000	5 years
Other members of the Executive Committee	CHF 300,000-400,000	5 years

Compliance with the share ownership guideline is monitored annually at the first Board meeting of the year. Additionally, a further compliance check is performed at the fifth anniversary of the appointment of each member of the Executive Committee. All owned shares, whether blocked or not, are considered when assessing compliance with the minimum shareholding guideline. The failure to comply with share ownership guideline may trigger a number of measures, including limitations to the sale or disposal of owned shares or adjustments in the eligibility of future incentive plans.

Compensation Principles

Board of Directors

The compensation principles for the Board of Directors are defined in Article 27 of the Articles of Incorporation. Members of the Board of Directors are compensated for their function and responsibilities with a fix fee that aims at reinforcing independence. This is key to allow Santhera's Board of Directors to determine the long-term strategic direction and supervision of the company.

Executive Committee

The compensation principles for the Executive Committee are defined in Article 27 of the Articles of Incorporation. These are the basis for Santhera's compensation policy, which is designed to attract, motivate, and retain top talent while driving the achievement of the Company's financial and strategic objectives. It offers a market-competitive total compensation package, that combines short- and long-term incentives to align the management's interests with those of the Company and its shareholders. The compensation system is structured to avoid unintended incentives or counterproductive elements,

emphasizing exceptional and sustainable performance without encouraging inappropriate risk-taking. The policy upholds compliance standards and incorporates best practices.

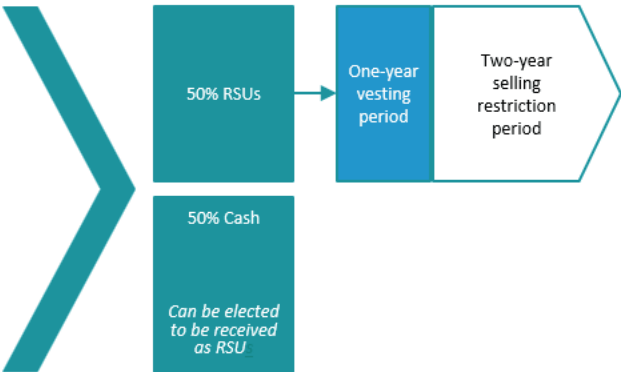
Compensation Elements

Board of Directors

Board of Directors’ fees are defined at two levels. At the board level, the base fee is set for the Chairperson at CHF 180,000 and for members at CHF 115,000. At the committee level, additional committee fees are specified for each committee.

For the Audit and Compliance Committee, the additional committee fee is set for the Committee Chairperson at CHF 30,000 and for Committee members at CHF 10,000. For the Nomination & Compensation Committee, the additional committee fee is set for both the Committee Chairperson at CHF 20,000 and members at CHF 10,000.

As a general rule, Board and Committee fees are allocated 50% in cash and 50% in Restricted Share Units (RSUs). Annual RSU grants vest one day prior to the AGM following the AGM of election or re-election and are subject to a two-year trading restriction. Additionally, Board members may elect to convert up to 100% of their cash fees into RSUs, which vest on the same timeline but carry a five-year trading restriction.



Board of Directors compensation:

Base fee

Function	Compensation (CHF)
Chairperson	180,000
Member	115,000

Committee fee

Function	Compensation (CHF)	
	Audit & Compliance Committee	Nomination & Compensation Committee
Committee Chairperson	30,000	20,000
Committee member	10,000	10,000

To foster independence, members of the Board of Directors do not receive any variable compensation. In fact, both cash fees and RSU allocation are fixed and not tied to corporate performance or individual contributions.

The Company pays employer's social security contributions due on (i) the annual cash fees and (ii) the share value at the vesting date of the RSU, when shares are granted for such RSUs. The legally required employer's contributions to social security attributable to the Board compensation are/excluded from the shareholder approved Board compensation.

For more information about the underlying RSU Plans, see Note 18 "Equity Rights Plans" in the audited consolidated financial statements for the year ended December 31, 2025.

Executive Committee

Executive Committee's compensation consists of fixed compensation and performance-based variable compensation in the form of an annual cash bonus and a long-term incentive plan. The following table explains the compensation elements for the Executive Committee.

Executive Committee compensation:

Remuneration elements	Fixed compensation		Performance-based variable compensation			
	Base salary	Benefits	Annual cash bonus	Long-Term Incentive Plan		
				SARs	Stock options	PSUs
Purpose and link to strategy	Reflects the individual's role and relevant experience	Attract and retain employees; Protect against risks	Pay for annual performance; Reward achievement of short-term financial and non-financial objectives related to the business strategy	Pay for long-term performance; Link compensation to shareholder value creation and achievement of business objectives		
Operation	Fixed amount paid monthly in cash	Allowances, social security contributions and payments to the pension fund	Annual awards payable generally in cash after one year performance period	Annual grant in a combination of SARs, stock options, PSUs		
Target level	Based on scope of responsibilities, personal experience, skillset, and external value of the role; Targeted to be close to market median		25% to 50% of the base salary	100% of the base salary		
Performance indicators	Changes to base salary consider individual performance, future potential, broadening of responsibilities, and external benchmarking		Company and individual goals	Santhera's share price	Santhera's share price	45% Relative TSR (Total Shareholder Return); 33% Revenue target; 22% Strategic goals
Duration			1 year	3 years (ratable vesting); 10-year maturity (in total)		3 years
Forfeiture rules	No	No	Yes	Yes		Yes

Fixed compensation

The fixed compensation for members of the Executive Committee includes base salary, allowances, social security contributions, company contributions to the pension fund, and, where applicable, further awards (including equity-based).

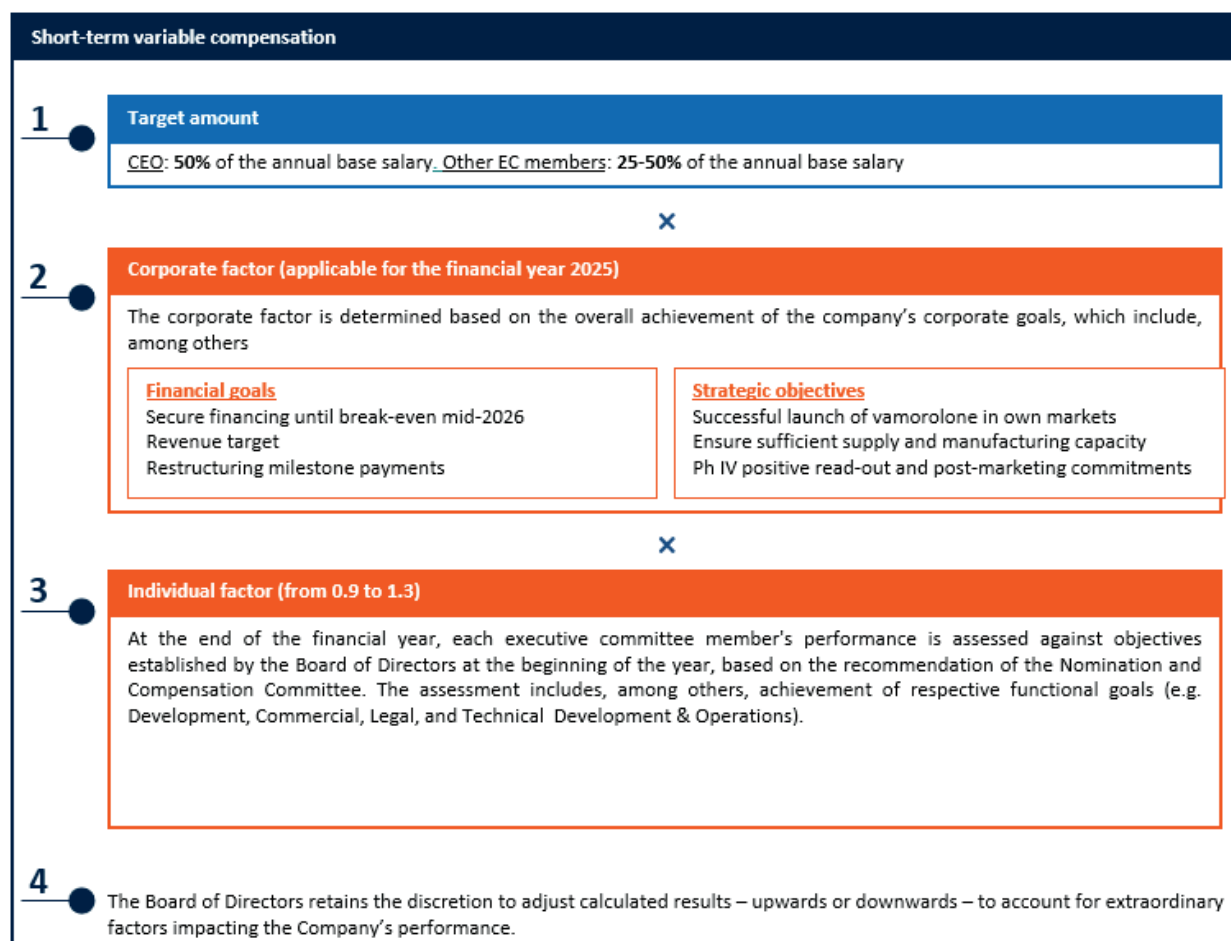
The base salary reflects each member's position, responsibilities, experience, and skills and is reviewed annually by the Nomination & Compensation Committee.

The company contributions to defined-contribution pension plans cover old-age pension, and benefits in the case of disability or death. The risk portion includes provisions for widowers (spouses), orphans, and long-term disability in the event of sickness. Additionally, a lump sum is paid in the event of death caused by an accident or illness. Pension benefits are determined by the employee's age and insured compensation, with both employees and the employer contributing to these pension plans.

