



# 2025

**Interim Condensed Report**  
**January to June 2025**

**Report on the Six Months Ended June 30, 2025, and  
Interim Consolidated Financial Statements**

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## Santhera Announces Half-Year 2025 Financial Results and Provides Corporate Update

Pratteln, Switzerland, September 23, 2025 - Santhera Pharmaceuticals (SIX: SANN) announces the Company's financial results for the six months ended June 30, 2025, reports on progress with AGAMREE® (vamorolone) for the treatment of Duchenne muscular dystrophy (DMD) and provides updates on its corporate and financing initiatives.

### **HIGHLIGHTS**

- Total revenue increased 70% to CHF 24 million (H1 2024: CHF 14.1 million) driven by strong sales growth in launched markets in addition to growing royalty and product supply revenues
- Product sales increased 76% to CHF 11.6 million (H1 2024: CHF 6.6 million), led by Germany and Austria with first contributions from the UK following the Q2 launch
- Royalties from licensing partners in the U.S. and China of CHF 5.4 million (H1 2024: CHF 0.9 million), already >25% above full year 2024; further acceleration expected in H2 2025
- Global sales (including partners) of AGAMREE exceed USD 100 million on a four consecutive quarter basis, ahead of expectations, triggering a USD 25 million sales milestone payment due, reflected in cost of sales (COS)
- Operating expenses (excluding non-cash compensation) of CHF 25 million (H1 2024: CHF 24.1 million), in line with full year CHF 50-55 million guidance
- Operating loss of CHF 35.4 million (H1 2024: loss of CHF 17.7 million)
- Global rollout advancing with new distribution agreements (post period-end) across five Gulf Cooperation Council (GCC) countries, India, and Türkiye
- Cash and cash equivalents of CHF 18.4 million at June 30, 2025 (Dec 31, 2024: CHF 40.9 million); strengthened by approximately CHF 20 million of growth capital in September 2025
- Cash-flow break-even guidance maintained for mid-2026
- Full year 2025 revenue is expected to exceed the previous guidance range of CHF 65-70 million

**Dario Eklund, CEO of Santhera said:** *"It has been an exciting period for the business, as the global rollout of AGAMREE has continued at pace. Our partner Catalyst is seeing particularly strong demand in the US, with increasing expectations in China through Sperogenix. Sales in Germany and Austria continue to exceed expectations, and the UK is contributing positively following the Q2 launch. We look forward to the second half of the year, with the publication of our GUARDIAN study on the horizon and the rollout of AGAMREE continuing through direct launches in Europe and via distribution and licensing partners globally. All these efforts are aimed at enabling more patients access to this important treatment around the world."*

## **BUSINESS AND CORPORATE UPDATE**

### **Half-year 2025 key events and post-period events**

- Direct market sales growing strongly with approximately 40% of steroid using DMD patients in Germany now treated with AGAMREE. Austria becomes the first country to have in excess of 50% market share for DMD patients taking corticosteroids
- Pricing and reimbursement discussions advancing in Spain, Italy and the Nordic regions, with launches expected from Q4 2025 into Q1 2026
- US partner Catalyst Pharmaceuticals, Inc. ("Catalyst") posted strong AGAMREE H1 sales of USD 49.4 million, on track to reach its guidance for FY 2025 sales of USD 100-110 million, which would trigger an additional milestone to Santhera of USD 12.5 million
- Chinese partner Sperogenix Therapeutics Ltd. ("Sperogenix") commences commercial rollout on a non-reimbursed basis. Forecasted demand in China for 2025 and 2026 has increased
- Continued rollout of AGAMREE worldwide with distribution agreements signed for five Gulf Corporation Council (GCC) countries, India and Türkiye post period end
- Catherine Isted joined Santhera as CFO in February and Dr. Melanie Rolli joined the Santhera Board in May

### **Successful launches drive own market sales in Europe**

Following successful 2024 launches in Germany and Austria, patient numbers continue to grow, with approximately 450-500 patients having initiated AGAMREE and many of these patients having been on the therapy for well over a year. In Germany, use is broadening beyond the initial pediatric cohort as neurologists increasingly (re)start or switch older DMD patients to AGAMREE. Combination therapy with givinostat is also rising in the country. Roughly 40% of corticosteroid-using DMD patients in Germany have been treated to date with AGAMREE. In Austria, strong uptake has continued into 2025, making it the first country where more than half of steroid-using Duchenne patients are being treated with AGAMREE.

In the United Kingdom, after positive final NICE guidance in January 2025, AGAMREE became available nationwide from April. Updated UK guidelines on "Corticosteroids in Duchenne muscular dystrophy" (April 2025) favor daily regimens and recognize AGAMREE as equally effective with fewer side effects than traditional corticosteroids. In mid-Q3, Santhera introduced a home-delivery program to streamline access and reduce administrative burden on centers. Early feedback has been positive and is expected to support ordering momentum into Q4.

### **Advancing the rollout of AGAMREE across Europe**

A key focus of the business is the continued rollout across Europe, and the Company is advancing multiple national reimbursement submissions and pricing negotiations across the continent.

AGAMREE has been available in Spain through a paid, named-patient program since mid-2024, and the Company has been working to secure full approval and reimbursement so all eligible patients can access the medicine. Santhera's proposal is scheduled for discussion at the upcoming October CIMP meeting. Subject to a positive outcome, the launch into regional and hospital formularies is expected to begin in Q4 2025 and to continue into 2026 as regional rollout progresses. In Portugal, an early access plan is about to start, with pricing and reimbursement discussions running in parallel.

Across the Nordics – Sweden, Denmark, Finland, and Norway – pricing and reimbursement filings are progressing alongside pre-marketing activities conducted by local teams. First sales are anticipated between Q4 2025 and Q1 2026 as country launches commence.

In Italy, following discussions with the Italian Medicines Agency (AIFA), the Company has decided to update the reimbursement dossier with long-term GUARDIAN study data once available. Approval is anticipated in late Q1 2026, assuming good progress with regulators over the coming quarter. In the meantime, an early access program is being rolled out with the aim of covering the majority of Italian expert centers, supported by strong engagement with key opinion leaders and patient advocacy groups.

Reimbursement discussions continue in the Benelux region, with launches expected during 2026. In France, pricing negotiations with CEPS are ongoing. As previously disclosed, Santhera expects to include additional GUARDIAN data and potentially other supportive evidence in the dossier to achieve the appropriate ASMR rating and broader positioning. The Company will update the market on expected launch timing as discussions progress. In Switzerland, pre-marketing activities have begun, with marketing authorization expected in H1 2026, with fully reimbursed launch targeted for the second half of 2026.

#### **Strong US partner sales with Catalyst continues**

Santhera's U.S. licensing partner, Catalyst, continued to report strong growth, delivering AGAMREE sales of USD 49.4 million in the first half of 2025, driven by accelerated physician adoption. This strong and sustained uptake underscores AGAMREE's positioning as a new standard of care for DMD. Based on current projections, Catalyst has guided USD 100-110 million in 2025 sales. Upon achieving at least USD 100 million, Santhera would receive a USD 12.5 million milestone. The robust U.S. performance is also increasing Santhera's inventory requirements and contributing to higher supply sales and royalties.

#### **Sperogenix non-reimbursed commercial rollout commences**

In China, partner Sperogenix commenced a non-reimbursed commercial rollout of AGAMREE in September 2025, in addition to the earlier started Early Access Program. Uptake has been encouraging, with more than 250 patients treated to date. Priorities for the second half of 2025 are to expand sales in the non-reimbursed market. In anticipation of increased demand in 2025-2026, Santhera is bringing forward inventory plans to provide product to this market.

#### **Geographical expansion continues successfully**

Across additional territories, Santhera is broadening access through distribution partnerships. In 2024, the Company signed an agreement with GENESIS Pharma SA covering 20 Central and Eastern European markets and established regional distribution agreements for Israel and Qatar. During 2025, Santhera signed further agreements in five Gulf Cooperation Council countries, Türkiye, and India, and continues to engage in various discussions to expand its global footprint and broaden patient access to AGAMREE.

#### **New AGAMREE data to be presented in early Q4 2025**

Santhera continues to generate additional long-term clinical outcomes in DMD patients with up to seven years on AGAMREE and looks forward to reporting long-term effectiveness and safety results from the GUARDIAN study in early Q4 2025. In parallel, real-world evidence abstracts from both younger and older patient cohorts in Germany – where AGAMREE has been available the longest –

have been submitted for presentation at the World Muscle Society Congress in Vienna, October 7-11, 2025.