Further awards may be granted at the Board of Directors' discretion to recognize continued commitment and contributions.

Short-term Variable Compensation (Annual Cash Bonus)

Short-term variable compensation is a performance-based annual bonus linked to the Company's results and individual achievements during the financial year.



Performance targets are considered commercially sensitive, as their disclosure could reveal elements of Santhera's forward-looking strategy. Consequently, they are not disclosed in advance. However, the chapter "Compensation Awarded to the Executive Committee for 2025" provides a retrospective review of the objectives set for the year under review, along with an evaluation of performance

achievements that influenced the 2025 payout under the short-term variable compensation framework.

The short-term variable compensation for the reporting year 2025 will be paid in cash following approval at the 2026 AGM.

Long-term Variable Compensation (Long-term Incentive Plan, LTIP)

The long-term variable compensation is designed to reward sustainable value creation and align participants' financial award with the shareholder value over the long term.

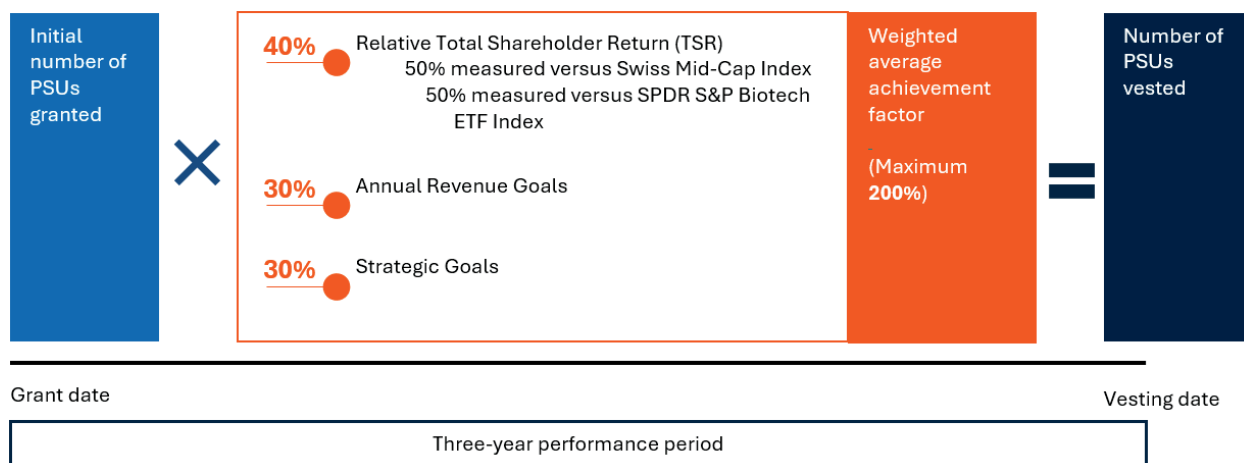
Under the LTIP, members of the Executive Committee receive a mix of Share Appreciation Rights (SARs), Stock Options, and Performance Share Units (PSUs). The allocation of these components is reviewed annually and determined by the Nomination & Compensation Committee as part of the annual grant process.

The total number and aggregate value of awards under the LTIP for each financial year is determined annually by the Board of Directors, based on a recommendation of the Nomination & Compensation Committee. In formulating its recommendation, the Nomination & Compensation Committee evaluates the company's current performance and assesses the potential dilution implications. The value of awards granted to members of the Executive Committee is further governed by the maximum compensation amounts approved by the AGM.

The granted SARs or Stock Options vest over a three-year period in equal annual tranches on each anniversary of the grant and can be exercised within a specified period following vesting.

PSUs are converted into shares at the end of a three-year performance period, subject to the achievement of predefined performance targets.

Predefined performance measures driving conversion of PSUs into shares:



The predefined performance targets are considered commercially sensitive, as their disclosure could reveal aspects of Santhera's forward-looking strategy. Therefore, they are not disclosed in advance. However, the section "Compensation Awarded to the Executive Committee for 2025" includes information about 2025 vesting levels.

The level of target achievement for a PSU grant ranges from 0% to 200%. At the end of the three-year performance period, the Nomination & Compensation Committee evaluates performance against the set targets and submits the results for Board approval. To address exceptional circumstances or prevent unreasonable outcomes, the Board may, at its sole discretion, adjust the vesting level upwards or downwards.

For more information about the Long-Term Incentive Plan, see Note 18 "Equity Rights Plans" in the audited consolidated financial statements for the year ended December 31, 2025 .

Compensation awarded to the Board of Directors for 2025

Changes in Composition of the Board of Directors in 2025

At the AGM 2025, shareholders elected one new member to the Board of Directors, Melanie Rolli, MD (Board Member). Otto Schwarz, PhD (Board Member), did not stand for re-election. Shareholders re-elected at the AGM 2025 Thomas Meier, PhD, Philipp Gutzwiller, and Bradley C. Meyer for another one-year term.

Disclosure of compensation of members of the Board of Directors for the financial years 2025 and 2024 (audited):

2025 In CHF	Annual cash fees	Annual fee delivered in RSU¹	Total compensation²	Number of RSU granted
Thomas Meier Chairman of the Board, Member of the Nomination & Compensation Committee and Audit & Compliance Committees	100,000	100,000	200,000	10,537
Philipp Gutzwiller Board Member and Chairman of the Audit & Compliance Committee	72,500	72,500	145,000	7,639
Bradley Meyer Board Member and Chairman of the Nomination & Compensation Committee	67,500	67,500	135,000	7,112
Melanie Rolli³ Board Member	35,242	57,500	92,742	6,059
Otto Schwarz⁴ Board Member	28,750	-	28,750	-
Total	303,992	297,500	601,492	31,347

2024 In CHF	Annual cash fees	Annual fee delivered in RSU ¹	Total compensation ²	Number of RSU granted
Thomas Meier Chairman of the Board, Member of the Nomination & Compensation Committee and Audit & Compliance Committees	100,000	100,000	200,000	13,623
Philipp Gutzwiller Board Member and Chairman of the Audit & Compliance Committee	72,500	72,500	145,000	9,877
Bradley Meyer Board Member and Chairman of the Nomination & Compensation Committee	67,500	67,500	135,000	9,196
Otto Schwarz Board Member	57,500	57,500	115,000	7,833
Total	297,500	297,500	595,000	40,529

¹ Reflects value of share-based payments in accordance with IFRS 2 at grant, i.e. the value of unvested stock options attributable at grant. The tax value of such unvested stock options RSU is CHF 0 until the vesting date of the RSU.

² The Total compensation does not include mandatory employer social security contributions on the annual cash fees and the shares delivered (2025: CHF 2,717; 2024: CHF 10,843).

³ Member of the Board since May 20, 2025 (AGM 2025).

⁴ Member of the Board until May 20, 2025 (AGM 2025).

Comparison of the Approved and Effective compensation

At the AGM 2025, shareholders approved the maximum fixed compensation of CHF 595,000 (excl. social security contributions) for the Board of Directors for the period from AGM 2025 to AGM 2026. The effective Board compensation this period is expected to remain within this approved limit.

Approved versus effective compensation for the members of the Board of Directors:

Period	Total compensation (CHF)	
	Approved	Effective
2025 AGM - 2026 AGM	595,000	595,000 ¹
2024 AGM - 2025 AGM	595,000	595,000

¹ Compensation period is still in progress, estimated amount

Compensation awarded to the Executive Committee for 2025

Changes in Composition of the Executive Committee in 2025

As of 24 February 2025, Catherine Isted assumed the position of Chief Financial Officer, succeeding Andrew Smith.

Disclosure of compensation of members of the Executive Committee for the financial years 2025 and 2024 (audited):

2025 In CHF	Base salary	Allowances	Social security and pension ²	Annual cash bonus	Fair value of PSU/ SARs ¹	Total compensation	Number of PSU/ SARs granted
Dario Eklund	549,180	43,272	320,131	321,270	725,885	1,959,738	79,100
Other 5 members of EM)	1,768,084	144,787	812,634	528,189	2,651,085	5,904,779	258,806
Total	2,317,264	188,059	1,132,765	849,459	3,376,970	7,864,517	337,906

2024 In CHF	Base salary	Allowances	Social security and pension ²	Value of shares allocated under other compensation	Annual cash bonus	Fair value of PSU/ SARs ¹	Total compensation	Number of PSU/ SARs granted
Dario Eklund	531,914	43,272	311,568	130,281	302,264	698,866	2,018,165	152,250
Other 5 members of EM)	1,524,035	122,478	681,673	133,154	557,376 ³	1,856,166 ³	4,874,882	389,458
Total	2,055,949	165,750	993,241	263,435	859,640	2,555,032	6,893,047	541,708

¹ Reflects the fair value of share-based payments in accordance with IFRS 2 at grant (and reflect reverse share split 10:1), i.e. the value of unvested Stock Options/SARs attributable at grant. The tax value of such unvested instruments (i.e., SARs, Stock Options or PSUs) is CHF 0 until when the SAR or Options are exercised respectively when PSUs are converted into shares of the Company.

² Included in the amounts are assumed social security payments on the fair market value of allocated PSUs/SARs/Options.

³ On 29 August 2024, Andrew Smith, CFO, submitted his resignation, effective 29 August 2025, following a 12-month notice period. Under the terms of the annual bonus plan if notice is provided before April 30 following the year under review any payable bonus is forfeited, the table above includes CHF 199,713 that therefore were forfeited. Additionally, any 2024 equity grants not vested prior to 29 August 2025 were forfeited (CHF 353,041).

Compensation Structure 2025

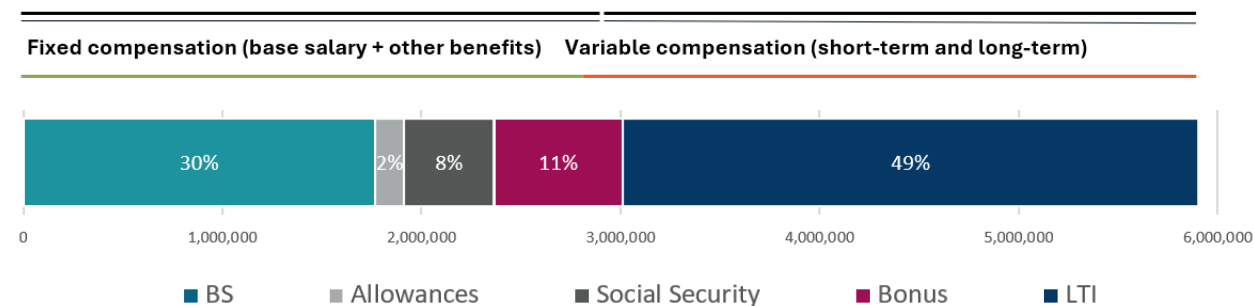
For the CEO, total variable compensation 2025 amounted to 215% of base salary or 152% of his total fixed compensation. For other members of the Executive Committee total variable compensation 2025

averaged at 200% of the respective annual base salaries or 150% of respective total fixed compensations.

CEO compensation structure



Other members of the Executive Committee compensation structure



Fixed Compensation for 2025

The fixed compensation in 2025 as approved at the AGM 2024 increased by 24% compared to the previous year, reflecting changes in the composition of the Executive Committee.

Short-term Variable Compensation for 2025

The 2025 short-term variable compensation was determined to have been substantially achieved, reflecting revenue exceeding target, operating expenses remaining in line with plan, positive topline long-term Guardian safety data, expansion through four additional partners, strengthened manufacturing capacity, continued progress in pricing and reimbursement activities, and restructuring of the Reveragen and CBC milestones, with certain market access objectives and initial UK sales uptake progressing more slowly than anticipated. This resulted in payouts ranging from 81% to 117% of target for the Executive Committee and 117% for the CEO. Expressed as a percentage of annual base salary for the year, payout for 2025 short-term variable compensation equivalents to 23% to 46% for the Executive Committee and 58% for the CEO.

Long-term Variable Compensation for 2025

For 2025, members of the Executive Committee were awarded 101,372 SARs with a total value of CHF 825,637 and 236,534 PSUs with a total value of CHF 2,551,333. Out of these instruments, the CEO was awarded 23,730 SARs with a total value of CHF 186,779 and 55,370 PSUs with a total value of CHF 539,105. Granted awards vest during the three-year vesting period. Vested SARs may be exercised until 20 May 2035. The performance period for the PSUs runs from 21 May 2025 until 20 May 2028.

Vesting of SARs, Stock Options, and PSUs granted in previous years

In 2025, a total of 75,289 shares vested and were transferred to members of the Executive Committee, including the CEO. Of these 14,378 from Stock Options granted in 2022 and 60,911 from PSUs granted in 2022. A total of 62,484 SARs vested from prior grants (LTIP 2023/LTIP 2024) and 123,526 PSUs vested from prior grants (LTIP 2023/2024).

The 2022 PSU grant resulted in 60,911 vested shares, with an overall vesting level of 75%, reflecting partial achievement of the profitability performance factor and full achievement of the remaining performance factors, supported by continued progress in commercialization and regulatory readiness activities, including execution of the Catalyst licensing agreement.

Comparison of the Approved and Effective compensation

The aggregate fixed and long-term variable compensation of the Executive Committee for 2025 fell within the respective approved amounts. The aggregate amount for the short-term variable compensation for the financial year 2025 will be proposed for shareholder approval at the 2026 AGM.

2025 financial year	Compensation (CHF)	
	Approved	Effective
Fixed compensation	4,100,000	3,142,084
Short-term variable compensation	1,100,000 ¹	1,048,358
Long-term variable compensation	3,150,000	3,674,075 ²
Total compensation	8,350,000	7,864,517

¹To be proposed for approval at 2026 AGM

²In accordance with Art. 735a CO and the Company's Articles of Association, an additional amount of up to 50% of the AGM-approved maximum compensation may be used to cover remuneration of Executive Committee members appointed after the AGM. The excess of CHF 0.5 million in 2025 relates to such appointment and falls within this permitted additional amount.

Executive Contracts

The employment contracts with the members of the Executive Committee are compliant with the Swiss Code of Obligations (Swiss CO) and the Company's Articles of Incorporation and no member of the Executive Committee has a notice period of longer than 12 months. Any non-competing clauses for the period after termination of an employment agreement shall not exceed one year with the maximum compensation for such period of the last total annual compensation of an Executive Committee member in question.

Loans and Credits

In accordance with the Articles of Incorporation, loans to members of the Board of Directors and Executive Committee may only be on market terms and may only be made by the Company or by any of its directly or indirectly controlled companies, whereas the total sum of total out-standing loans to a particular member, including the amount to be granted, shall not exceed twice the most recent annual compensation to such member. For the year ended December 31, 2025 there were no loans and/or credits granted to or outstanding from the Board of Directors or the Executive Committee.

Compensation of Former Members of the Board of Directors and Executive Committee

Disclosure of compensation of former members of the Board of Directors for the years 2025 and 2024 (audited)

In CHF	Total payment
2025	
n/a	-
Total	-
2024	
n/a	-
Total	-

Disclosure of compensation of former members of the Executive Committee for the years 2025 and 2024 (audited)

In CHF	Total payment
2025	
n/a	-
Total	-
2024	
n/a	-
Total	-

Shareholdings of Members of the Board of Directors and Executive Committee

Disclosure of shareholdings in the Company of members of the Board of Directors as of December 31, 2025 and December 31, 2024 (audited)

	Number of shares	Number of stock options (vested)	Number of stock options (unvested)	Number of SAR (vested)	Number of SAR (unvested)	Number of RSU (vested)	Number of RSU (unvested)
December 31, 2025							
Philipp Gutzwiller	32,805	-	-	6,179	-	23,237	7,639
Thomas Meier	62,501	1,487	-	11,471	-	31,418	10,537
Bradley Meyer	34,062	-	-	-	-	30,971	12,555
Melanie Rolli	-	-	-	-	-	-	6,059
Total	129,368	1,487	-	17,650	-	85,626	36,790

	Number of shares	Number of stock options (vested)	Number of stock options (unvested)	Number of SAR (vested)	Number of SAR (unvested)	Number of RSU (vested)	Number of RSU (unvested)
December 31, 2024							
Philipp Gutzwiller	22,928	-	-	6,179	-	13,360	9,877
Thomas Meier	48,878	1,487	-	11,471	-	17,795	13,623
Bradley Meyer	19,422	-	-	-	-	16,331	20,083
Otto Schwarz	13,911	-	-	-	-	13,911	17,107
Total	105,139	1,487	-	17,650	-	61,397	60,690

Disclosure of shareholdings in the Company of members of the Executive Committee as of December 31, 2025 and December 31, 2024 (audited)

	Number of shares	Number of Stock Options (vested) ¹	Number of Stock Options (unvested)	Number of SAR (vested) ¹	Number of SAR (unvested)	Number of PSU (unvested) ²
December 31, 2025						
Dario Eklund	148,372	119,090	-	53,256	58,475	146,538
Shabir Hasham	69,915	33,220	-	28,425	34,885	87,496
Catherine Isted	-	-	-	-	24,242	56,564
Oliver Kronenberg	6,380	-	-	7,178	29,872	84,602
Marc Schrader	4,480	-	-	13,255	27,469	62,906
Geert Jan van Daal	4,666	17,772	-	17,838	26,832	61,458
Total	233,813	170,082	-	119,952	201,775	499,564

December 31, 2024	Number of shares	Number of Stock Options (vested) ¹	Number of Stock Options (unvested)	Number of SAR (vested) ¹	Number of SAR (unvested)	Number of PSU (unvested) ²
Dario Eklund	110,526	111,062	8,028	30,296	57,705	149,377
Shabir Hasham	46,850	28,327	4,893	14,708	34,472	89,511
Oliver Kronenberg	6,380	-	-	-	21,750	65,650
Marc Schrader	4,480	-	-	3,806	24,828	55,590
Andrew Smith	47,704	62,619	5,138	24,035	38,022	98,175
Geert Jan van Daal	4,666	16,315	1,457	8,658	24,132	57,442
Total	220,606	218,323	19,516	81,503	200,909	515,745

¹ The exercise price of vested and unvested options and SARs ranges from CHF 8.40 to CHF 894.50.

² The number of vested PSUs is subject to the achievement of both the specific performance targets and the predetermined vesting period. The prior year number of vested PSUs have been reclassified to conform to the current year presentation.

On 29 August 2024, Andrew Smith, Chief Financial Officer, submitted his resignation, effective 29 August 2025, following a 12-month notice period. Under the terms of the Employee Long-Term Incentive Plan 2023 (ELTIP 2023), unvested equity participation rights are forfeited upon termination of employment, unless otherwise determined by the Nomination & Compensation Committee. Accordingly, any unvested share-based instruments that were scheduled to vest after the termination date (29 August 2025), unless otherwise approved, will lapse without replacement or compensation. The Nomination and Compensation Committee has approved for Andrew Smith to retain the vesting of one additional tranche of the LTIP 2023 PSUs (10,320).

In line with IFRS 2 - Share-Based Payment, the Company recognized share-based payment expenses for 2024, as these expenses reflect services rendered during the financial year. However, no further expenses related to forfeited instruments were recognized in subsequent periods beyond the termination date.