### **Pipeline development and business development initiatives**

As previously guided, Santhera does not plan near-term investment in additional indication expansions for AGAMREE, though it retains the option to leverage partner-run studies at a future date. Resources will remain focused on maximizing the DMD opportunity. In addition, Santhera remains actively engaged in looking to expand its product portfolio and leveraging its infrastructure through licensing, distribution agreements, and potential M&A transactions, with updates expected in 2026.

### **Executive and Board changes**

During the first half of 2025, there were leadership changes at both the executive and Board levels. In February, Catherine Isted joined as Chief Financial Officer, succeeding Andrew Smith. She brings more than 25 years of life-sciences leadership and was formerly CFO of BenevolentAI, a Euronext-listed AI-driven drug discovery Company. In May 2025, shareholders elected Dr. Melanie Rolli to the Board at the AGM, replacing Dr. Otto Schwarz, who did not stand for re-election. She is a seasoned biopharma executive with over 20 years of international experience and is currently CEO of Helsinn Healthcare.

### **Financing (further detail given in the financials section)**

In September 2025, Santhera secured approximately CHF 20 million in additional growth capital to meet increased product demand from partners and to support the acceleration of global launches. The financing comprised USD 13 million from a royalty monetization with R-Bridge, on terms designed to preserve long-term value while providing near-term growth capital. In addition, Highbridge increased its commitment with a CHF 10 million upsizing of its convertible bond, extending maturity and enhancing financial flexibility.

### **Guidance and outlook**

Based on continued strong growth in both direct and partner markets, FY 2025 revenue is now expected to exceed the previous guidance range of CHF 65-70 million. At the same time the Company has maintained disciplined cost control, with operating expenses (excluding non-cash share-based compensation) for 2025, and on a constant-portfolio basis going forward, expected to remain within the previously guided range of CHF 50-55 million. Santhera reiterates its 2028 revenue guidance of EUR 150 million (including royalties but excluding milestones) and maintains its 2030 guidance of more than EUR 150 million in direct market sales alone (excluding all distributor and licensing market royalties and milestones).

## **FINANCIAL PERFORMANCE**

### **Financial highlights (including post period events)**

- Total revenue increased 70% to CHF 24.0 million (H1 2024: CHF 14.1 million)
- Product sales increased 76% to CHF 11.6 million (H1 2024: CHF 6.6 million)
- Santhera recognized CHF 12.4 million (H1 2024: CHF 7.6 million) from partners in China and North America, reflecting a 63% increase in royalties, milestones and product supply

- Global sales (including partners) of AGAMREE exceed USD 100 million on a four consecutive quarter basis, triggering a USD 25 million sales milestone payment reflected in COS
- Operating expenses of CHF 27.3 million (H1 2024: CHF 26.7million)
- Operating loss of CHF -35.4 million (H1 2024: loss of CHF -17.7 million). Excluding the USD 25 million (CHF 20.3 million) milestone, operating loss was reduced by CHF 2.6 million
- Cash and cash equivalents at June 30, 2025 of CHF 18.4 million (December 31, 2024: CHF 40.9 million)
- In September, the Company secured CHF 20 million in royalty and convertible bond financing
- Cash-flow break-even guidance maintained for mid-2026

### **Net Revenue**

In the first half year 2025, Santhera reported revenue from contracts with customers of CHF 24.0 million (H1 2024: CHF 14.1 million) driven by strong sales growth in launched markets in addition to growing royalty and product supply revenue. Net sales amounted to CHF 11.6 million following the continued success of AGAMREE in Germany and Austria with first contributions from the UK following the Q2 launch (H1 2024: CHF 6.6<sup>1</sup> million). Royalties and net sales to licensing partners increased substantially to CHF 5.4 million and CHF 5.7 million (H1 2024: CHF 0.9 million and CHF 1.2 million), driven by U.S. growth. Milestones in the period reached CHF 0.9 million compared with 5.4 million in H1 2024, reflecting a Chinese milestone received in the prior year.