The total share-based compensation expense for 2024 remains CHF 2,871,242, which includes amounts related to equity participation rights granted prior to the resignation date. The estimated impact of the forfeiture of unvested instruments is reflected in the 2025 financial statements, reducing future share-based payment expenses accordingly.

Members with external mandates as of December 31, 2025 (audited)

Board of Directors	Mandates in listed companies	Mandates in non-listed companies
Thomas Meier	Onconetix Inc: Board Member (from April 2024)	Novaremed AG: Executive Chairman SEAL Therapeutics AG: Chairman Proteomedix AG: Chairman Muvon Therapeutics AG: Chairman Visgenx Inc.: Board Member Viopas Venture Consulting GmbH, Managing Partner
Philipp Gutzwiller	-	CFS Advisors LLP, Managing Partner Exploris Health AG, Board Member
Bradley Meyer	-	AliveDx: Board Member Aveng: Board Member Biocartis SA: Chairman Ducera Partners: Senior Advisor Ayrmid Lt: Board Member Biora Therapeutics: Board Member Cutera Inc.: Board Member
Melanie Rolli	-	Helsinn Healthcare, CEO MNC Consulting, Advisor
Executive Members	Mandates in listed companies	Mandates in non-listed companies
Dario Eklund	-	Fabentech: Board Member
Catherine Isted	-	-
Shabir Hasham	-	-
Marc Schrader	-	-
Geert-Jan van Daal	-	-
Oliver P. Kronenberg	-	cp premium helmets ag, Board Member Vantage Advisory LLC, Managing Partner Hälsa Sportsconsulting & Media GmbH, Managing Partner

Members with external mandates as of December 31, 2024 (audited)

Board of Directors	Mandates in listed companies	Mandates in non-listed companies
Thomas Meier	Onconetix Inc: Board Member (from April 2024)	Novaremed AG: Executive Chairman SEAL Therapeutics AG: Chairman Visgenx Inc.: Board Member Viopas Venture Consulting GmbH, Managing Partner
Philipp Gutzwiller	-	CFS Advisors LLP, Managing Partner
Bradley Meyer	-	AliveDx: Board Member Aveng: Board Member Biocartis SA: Chairman
Otto Schwarz	-	Stalicia SA: Board Member
Executive Members	Mandates in listed companies	Mandates in non-listed companies
Dario Eklund	-	-
Andrew Smith	-	-
Shabir Hasham	-	-
Oliver Strub ¹	-	-
Marc Schrader	-	-
Geert-Jan van Daal	-	-
Oliver P. Kronenberg ²	-	cp premium helmets ag, Board Member Vantage Advisory LLC, Managing Partner Hälsa Sportsconsulting & Media GmbH, Managing Partner

¹ Oliver Strub, member of Executive Management through July 31, 2024² Oliver P. Kronenberg, member of Executive Management as of August 1, 2024

To the General Meeting of
Santhera Pharmaceuticals Holding AG, Pratteln

Basel, 27 April 2026

Report of the statutory auditor on the audit of the compensation report



Opinion

We have audited the compensation report of Santhera Pharmaceuticals Holding AG (the Company) for the year ended 31 December 2025. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) in the tables marked "audited" on pages 124 to 126 and pages 129 to 133 of the compensation report.

In our opinion, the information pursuant to Art. 734a-734f CO in the compensation report complies with Swiss law and the Company's articles of incorporation.



Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the compensation report" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the tables marked "audited" in the compensation report, the consolidated financial statements, the stand-alone financial statements and our auditor's reports thereon.

Our opinion on the compensation report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the compensation report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the compensation report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Board of Directors' responsibilities for the compensation report

The Board of Directors is responsible for the preparation of a compensation report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and

for such internal control as the Board of Directors determines is necessary to enable the preparation of a compensation report that is free from material misstatement, whether due to fraud or error. It is also responsible for designing the compensation system and defining individual compensation packages.



Auditor's responsibilities for the audit of the compensation report

Our objectives are to obtain reasonable assurance about whether the information pursuant to Art. 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this compensation report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the compensation report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Ernst & Young Ltd

/s/ Martin Mattes
Licensed audit expert
(Auditor in charge)

/s/ Diana Vejina
FCCA

Corporate Governance Report

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General Information

The Company's corporate governance principles are laid out in its articles of incorporation (**Articles**), the organizational rules (**Organizational Rules**; *Organisationsreglement*), by-laws of the Company's Audit & Compliance, Nomination & Compensation and Scientific Committees adopted by the Board of Directors (**Board**) and a comprehensive set of Group directives, including insider trading rules that require a trading preclearance for the Board and the Company's officers and employees, as well as an internal control system, and a risk management process. All the above documents can be downloaded from: <http://www.santhera.com/investors-and-media/investor-toolbox/governance>.

The information published below conforms to the Directive Corporate Governance (**DCG**) of the SIX Swiss Exchange (**SIX**). In order to avoid redundancies, references are inserted to other parts of the financial report. Santhera's website www.santhera.com provides more detailed information.

Business Ethics

Relevant information regarding business ethics, corruption, and bribery is provided in the [Code of Conduct](#) (CoC) (pp. 6, 14 - 15), the Anti-Bribery Policy, and the Insider Trading Policy. To ensure compliance with these policies, Santhera's entire staff has undergone face-to-face training and testing. Furthermore, an online anonymous speak-up tool has been implemented in 2024 to ensure secure disclosure mechanisms and promote ethical business practices. Our approach to employee rights, property rights, corruption, and other legal matters is detailed in the CoC (pp. 9 - 12). In 2025, Santhera received no fines for legal violations, and there are no ongoing investigations or potential violations. Information on fraud incidents and related measures is also available in the CoC (pp. 10 - 16). In addition, Santhera has conducted face-to-face antitrust training for the commercial, financial and legal departments in 2025. Finally, Santhera has no involvement with counterfeit drugs.

Data Protection

Santhera's approach to data protection is described in the Code of Conduct (CoC) (pp. 12-13). The data protection act has been implemented, intragroup agreements are in place, and the Directory of all processing activities is continuously updated. Several Standard Operating Procedures (SOPs) and policies have been implemented, including a privacy policy for employees and human resources, along with a SOP on handling personal data within Santhera. Furthermore, a data privacy clause describing our data processing practices and subject rights has been incorporated into all our templates. Finally, data processing agreements have been signed with all partners who collect and process personal data on our behalf.

Ethical Marketing

Santhera's commitment to ethical marketing is detailed in Chapters IV (p. 12) and V (p. 14) of the Code of Conduct (CoC). The company markets its products in compliance with its standard operating procedures (SOPs) and approval processes, which include provisions for hospitality and transparency reporting. These measures foster a culture of compliance, ensuring alignment with national and international regulations on pharmaceutical promotion, such as the EFPIA and ABPI Codes.

All commercial staff receive comprehensive training on disease and product knowledge, regulatory requirements, pharmacovigilance (PV), and medical information (MI). Santhera is fully committed to transparency reporting across all its operating countries, with regular internal audits to ensure adherence to both internal policies and external regulations, including EFPIA and ABPI codes.

At the group level, Santhera has established policies on scientific integrity, transparency, and appropriate interactions with healthcare professionals (HCPs). These include a social media policy, SOPs for approving promotional and non-promotional materials, guidelines for HCP interactions, and an anti-bribery policy. Employees are trained on these SOPs through the company's learning management system (LMS).

To maintain compliance, all promotional and non-promotional materials undergo review by the Medical/Legal/Regulatory (MLR) team at both global and local levels. A cloud-based approval and storage system ensures transparency by tracking comments and securing final approvals.

Independent roles of the BoD

Santhera's Board of Directors (BoD) comprises four independent members, as detailed in the "Board of Directors" section (DCG3) on pages 131 et seq. The board members' previous positions have provided them with extensive expertise, enabling them to contribute significantly to the board's activities. However, Santhera recognizes the potential for conflicts of interest and takes proactive measures to address them when necessary as outlined in Santhera's Organizational Rules. Accordingly, the board is regarded as being independent. The Chairman of the BoD, Thomas Meier, served as Chief Executive Officer (CEO) of Santhera until 2019 and subsequently assumed the role of Chairman. Santhera acknowledges the recommended three-year interval between service on the executive board and membership on the BoD. However, Thomas Meier's ongoing contribution was deemed essential to support Santhera's growth and development during the interim period. This independence criterion is meanwhile satisfied. Until 2022 and solely regarding matters related to Santhera, Bradley C. Meyer served as an Advisor to Highbridge, a firm with which Santhera maintains financing agreements. Consequently, to mitigate potential conflicts of interest, prior to any deliberations or votes concerning Highbridge, the BoD determines whether Bradley Meyer must recuse himself from said matters, thereby ensuring the prioritization of Santhera's interests.

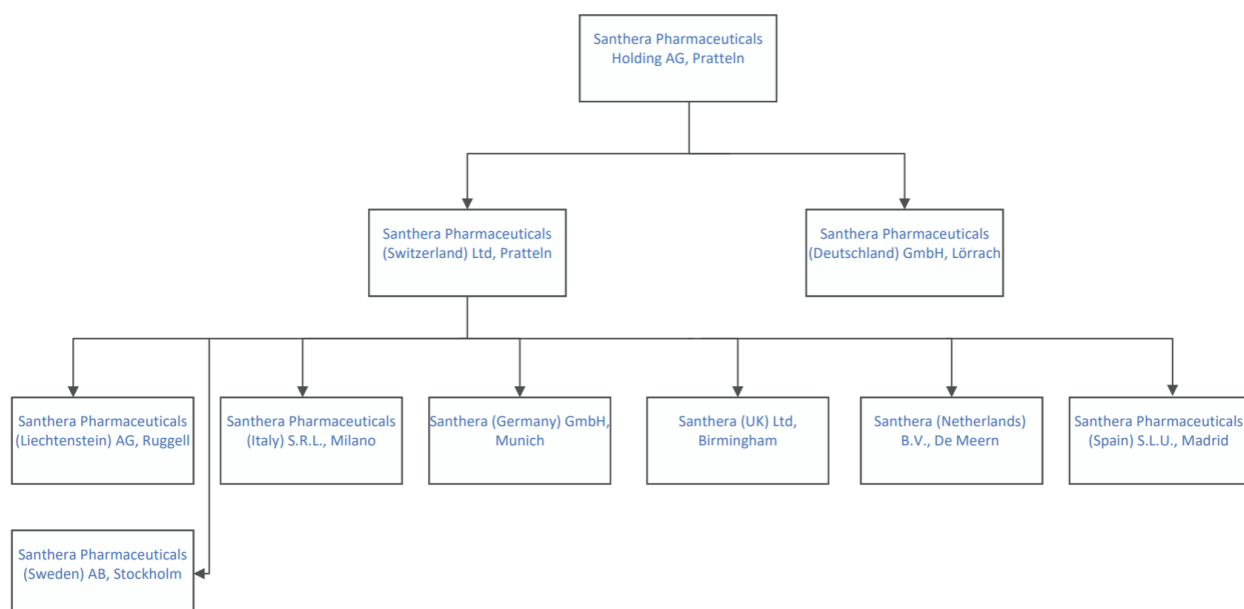
Group Structure and Shareholders (DCG 1)

Group structure (DCG 1.1)

Listed company

Name	Santhera Pharmaceuticals Holding AG (Company, together with its affiliates, Santhera)
Legal domicile	Hohenrainstrasse 24, 4133 Pratteln, Switzerland
Commercial register number	CHE-105.388.338
Listing	SIX Swiss Exchange
Symbol	SANN
Security ID	127602882
ISIN	CH1276028821
Market capitalization	CHF 167.3 million (December 30, 2024)
Website	www.santhera.com
Duration of Company	Not limited
Subsidiaries	See following section as well as note 3.2 "Investments in shareholdings" to the statutory financial statements of the Company.

Santhera operates through its wholly owned subsidiaries (DCG 1.1.3):



Company	Share capital	Domicile	Activities
Santhera Pharmaceuticals (Schweiz) AG	CHF 125,000	Pratteln, CH	Headquarters; development of pharmaceutical drugs, administrative functions
Santhera Pharmaceuticals (Liechtenstein) AG	CHF 50,000	Ruggell, LI	Dormant / voluntary liquidation initiated in early 2026
Santhera (Germany) GmbH	EUR 50,000	München, DE	Commercial activities
Santhera (Netherlands) B.V.	EUR 50,000	De Meern, NL	Pre-commercial activities
Santhera (UK) Limited	GBP 50,000	Birmingham, GB	Commercial activities
Santhera Pharmaceuticals (Italy) S.r.l.	EUR 50,000	Milano, IT	Pre-commercial activities
Santhera Pharmaceuticals (Spain), S.L.U	EUR 50,000	Madrid, ES	Pre-commercial activities
Santhera Pharmaceuticals (USA), Inc.	USD 1,000	Burlington, Massachusetts, US	Voluntary liquidation, completed in October 2027
Santhera Pharmaceuticals (Deutschland) GmbH	EUR 25,000	Lörrach, DE	Regulatory and development in the EU, logistics and distribution

None of these subsidiaries is listed on a stock exchange (DCG 1.1.2). The development activities are managed by Santhera Pharmaceuticals (Schweiz) AG and are mostly performed in Switzerland, the EU and the U.S. (DCG 1.1.1).

Each subsidiary has exactly one direct parent company which holds 100% of the shares or the quota of such subsidiary.

As a result of the restructuring of its operations following the decision to discontinue the further development of Puldysa in 2020, some of the subsidiaries in the EU have become dormant or are being liquidated. As a consequence of the license granted to Catalyst Pharmaceuticals with respect to the development and commercialization of AGAMREE® (vamorolone) in North America, Santhera Pharmaceuticals (USA), Inc. was voluntarily liquidated; such liquidation to become definite in October 2027 following a 3-year waiting period.

Significant shareholders (DCG 1.2)

See note 4.2 "Significant Shareholders" to the statutory financial statements of the Company.

Cross-shareholdings (DCG 1.3)

There are no cross-shareholdings.

Capital Structure (DCG 2)

Ordinary, conditional and authorized capital (DCG 2.1/2.2)

The Company has one class of 13,514,252 registered shares with a nominal value of CHF 0.10 each (**Shares**). As of December 31, 2025, it had the following ordinary, authorized and conditional share capital:

Capital type	Articles of Association	Effectively outstanding Shares		As per Commercial Register		Expiry
Ordinary	3	14,015,505		13,514,252		N/A
Conditional in capital range	3b	6,041,155	43.1%	6,041,155	44.7%	June 26, 2028
Conditional for participation programs	3c	725,185	5.2%	1,112,802	8.2%	N/A
Conditional for financings	3d	4,505,455	32.1%	4,619,091	34.2%	June 26, 2028
		11,271,795	80.4%	11,773,048	87.1%	

The number of shares entered into the commercial register does not usually reflect the number of shares that are effectively outstanding. The latter change to the extent that instruments such as options, share appreciation rights, convertible bonds, exchangeable notes or other equity-based instruments are exercised/converted. The Company has to report changes in conditional capital on a monthly basis to the SIX Swiss Exchange. These data are available from <https://www.six-group.com/en/market-data/shares/share-explorer/share-details.CH1276028821CHF4.html#/>.

Changes in conditional capital have to be updated in the Company's Articles (and hence in the commercial register) within three months from the end of any financial year. This time delay is the reason why these numbers are usually less accurate than those reported to SIX.

For details with regard to terms and conditions of potential share issues under the Company's capital range and conditional share capitals, see sections 3a, 3b, 3c and 3d of the Company's Articles, which can be downloaded from <https://www.santhera.com/investors-and-media/investor-toolbox/governance>, and the section on DCG 2.7 below.

For details with regard to the Company's participation plans ESOP, BSOP, ESARP, BSARP, ELTIP and EIP, see note 21 "Equity Rights Plans" to the consolidated financial statements.

Changes in share capital (DCG 2.3)

For changes in capital that occurred in 2022, 2023 and 2024, see the Company's Annual Reports for 2022, 2023 and 2024, which can be downloaded at:

2022: [Santhera 2022 Annual Report](#)

2023: [Santhera 2023 Annual Report](#)

2024: [Santhera 2024 Annual Report](#)

For changes that took place in 2025, see note 11 "Share Capital" to the consolidated financial statements of the Company.

Shares, participation and dividend right certificates (DCG 2.4/2.5)

As of December 31, 2025, the Company had one single class of registered Shares with a nominal value of CHF 0.10 each. All Shares were fully paid in and are nonassessable. The Company has not issued any participation certificates nor any profit-sharing certificates.

The Company may issue its Shares in the form of uncertificated securities, single certificates or global certificates. The shareholder has no right to demand the printing and delivery of share certificates. However, a registered shareholder may, at any time, request the Company to confirm in writing its shareholding as entered into the share register. The transfer of the Shares is effected via electronic book entry only by the intermediary holding the securities account, usually a bank. The transferability of the Shares is not affected by the changes required by the Foreign Investment Screening Act (**FISA**).

Subject to section 5 in the Company's Articles on share register, transfer restrictions and nominees, each Share carries one vote (see section on DCG 2.6) and is entitled to dividends if the AGM resolves in favor of a dividend payment.

Limitations on transferability and nominee registrations (DCG 2.6)

The Company's Shares are freely transferable, provided that the acquirers declare that they acquired the Shares in their own name and for their own account. There is no percentage limitation (DCG 2.6.1), and accordingly, the Company did not grant any exception (DCG 2.6.2).

The Board may register individual nominees (**Nominees**) with the right to vote in the share register up to 2% of the share capital as set forth in the commercial register. Shares in excess of 2% of the total share capital are entered without voting rights, unless the Nominee discloses the names, addresses and number of Shares of persons for whose account it holds such excess Shares. Nominees are persons who do not explicitly declare to hold Shares for their own account. Groups of persons who are interrelated or otherwise act in concert to circumvent the Nominee provisions are treated as a Nominee (DCG 2.6.3). In the year under review, the Company granted no exception.

The Board delegated the administration of the share register to the Chief Legal Officer (CLO) who may cancel a registration of shareholders if such registration was based on false information and if the CLO has previously heard such shareholder or Nominee. No statutory privileges or limitations on transferability exist (DCG 2.6.4).

Convertible bonds and warrants/options (DCG 2.7)

For an overview of convertible bonds, see note 13.2 "Financing arrangements - convertible bonds".

Options, warrants

See the statutory financial statements of the Company, note 13.1 "Equity-linked financing arrangements", note 13.2 "Financing arrangements - convertible bonds" and note 21 "Equity Rights Plans" to the consolidated financial statements.

Board of Directors (DCG 3)

Board and committee memberships (DCG 3.1/3.2/3.3/3.4 and 3.5.2)

Composition of the Board of Directors (**BoD**), the Audit & Compliance Committee (**ACC**), the Nomination & Compensation Committee (**NCC**) and the Scientific Committee (**SC**):

	Year of birth	Nationality	First elected	BoD	ACC	NCC	SC
Thomas Meier ¹	1962	Germany	2017	☼	X	X	☼
Philipp Gutzwiller	1968	Swiss	2017	X	☼		
Bradley C. Meyer ²	1979	Australia	2023	X		☼	
Melanie Rolli	1972	German	2025	X			

☼ = Chairman X = Member

1. Thomas Meier was also Delegate of the Board and CEO of Santhera until November 30, 2019. Thereafter, he remained an employee of the Company until December 31, 2020 and acted as an advisor to the CEO. He was elected as Chairman at the 2022 AGM on June 30, 2022.
2. Before being elected to the Board, Bradley C. Meyer had been a Board observer.