### **Cost of sales**

Cost of sales increased to CHF 32.1 million (H1 2024: CHF 5.2 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 20.3 million) to ReveraGen and R-Bridge for the achievement of an AGAMREE sales milestone, which is agreed to be paid in line with cashflow generation. Cost of sales for the six months also included non-cash intangible amortization of CHF 2.5 million (H1 2024: CHF 2.5 million) and royalties payable of CHF 3.7 million (H1 2024: CHF 1.0 million).

### **Operating expenses and result**

Operating expenses of CHF 27.3 million (H1 2024: CHF 26.7 million) were consistent year-over-year. These relate to employee expenses as the Company expands activities to support the commercialization of AGAMREE, offset by decreases in development expenses due to non-recurring longer-term study expenses closing in the prior year.

Development expenses amounted to CHF 11.7 million (H1 2024: CHF 13.8 million). The decrease of -15% 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 6.8 million (H1 2024: CHF 4.7 million). The increase of 45% was driven by the Company's expansion to support the commercialization of AGAMREE in Europe.

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<sup>1</sup> Includes a CHF 0.1 million reclassification adjustment from Revenue from outlicensing transactions to Net sales related to revenue from distribution partners

General and administrative expenses amounted to CHF 8.8 million (H1 2024: CHF 8.3 million), with additional activities focused on supporting commercial growth.

The operating result amounted to a CHF -35.4 million loss (H1 2024: CHF -17.7 million loss).

### **Financial income and expenses**

Financial income amounted to CHF 8.1 million (H1 2024: CHF 8.6 million). The decrease was predominantly related to a lower gain in the fair value of financial instruments and a decrease in interest receivable.

Financial expenses were CHF 11.4 million (H1 2024: CHF 6.0 million), primarily due to an increase in realized and unrealized foreign exchange losses.

In summary, this resulted in a net financial expense of CHF -3.3 million, compared with a net income of CHF 2.6 million for H1 2024.

### **Net result**

The net result in H1 2025 was a CHF -38.8 million loss, compared to a loss of CHF -15.3 million in H1 2024 mainly driven by the one-time USD 25 million (CHF 20.3 million) milestone payable and the financial expenses.

### **Cash balance and cash flows**

As of June 30, 2025, the Company had cash and cash equivalents of CHF 18.4 million compared to CHF 40.9 million as of December 31, 2024. This represents a decrease of CHF -22.5 million (H1 2024: decrease of CHF -13.9 million).

Net cash flow used in operating activities amounted to CHF -20.6 million (H1 2024: net cash outflow of CHF -15.3 million).

Net cash flow used in financing activities was CHF -1.6 million (H1 2024: CHF -0.4 million).

### **Assets and liabilities**

Intangible assets decreased by CHF -2.5 million to CHF 66.4 million, reflecting amortization in the period.

Total assets decreased by CHF -21.7 million to CHF 130.8 million. This is a result of a CHF -22.5 million reduction in cash and decrease of trade receivables, offset by an increase in inventory to support sales growth following product commercialization.

Total liabilities increased by CHF 8.5 million to CHF 133.3 million driven by the 20.3 million milestone payment owed to ReveraGen and R-Bridge for achievement of sales milestones of AGAMREE, offset by a decrease in the fair value of financial liabilities.

### **Shareholders' equity**

Total consolidated equity as of June 30, 2025, was CHF -2.6 million compared to CHF 27.7 million as of December 31, 2024.



## **Financing activities**

This morning Santhera announced that it has secured approximately CHF 20 million 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 has secured a royalty monetization with existing investor R-Bridge. Under the terms of the agreement, R-Bridge will receive 25% of net royalties on AGAMREE from Catalyst (North America) and Sperogenix (China). Upon closing, R-Bridge will pay Santhera USD 13 million (CHF 10.3 million), net of certain fees, upfront.

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 will provide an additional CHF 10 million via a new convertible note. The instrument will also exchange, at parity, the existing CHF 7 million convertible bond that was previously scheduled to mature on 30 September. The new convertible bond will have a three-year maturity, with a conversion price set at a 10% premium to the closing share price on the date of this announcement. In addition, the Company will issue 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.

## **Half Year Report**

The Santhera Half Year Report 2025 (English only) is available for download on the Company's website at [www.santhera.com/financial-reports](http://www.santhera.com/financial-reports).