Thomas Meier

Thomas Meier, born 1962, German citizen, became a Member of Santhera's Board in 2017 and was elected Chairman of the Board at the 2022 AGM. Thomas Meier is a member of the Audit & Compliance Committee, the Nomination & Compensation Committee and the Scientific Committee. He is both a non-executive and an independent Board Member.

Thomas Meier holds a PhD in Biology from the University of Basel and qualified as lecturer for neurosciences at the University of Basel before joining the industry. He has over 25 years' experience as life-science and biotech entrepreneur, executive manager and Board member and is an internationally recognized scientist with a track record in clinical research of orphan diseases.

He is a founder of Santhera and served as Chief Scientific Officer (2004 to 2019) and Santhera's Chief Executive Officer (2011 to 2019). From 2000 to 2004 he was founder and Chief Executive Officer of MyoContract AG, a research company focused on orphan neuromuscular diseases and the first start-up company originating from the Biozentrum, University of Basel.

Currently Thomas Meier is managing partner of Viopas Venture Consulting GmbH, a Swiss consultancy and advisory firm for the healthcare industry. He also is a member of the Board of Directors of the privately held Visgenx Inc. (USA) and public Onconetix Inc. (USA) as well as chairman of privately held Novaremed AG (Switzerland), SEAL Therapeutics AG (Switzerland) and Proteomedix AG (Switzerland). Previously, he acted as chairman of the privately held company Pharmabiome AG (Switzerland) until 2021.

Philipp Gutzwiller

Philipp Gutzwiller, born 1968, Swiss citizen, is a Member of Santhera's Board and its Audit & Compliance Committee since 2017. He is both a non-executive and an independent Board Member.

Philipp Gutzwiller has an MSc (Finance and Economics), University of Basel. Philipp Gutzwiller was a Managing Director in investment and commercial banking at UBS, Lloyds Banking Group and Mizuho. During his 24 years as a banker, Philipp supported corporate clients in the healthcare and life sciences industry on M&A transactions, corporate finance projects, risk management and capital market transactions. Prior to his banking career, Philipp worked in the Corporate Finance Team of F. Hoffmann-La Roche AG in both operational and transactional roles.

Bradley C. Meyer

Bradley C. Meyer, born 1979, Australian citizen, is a Member of Santhera's Board and the Chairman of the Compensation Committee since 2023. He is both a non-executive and independent Board Member.

Bradley C. Meyer 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, AliveDx and Biocartis.

Melanie Rolli

Melanie Rolli, born 1972, German citizen, is a Member of Santhera's Board. She is both a non-executive and independent Board Member. Previously she served as non-executive director on other private and public biotech and tech companies.

Melanie Rolli, a medical doctor, is a seasoned biopharma executive with over 20 years international experience. She is the former Group CEO of Helsinn Healthcare (2023-2025), a global pharmaceutical company commercializing a diverse portfolio of products in cancer supportive care and onco-dermatology. Prior to this, she was CEO of AELIX Therapeutics and PIQUR Therapeutics, where she led the strategic refocus and completed successful fundraising campaigns. She also spent 14 years at Novartis, holding increasingly senior roles in global development, medical affairs and patient safety.

Business connections between Board members and the Company (DCG 3.1.c)

See note 29 "Transactions with Related Parties" to the consolidated financial statements.

Other activities and vested interests (DCG 3.2)

Other than described above, none of the members of the Board has any position in governing or supervisory bodies of any major organization, institution or foundation under private or public law, permanent management or consultancy function for major interest groups, official function or political mandate.

Number of permitted activities (DCG 3.3)

See table in section on DCG 4.3.

Elections and terms of office (DCG 3.4)

According to the Company's Articles, the Board consists of no more than eight members. All members of the Board, including the Chairman in his function as a chairman, are appointed or removed exclusively by a resolution of the shareholders. The Board members are elected on an individual basis for a term of office which must not exceed one year, whereby a year means the period between two AGMs. The terms of the Board members end at the 2026 AGM. There are no rules in the Company's Articles that differ from legal provisions with regard to the appointment of the Chairman, the members of the Nomination & Compensation Committee and the independent proxy.

Organizational structure/areas of responsibility and information flow (DCG 3.5)

Allocation of tasks within the Board (DCG 3.5.1)

In accordance with the Organizational Rules of the Company, the Chairman convenes and presides over the Board meetings. After consultation with the CEO, the CFO and the CLO, who also acts as the Secretary to the Board, he decides on agenda items and motions. The other Board members may request that items be placed on the agenda. In case of urgency, the Chairman may approve transactions and measures on behalf of the full Board. The Board also approves the Company's news releases.

The Board committees (DCG 3.5.2)

The Nomination & Compensation Committee (NCC) consists of two Board members, Bradley C. Meyer (Chairman) and Thomas Meier (member). The members of the NCC are elected individually by the AGM for a term of office until the end of the next AGM. The NCC's Chairman is elected by the Board.

The Audit & Compliance Committee (ACC) consists of two Board members, Philipp Gutzwiller (Chairman) and Thomas Meier (member). Chairman and member of the ACC are elected by the Board.

The Scientific Committee consists of one Board member, Thomas Meier (Chairman). He is elected by the Board.

Board - organizational structure and areas of responsibility (DCG 3.5/3.6)

Core tasks of the Board

The Board is entrusted with the ultimate direction of the Company and the supervision of the Executive Management. The Board's nontransferable and inalienable duties include the following:

- The ultimate management of the Company, by determining the strategy of the Company based on discussions with Executive Management, e.g., whether to evaluate, pursue or execute a financing, an M&A or a licensing transaction or the commercialization strategy for AGAMREE.
- The determination of the organizational structure of the Company, in terms of both

organization by departments and organization through the legal structure of the Group.

- The oversight of the accounting system, financial control (including the Company's internal control system, risk management as well as financial planning), through structured processes of budgeting/forecasting (both bottom up and top down), variance analyses, regular latest estimates and invoice approvals.
- The appointment, recall and supervision of the Executive Management, the determination of their areas of responsibility and their signing authorities.

The Board is also responsible for the preparation of the Annual Report, AGM and EGMs (if any), carrying out shareholders' resolutions, and notification to the judge in case of overindebtedness of the Company.

The Board has delegated the execution of the strategies defined by it and the day-to-day management of the Company to the Executive Management under the leadership of the CEO. The Executive Team is supported by a management team where major functions are represented (business development, marketing, sales, partnering, communications & investor relations, Legal & Compliance, People & Culture, clinical operations).

Work methods of the Board and its Committees (DCG 3.5.3)

Board

The adoption of resolutions and elections by the Board requires a majority of the votes cast. To validly pass a resolution, more than half of the members of the Board must be present at the meeting. In case of an impasse, the Chairman has a casting vote. In the period under review, all resolutions by the Board were taken unanimously. Meetings may also be held by tele- or videoconference and resolutions may be taken by circular. The latter can be the case where the BoD is very familiar with the project (e.g., if it has been continuously updated before taking such resolution). In very few instances, e.g., due to the urgency of a situation, the Board has approved a transaction in principle and authorized CEO, CFO and CLO to negotiate details as long as they remained substantially the same as those presented to it.

Audit & Compliance Committee

The Audit & Compliance Committee (ACC) reviews, discusses with management and recommends for approval by the BoD the financial statements and the financial information contained in news releases. It reviews and discusses with management significant financial reporting issues, significant changes to the accounting principles, the adequacy of the internal controls, any special audits, and the effect of regulatory and accounting initiatives. The ACC can invite the Company's auditors, consultants and legal advisers to any of its meetings and discuss any ACC related topic with such parties. The ACC monitors the integrity of the financial statements of the Company, assesses the independent audit firm's and its representatives' qualifications, the performance of the Company's internal audit function and independent public accountants, and the compliance of the Company with legal and regulatory requirements.

The ACC has the authority to suggest to the whole BoD the appointment or replacement of the auditors.

Nomination & Compensation Committee

The tasks of the Nomination & Compensation Committee are described in the Compensation Report under "Compensation Governance".

Scientific Committee

The purpose of the SC is to assist the Board in its oversight of the Company's research and development strategy. Due to the size of the Board, the SC did not hold any further meetings since 2022 and will not do so until the Board decides otherwise.

In the past, CEO, CMO, Head Business Development and Secretary to the Board would participate in such meetings. The SC reports its actions and recommendations to the Board at the meeting of the Board following each SC meeting. Its core tasks include to provide strategic advice to the Board regarding current and planned research and development programs and activities, to evaluate the effectiveness of the Company's R&D Operations and activities, to evaluate inlicensing or partnering opportunities and monitor compliance with the Company's standards of scientific integrity.

Meetings in 2025

Corporate Body	In person meetings	Tele- and video-conferences	Circular resolutions	Average duration in hrs
Board of Directors	5	11	2	2
Audit & Compliance Committee	3	3	-	1
Nomination & Compensation Committee	-	7	-	1

Information and control instruments vis-à-vis the Executive Management (DCG 3.7)

As a rule, all Executives participate in the Board meetings and report to the Board on the current course of business and all significant issues and transactions. Other members of senior management may be invited to attend to present and discuss certain agenda items covering their area of expertise, for example, to discuss results and progress of clinical studies and submissions to regulatory authorities. From time to time, the Board also invites the Company's auditors and tax, legal or other advisors to its meetings.

In the year under review, the Board discussed the Company's strategy, major projects and risks. It evaluated potential M&A, outlicensing transactions, equity-based and non-dilutive funding.

Among the key risks identified at the beginning of 2025 were the financial situation and the going concern of the Company, the commercialization of vamorolone, the negotiations with governmental authorities about the reimbursed price for AGAMREE, a potential loss of key personnel, compliance (GxP compliance and compliance with respect to interactions with healthcare professionals and qualification and validation of computerized systems). For all these risks, mitigation strategies were put in place.

Extraordinary transactions and issues must be reported by the CEO to the Board immediately. CEO, CFO and CLO are in regular contact with the Board. Each member of the Board is entitled to request and receive information on all matters of the Company and has access to the Company's and the Company's subsidiaries' property, records and personnel.

Due to its size, Santhera does not have an internal audit function, but parts of this function have been allocated to its finance department, head of compliance and the manager of quality assurance. In the year under review, the Company has continuously improved certain of its financial processes.

Gender guidelines (DCG 3.8 and 4.5)

The Company has not implemented any gender guidelines but plans to do so in due course of time.

Executive Management (DCG 4 and 3.6)

In 2025, the Executive Management consisted of six Executives¹.

Executive	Function	Nationality	Year of birth
Dario Eklund	Chief Executive Officer (CEO)	AT/FI	1968
Catherine Isted ¹	Chief Financial Officer (CFO)	GB	1975
Shabir Hasham	Chief Medical Officer (CMO)	GB	1970
Oliver P. Kronenberg	Chief Legal Officer (CLO) & Corporate Secretary	CH	1968
Marc Schrader	Chief Technology Officer	CH	1971
Geert-Jan van Daal	Chief Commercial Officer	NL	1960
Andrew Smith ²	Chief Financial Officer (CFO)	GB	1962

¹ as of 24 February 2025

² until 23 February 2025

Members of the Executive Management are appointed by the Board upon proposal by the Nomination & Compensation Committee.

During the Board and Board committee meetings, the CEO reports to the Board and whenever required on an ad hoc basis.

The CEO, together with Executive Management, is responsible for implementation of the strategy and the decisions taken by the Board and its Committees within the approved budget. With the support of the management team - consisting of the members of Executive Management, the Global Head People & Culture, the Head Global Marketing & Partner Management, the EVP Corporate Planning & Business Development - he prepares the business strategy and business plan for decision by the Board. The CEO approves material contracts, decides on the Company's intellectual property rights and the handling of lawsuits. He also allocates financial, personnel and other resources within Santhera and supervises the members of the management team. The management team has regular meetings that usually cover the following topics: product revenues, alliance management, development programs and clinical studies, regulatory strategies, resource allocation, business development, competitive situation, risk management and internal control system, corporate affairs including important contracts, supply chain and information on subsidiaries, financing situation and strategies, internal and external financial reporting, financial controlling, public and investor relations, people & culture, taxes, legal and compliance.

Dario Eklund

Dario Eklund, born 1968, Finnish and Austrian citizen, is Santhera's CEO since December 1, 2019.

Dario has an MSc in Economics and graduated from the Swedish School of Economics and Business Administration in Helsinki (Finland).

From 2014 to 2019, Dario Eklund was Chief Commercial Officer of Vifor Pharma. He was a member of Vifor's Corporate Executive Committee and a member of the Board of Directors of the joint venture with Fresenius Medical Care (Vifor Fresenius Medical Care Renal Pharma Ltd.). From 2005 to 2014, he served as Vice President and member of Executive Committee of Organogenesis, a NASDAQ-listed world leading company in regenerative medicine and cell therapy. From 2002 to 2004, he was General Manager Switzerland of Sanofi. From 1994 to 2002, he served as Global Commercial Director, Biotechnology (1999 to 2002), Area Director, Eastern Europe & Israel (1997 to 1999) and Area Manager, Eastern European countries (1994 to 1996) of Novartis.

Dario Eklund served during the year as a member of the Supervisory Board of Fabentech, a French biotechnology company based in Lyon focused on the development of medical countermeasures against biological threats, including bioterrorism.

Catherine Isted

Catherine Isted, born 1975, British citizen, joined Santhera as Chief Financial Officer (CFO) on February 24, 2025, and is also responsible for Investor Relations and IT.

Catherine holds a Bachelor's degree in Chemistry from the University of Leicester and is a Chartered Management Accountant (ACMA).

She joined Santhera with nearly 30 years' experience in corporate and operational finance in the Pharmaceutical and Biotech industry and Investment Banking. Most recently, she served as CFO at BenevolentAI (Euronext Amsterdam: BAI), an AI-driven drug discovery company, and previously she was CEO and CFO of ReNeuron Group plc (AIM: RENE), a UK-based biotech company focused on stem cell-derived exosome technologies. Catherine also led Corporate Development and IR at Oxford Biomedica plc (FTSE250: OXB), a leading gene and cell therapy company, during a period of significant growth and transformation. Prior to that, Catherine spent over 15 years in healthcare investment banking, holding senior roles at Morgan Stanley, ABN AMRO, Nomura, and Peel Hunt, where she advised life sciences companies on IPOs, financings, and investor strategy, working with leading healthcare investors from across the US, EU and UK. She began her career as a bench scientist at Merck Sharp & Dohme (MSD) before transitioning into their finance department.

Shabir Hasham

Shabir Hasham, born 1970, British citizen, joined Santhera in 2015. Shabir has been appointed as Chief Medical Officer (CMO) and Member of the Executive Management Team, effective May 1, 2022.

Shabir completed his medical studies with an MBBS (Bachelor of Medicine and Surgery) degree from St Bartholomew's School of Medicine, equivalent to a Doctor of Medicine (MD) in other jurisdictions. Prior to that, Shabir obtained a Bachelor of Science degree (Hons) in Immunopathology and Basic Medical Science from Imperial College London. After subsequently working as a physician with the UK NHS for a number of years, Shabir augmented his education by completing an MPhil in Bioscience

Enterprise (MBE), a Master's degree in biotechnology and strategic models of commercialization, a joint program from University of Cambridge Institute of Biotechnology and The Judge School of Management, for which he was awarded a full scholarship. In 2003, he joined the pharmaceutical industry.

At Santhera, before becoming CMO, he served as Global Development Program Lead & Global Head Medical Affairs (2019-2022) and Head of Medical Affairs EU & RoW (2015-2019). Before joining Santhera in 2015, Shabir held various positions at Novartis (2007-2015) including EU Medical Director (2013-2015) and Global Associate Brand Director (2009-2013) for the Neuroscience franchise at Novartis Pharma, and Senior Medical Manager (2007-2010) at Novartis Oncology, contributing to global and regional clinical development, medical affairs and launch plans for new products. Earlier in his career, Shabir held medical manager and advisor roles within the neuroscience franchise at Biogen Idec (2006-2007) and Pfizer's cardiovascular business (2003-2006).

He has no other activities and vested interests.

Oliver P. Kronenberg

Oliver P. Kronenberg, born 1968, Swiss citizen, joined Santhera in August 2024 as Chief Legal Officer (CLO), Corporate Secretary and member of Santhera's Executive Management Team and has over 25 years of experience in the pharmaceutical industry. Prior to his new role, he was Group General Counsel of Vifor Pharma and a member of its Executive Committee. In such role, he led significant M&A transactions, including the USD 12 billion acquisition of Vifor Pharma by CSL. He has extensive expertise in licensing transactions, antitrust law, corporate matters and litigations. Oliver started his career in the life science industry at Ferring Pharmaceuticals and Kuros Biosurgery.

Oliver holds a Doctorate in Law from the University of Basel, a LL.M degree from the College of Europe in Bruges, Belgium, and the Board Director diploma from the IMD in Lausanne. He is admitted to the bar in Switzerland.

Oliver served during the year as a non-executive board member of cp premium helmets ag, Switzerland and was managing partner of Vantage Advisory LLC and Hälsa Sportsconsulting & Media GmbH, both located in Switzerland.

Marc Schrader

Marc Schrader, born 1971, Swiss citizen, joined Santhera Pharmaceuticals as Head of Technical Development & Operations in September 2022 and has over 25 years of experience in the pharmaceutical industry. He has extensive expertise in CMC, dealing with complex global pharmaceutical development programs of new chemical entities (small molecules) in early and late clinical stage, clinical and commercial production, product life cycle management, outsourcing and CDMO management, CMC due diligence, CMC regulatory affairs and cGMP.

Prior to joining Santhera, Marc held diverse leadership roles in pharmaceutical development, CMC and drug product operations for small molecules across several organizations including Tillotts Pharma AG, Actelion Pharmaceuticals Ltd and Janssen Pharmaceutica N.V./Johnson & Johnson.

Marc is a Pharmacist by training and holds a degree in pharmaceutical medicine from the European Center of Pharmaceutical Medicine (ECPM).

He has no other activities and vested interests.

Geert-Jan van Daal

Geert Jan, born 1960, Dutch citizen, has 30+ years of pharmaceutical industry experience and joined Santhera at the beginning of 2015. He was instrumental in building the Santhera European Commercial Operations and in the successful European launch of Raxone in LHON. During the last 3 years he was a member of the Santhera management team and served as VP, Head Region Western Europe, which also comprised the management of European Market Access and European Strategic Marketing functions. Since January 2021 he also served as Global Program Lead ad interim for the lonodelestat development program.

Before joining Santhera, Geert Jan held positions as Medical Director, Business Unit Director and General Manager in start-up teams in Serono, Actelion and InterMune. He successfully launched and marketed products in a wide variety of rare and orphan diseases in neurology, pediatric diseases, endocrinology, pulmonology, cardiology, rheumatology, metabolic disease and neuro-ophthalmology. Initially he started to work at Reed-Elsevier's Excerpta Medica Medical Communications, until he joined the pharmaceutical industry in 1995.