## Interim Consolidated Financial Statements

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## Interim Consolidated Balance Sheet

<i>In CHF thousands</i>	Notes	<b>Jun 30, 2025</b> (unaudited)	<b>Dec 31, 2024</b> (audited)
<b>Assets</b>			
Tangible assets		2,311	2,571
Intangible assets		66,439	68,946
Financial assets long-term		249	245
Noncurrent deferred loss on financial instruments		2,967	4,913
<b>Noncurrent assets</b>		<b>71,966</b>	<b>76,675</b>
Current deferred loss on financial instruments		2,739	3,103
Prepaid expenses		437	373
Inventories		26,030	17,527
Trade and other receivables		11,199	13,885
Cash and cash equivalents	5	18,397	40,925
<b>Current assets</b>		<b>58,802</b>	<b>75,813</b>
<b>Total assets</b>		<b>130,768</b>	<b>152,488</b>
<b>Equity and liabilities</b>			
Share capital	6	1,358	1,343
Capital reserves and share premium		647,812	644,410
Accumulated losses		(653,525)	(614,693)
Employee benefit reserve		2,116	(3,025)
Treasury shares	6	(63)	(65)
Translation differences		(261)	(272)
<b>Total equity</b>		<b>(2,563)</b>	<b>27,698</b>
Noncurrent payables	11	7,745	-
Noncurrent term loans	7.3	32,123	31,729
Noncurrent royalty purchase agreements	7.4	27,294	33,165
Noncurrent derivative financial instruments	7	1,917	2,216
Noncurrent lease liabilities		1,662	1,940
Noncurrent contract liabilities	10.3	1,850	1,925
Pension liabilities	9	2,959	7,672
<b>Noncurrent liabilities</b>		<b>75,550</b>	<b>78,647</b>
Trade and other payables	11	24,441	9,224
Accrued expenses		16,583	19,345
Income tax payable		37	144
Current royalty purchase agreements	7.4	5,856	3,810
Current lease liabilities		592	553
Current convertible bonds	7.2	6,845	6,398
Current contract liabilities	10.3	89	56
Current derivative financial instruments	7	1,408	2,323
Current warrant financial instruments	7	1,930	4,290
<b>Current liabilities</b>		<b>57,781</b>	<b>46,143</b>
<b>Total liabilities</b>		<b>133,331</b>	<b>124,790</b>
<b>Total equity and liabilities</b>		<b>130,768</b>	<b>152,488</b>

## Interim Consolidated Income Statement

<i>In CHF thousands (except per share data)</i>	Notes	Six months ended June 30,	
		2025 (unaudited)	2024 (unaudited)
Net sales	10.2	11,577	6,563 <sup>1</sup>
Revenue from outlicensing transactions	10.2	6,548	6,262 <sup>1</sup>
Net sales to licensing partners	10.2	5,888	1,289
<b>Revenue from contracts with customers</b>		<b>24,013</b>	<b>14,114</b>
Cost of sales	11	(32,123)	(5,215)
<i>Of which amortization intangible assets</i>	11	(2,491)	(2,487)
<i>Of which royalties payable</i>	11	(3,728)	(962)
<i>Of which milestones payable</i>	11	(20,337)	-
Other operating income		-	67
Development	12	(11,693)	(13,771)
Marketing and sales	12	(6,804)	(4,660)
General and administrative	12	(8,837)	(8,265)
Other operating expenses	12	-	(11)
<b>Operating expenses</b>		<b>(27,334)</b>	<b>(26,707)</b>
<b>Operating result</b>		<b>(35,444)</b>	<b>(17,741)</b>
Financial income	13.1	8,116	8,638
Financial expenses	13.2	(11,429)	(5,986)
<b>Result before taxes</b>		<b>(38,757)</b>	<b>(15,089)</b>
Income taxes		(75)	(174)
<b>Net result</b>		<b>(38,832)</b>	<b>(15,263)</b>
Basic and diluted net result per share (in CHF)	15	(3.04)	(1.35)

<sup>1</sup> Includes a CHF 0.1 million reclassification adjustment from Revenue from outlicensing transactions to Net sales related to revenue from distribution partners

# Interim Consolidated Statement of Comprehensive Income

<i>In CHF thousands</i>	Notes	Six months ended June 30,	
		2025 (unaudited)	2024 (unaudited)
<b>Net result</b>		<b>(38,832)</b>	<b>(15,263)</b>
<i>Items that will not be reclassified to profit or loss in subsequent periods:</i>			
Actuarial gains/(losses) on defined benefit pension plans	9	5,141	1
<i>Items that may be reclassified to profit or loss in subsequent periods:</i>			
Foreign currency translation differences		11	(24)
<b>Other comprehensive result</b>		<b>5,152</b>	<b>(23)</b>
<b>Total comprehensive result</b>		<b>(33,680)</b>	<b>(15,286)</b>

# Interim Consolidated Statement of Cash Flows

In CHF thousands	Notes	Six months ended	
		June 30, 2025	2024
		(unaudited)	(unaudited)
<b>Result before taxes</b>		<b>(38,757)</b>	<b>(15,089)</b>
Depreciation and impairment of tangible assets		331	286
Amortization and impairment of intangible assets		2,507	2,487
Share-based compensation	14	2,335	2,590
Change in fair value of financial instruments, net		(4,052)	(4,263)
Change in pension liabilities		428	-
Reversal of current provisions		-	(106)
Income taxes paid		-	(91)
Change in contract liabilities		(42)	-
Change in net working capital		14,211	(1,887)
Financial result net of change in fair value of financial instruments		4,408	1,042
Interest received		355	480
Interest paid		(2,322)	(732)
<b>Net cash flow from/(used in) operating activities</b>		<b>(20,598)</b>	<b>(15,283)</b>
Investments in tangible assets		(71)	-
Investments in intangible assets		-	(72)
Change in financial assets long-term		-	82
<b>Net cash flow from/(used in) investing activities</b>		<b>(71)</b>	<b>10</b>
Proceeds from exercise of equity rights		103	-
Repayments of royalty purchase liability		(1,430)	-
Payment of lease liabilities		(290)	(358)
<b>Net cash flow from/(used in) financing activities</b>		<b>(1,617)</b>	<b>(358)</b>
Effects of exchange rate changes on cash and cash equivalents		(242)	1,752
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(22,528)</b>	<b>(13,879)</b>
Cash and cash equivalents at January 1		40,925	30,370
<b>Cash and cash equivalents at June 30</b>		<b>18,397</b>	<b>16,491</b>

# Interim 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
<b>Balance, January 1, 2024</b>		<b>1,262</b>	<b>630,516</b>	<b>(572,719)</b>	<b>1,018</b>	<b>(131)</b>	<b>(3)</b>	<b>59,943</b>
Net result		-	-	(15,263)	-	-	-	(15,263)
Other comprehensive result		-	-	-	1	-	(24)	(23)
<b>Total comprehensive result</b>		<b>-</b>	<b>-</b>	<b>(15,263)</b>	<b>1</b>	<b>-</b>	<b>(24)</b>	<b>(15,286)</b>
Share-based compensation		-	2,590	-	-	-	-	2,590
Delivery of shares for exercises of share-based compensation		-	771	-	-	39	-	810
<b>Balance, June 30, 2024 (unaudited)</b>		<b>1,262</b>	<b>633,877</b>	<b>(587,982)</b>	<b>1,019</b>	<b>(92)</b>	<b>(27)</b>	<b>48,057</b>
<b>Balance, January 1, 2025</b>		<b>1,343</b>	<b>644,410</b>	<b>(614,693)</b>	<b>(3,025)</b>	<b>(65)</b>	<b>(272)</b>	<b>27,698</b>
Net result		-	-	(38,832)	-	-	-	(38,832)
Other comprehensive result		-	-	-	5,141	-	11	5,152
<b>Total comprehensive result</b>		<b>-</b>	<b>-</b>	<b>(38,832)</b>	<b>5,141</b>	<b>-</b>	<b>11</b>	<b>(33,680)</b>
Share-based compensation	14	-	2,335	-	-	-	-	2,335
Delivery of shares for exercises of share-based compensation		7	-	-	-	2	-	9
Delivery of shares for exercise of warrants financial instruments		8	1,067	-	-	-	-	1,075
<b>Balance, June 30, 2025 (unaudited)</b>		<b>1,358</b>	<b>647,812</b>	<b>(653,525)</b>	<b>2,116</b>	<b>(63)</b>	<b>(261)</b>	<b>(2,563)</b>

# **Notes to the Interim Consolidated Financial Statements**

## **1. General Information**

Santhera Pharmaceuticals Holding AG (herein 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 and pulmonary diseases, areas which include many orphan and rare indications with high unmet medical needs.