Geert Jan completed his medical studies in Rotterdam with a MD degree in 1992 and he also holds a PhD from Erasmus University Rotterdam in The Netherlands.

He has no other activities and vested interests.

Other activities and vested interests (DCG 4.2)

Other than described above, no member of Executive Management has any position in governing or supervisory bodies of any major organization, institution or foundation under private or public law, permanent management or consultancy function for major interest groups, official function or political post.

Permitted mandates in other companies (DCG 3.3 and 4.3)

Body	Maximum of mandates on board of listed companies	Maximum of mandates on board of privately held companies
Board members	4	8
Members of Executive Management	2	4

Management contracts (DCG 4.4)

There are no management contracts between the Company and third parties.

Compensation, Shareholdings and Loans (DCG 5)

An extensive description of the compensation system and the amounts paid in the year under review are available in the separate Compensation Report of this Annual Report.

Shareholders' Participation Rights (DCG 6)

Voting rights restrictions and representation (DCG 6.1)

Subject to the provisions with respect to nominees in the Company's Articles (Article 5), there are no voting rights restrictions and no statutory group clauses, and hence no rules on making exceptions. As a consequence, there is neither a procedure nor a condition for their cancellation.

For details, see Section on DCG 2.6.

A shareholder may be represented by his legal representative, the independent proxy or by another shareholder. Shareholders can instruct the independent proxy by completing an instruction form. There are no provisions in the Company's Articles of Incorporation that differ from statutory provisions where the participation of shareholders in the AGM is concerned (DCG 6.1.5).

Quorums required by the Articles of Association (DCG 6.2)

There are no statutory quorums which differ from the applicable legal provisions. Changes - if required by the amended corporate law - will be implemented in due course of time.

Convocation of the general meeting of shareholders (DCG 6.3)

Currently, the Articles of Incorporation require 10% of the share capital to call an extraordinary general meeting. The amended corporate law provides that 5% are sufficient to do so. The Company will propose a respective amendment to the Articles of Incorporation in due course of time.

Inclusion of items on the agenda (DCG 6.4)

The Board decides on agenda items and motions of the AGM. Shareholders who, individually or collectively, represent at least 0.5 percent of the share capital or voting rights may request that an item be added to the agenda or that a shareholder proposal regarding an agenda item be included in the notice convening the Annual General Meeting. Such a request must be submitted in writing at least 60 days prior to the meeting, specifying the agenda item and the shareholders' motions. The General Meeting may not pass resolutions on motions concerning agenda items that were not properly announced; exceptions to this rule are motions to convene an extraordinary General Meeting and to conduct a special investigation.

Entries in the share register (DCG 6.5)

Shareholders entered into the share register as shareholders on a specific qualifying day designated by the Board (record date), which is usually less than five business days before the AGM, are entitled to attend such AGM and to exercise their votes.

Changes of Control and Defense Measures (DCG 7)

Duty to make an offer (DCG 7.1)

Santhera's shareholders resolved to cancel the opting out provision at the 2019 AGM. As a result, art. 135 FMIA applies, according to which anyone who acquires 33 1/3% of the voting rights of a company must make an offer to acquire all listed equity securities of such company.

Clauses on changes of control (DCG 7.2)

The ESOP 2015, the BSOP 2015, the BSARPs, the ESARPs and the ELTIPs, under which most options, SARs (share appreciation rights), PSUs (performance share units) and RSUs (restricted share units) have been granted, contain clauses according to which all instruments granted under these plans vest immediately and may be exercised during a period of 1 year (or, under the ESOP 2015 and the BSOP 2015, have to be exercised immediately) upon a change of control event. Depending on the plan, a change of control event is defined as the acquisition of 33 1/3%, 50% or the majority of the voting rights in the Company, as well as certain other transactions. The Board can waive any restriction periods applicable to RSUs after their vesting. As soon as PSUs vest upon a change of control event, all performance criteria are deemed to be fulfilled. As soon as another instrument vests upon a change of control event, all conditions are deemed fulfilled and any restriction is waived.

As of December 31, 2025, the only agreements and plans in favor of members of the Board and/or the Executive Management or other members of senior management which do not contain a changes of control clause are the short-term incentive option granted under the STI 2021.

Auditors (DCG 8)

Duration of the mandate and term of office of the lead auditor (DCG 8.1)

Ernst & Young, Basel, assumed the existing auditing engagement for Santhera's predecessor company MyoContract in 2002 (DCG 8.1.1). The Shareholders' Meeting elects the Company's auditors for a term of office of one year. The auditor in charge is Martin Mattes. He assumed his responsibility in 2022 (DCG 8.1.2).

Auditing fees and additional fees (DCG 8.2/8.3)

The following fees were charged in the 12-month period ended December 31 for professional services rendered by Ernst & Young (audit-related fees have been incurred in connection with capital increases and related comfort letters and review procedures):

<i>In CHF thousands</i>	2025	2024
Audit services	918	1,052
Audit related services	38	47
Other services	77	40

Audit services are defined as the standard audit work that needs to be performed each year in order to issue an opinion on the consolidated financial statements of Santhera and to issue reports on the local statutory financial statements. It also includes services that can only be provided by the Group auditor and includes the verification of the implementation of new or revised accounting policies and from reporting periods 2007 onwards the audit of the Company's internal control system and risk management. Audit-related services include those other services provided by auditors but not restricted to those that can only be provided by the auditor signing the audit report. They comprise services in relation to general accounting matters. For reasons of good corporate governance, Santhera contracted the provision of tax and internal control system/risk management services to a company other than Ernst & Young.

Information instruments pertaining to the external audit (DCG 8.4)

The Board performs its supervisory and control functions towards the external auditors. In particular, the Board or the Audit & Compliance Committee meets with the auditors at the end of an audit or review to discuss in depth the audit procedures, any findings made and recommendations proposed. The auditor's reports to the Board are also extensively discussed. All Board and Board Committee minutes, together with any pre-reads, are shared with the auditors. Material contracts are also shared, together with internal memos that are relevant for the auditors. In addition, the auditors have access to certain finance applications, receive legal letters from law firms and documents that contain representations of Board and Executive Management.

Information Policy (DCG 9)

Santhera reports to its shareholders, employees, business partners and other public stakeholders in an open, transparent and timely manner. Equal treatment of all stakeholders is the guiding principle behind its partnership-based approach. In doing so, Santhera is able to promote an understanding of its objectives, strategy and business activities, and to ensure an increasing degree of awareness about Santhera. The Company has adopted a comprehensive disclosure policy to protect Santhera's interests and assets, to release material information in a timely and controlled manner, to observe the legal requirements and rules and in particular to also distinguish competencies and responsibilities of corporate and strategic disclosure and those applicable in marketing and sales or development.

The most important information tools are news releases, the AGMs, the Annual Report, the Interim Report and the website www.santhera.com. In addition, Santhera communicates on social media, including LinkedIn, X (formerly Twitter), Facebook and Instagram.

Investors and other parties interested in subscribing to the Company's news service may do so by registering themselves on www.santhera.com/news-subscriptions.

For contact details, see www.santhera.com/contact.

Corporate events 2026

The 2026 Annual General Meeting will be held on May 26, 2026 in Pratteln. See also www.santhera.com/corporate-calendar.

Quiet Periods (DCG 10)

The Company has a policy according to which every Santhera director, officer and employee must obtain pre-clearance from the Chief Legal Officer before engaging in a transaction with respect to any Santhera security (e.g. Santhera shares and Convertible Bonds). During quiet periods, no pre-clearance request shall be granted. Quiet periods begin two weeks before the public release of Santhera's financial statements and end at the close of business one day after such release. For the 2025 Annual Report, the quiet period started on April 14, 2026 and ended on April 29, 2026, at close of business. As of the date of this report, no decision has been made on subsequent reporting dates; therefore, it is not possible to determine the related quiet periods.

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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. The Company has an exclusive license from ReveraGen for all indications worldwide to AGAMREE® (vamorolone), a dissociative steroid with novel mode of action, which was investigated in a pivotal study in patients with Duchenne muscular dystrophy (DMD) as an alternative to standard corticosteroids. AGAMREE for the treatment of DMD is approved in the U.S. by the Food and Drug Administration (FDA), in the EU by the European Medicines Agency (EMA), and in the UK by the Medicines and Healthcare products Regulatory Agency (MHRA). Santhera has outlicensed rights to vamorolone for North America to Catalyst Pharmaceuticals, Inc. and for China to Sperogenix Therapeutics. For further information, please visit www.santhera.com.

AGAMREE® is a trademark of Santhera Pharmaceuticals.

Forward-Looking Statements

This Annual Report expressly or implicitly contains certain forward-looking statements concerning Santhera Pharmaceuticals Holding AG and its business. Such statements involve certain known and unknown risks, uncertainties and other factors, which could cause the actual results, financial condition, performance or achievements of Santhera Pharmaceuticals Holding AG to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. There can be no guarantee that any of the development projects described will succeed or that any new products or indications will be brought to market. Similarly, there can be no guarantee that Santhera Pharmaceuticals Holding AG or any future product or indication will achieve any particular level of revenue. In particular, management's expectations could be affected by, among other things, uncertainties involved in the development of new pharmaceutical products, including unexpected clinical trial results; unexpected regulatory actions or delays or government regulation generally; the Company's ability to obtain or maintain patent or other proprietary intellectual property protection; competition in general; government, industry, and general public pricing and other political pressures. Santhera Pharmaceuticals Holding AG is providing the information in this Annual Report as of the date of the publication and does not undertake any obligation to update any forward-looking statements contained herein as a result of new information, future events or otherwise.



Their Future. Our Focus.

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