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 interim consolidated financial statements were approved for publication by the Board of Directors (Board) on September 22, 2025.

## **2. Accounting Policies**

### ***2.1 Basis of presentation***

The Company's interim consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), IAS 34 Interim Financial Reporting. Accordingly, the interim financial information does not include all the information and notes required under IFRS Accounting Standards for annual consolidated financial statements. Therefore, such information should be read in conjunction with the Group's audited consolidated financial statements for the year ended December 31, 2024.

Except as described in 2.2 below, the accounting policies applied in these unaudited interim 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.

### ***2.2 Changes in accounting policies***

During the period ended June 30, 2025, the Group did not adopt any new IFRS Accounting Standards or amendments, as none became effective or were applicable to its operations. The Group has also assessed issued but not yet effective standards and concluded that they are not expected to have a material impact on the financial statements in future periods, with the possible exception of IFRS 18 Presentation and Disclosure in financial statements, which will become effective on January 1, 2027.

### ***2.3 Material uncertainties and ability to continue operations***

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.



As of June 30, 2025, the Group reports a negative equity position of CHF -2.6 million. The deficit arises primarily from the recognition of expenses incurred during the first half of the year in connection with milestone payments totaling CHF 20.3 million owed to ReveraGen and R-Bridge for achievement of sales milestones of AGAMREE, with CHF 12.9 million payable within 12 months after the reporting period (current portion) and CHF 7.4 million payable after more than 12 months (noncurrent portion). Management forecasts that revenues from contractual milestones with licensing partners and from sales milestone achievements are expected to be earned in the second half of the year.

Furthermore, this morning Santhera announced that it has secured approximately CHF 20 million in additional growth capital to meet increased product demand from partners and to support the acceleration of global launches.

Santhera has secured a royalty monetization with existing investor R-Bridge. Under the terms of the agreement, R-Bridge will receive 25% of net royalties on AGAMREE from Catalyst (North America) and Sperogenix (China). Upon closing, R-Bridge will pay Santhera USD 13 million (CHF 10.3 million), net of certain fees, upfront.

In addition, Santhera has secured an additional CHF 10 million via a new convertible note. The instrument will also exchange, at parity, the existing CHF 7 million convertible bond that was previously scheduled to mature on 30 September. The new convertible bond will have a three-year maturity, with a conversion price set at a 10% premium to the closing share price on the date of this announcement. In addition, the company will issue 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.

Management's forecasts indicate the cash and cash equivalents as of June 30, 2025 of CHF 18.4 million, combined with the additional funding, as well as projected revenue growth, provides sufficient liquidity to support operations through to the anticipated break-even point in mid-2026.

Management has assessed the Group's ability to continue as a going concern in a number of scenarios and believes that there are some plausible downside risks due to unplanned events that may cast doubt upon the Group's ability to continue as a going concern if they were to transpire.

These downside risks include:

- Royalty milestone receivables are delayed based on sales and orders of licensing partners.
- Sales growth in existing markets and growth expected in new markets for AGAMREE was significantly below current expectations.
- Pricing and launch timings in new markets was significantly below or later than currently expected.

If several of the downside risk scenarios described above were to occur and the Group was unable to secure additional revenues or external financing, it has been assessed that it would not be able to generate sufficient cash flows to support its current level of activities in the period of assessment. The above situation therefore gives rise to a material uncertainty, related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern.

In arriving at the overall assessment, Management has taken in account the following:

- Sales carried out by licensing partners is expected to trigger additional milestone receivables during the second half of 2025.
- The Group has secured additional financing to support the increased product demand from licensing partners, as well as extended the existing convertible bond through 2026.
- Expansion into additional markets, including Spain, Italy, and the Nordics, is planned for the second half of 2025, with patient numbers forecasted to grow significantly by the end of 2025.
- While reimbursement pricing in new markets remains to be finalized, management believes its pricing assumptions are conservative and achievable.

As part of the assessment, Management has considered the financial projections of the Group together with other relevant market conditions generally and those specifically affecting the pharmaceutical industry. Based on these considerations, Management has a reasonable expectation that the Group has adequate financial and other resources to continue in operational existence and will be able to meet its liabilities due over the going concern assessment period and support operations to expected cash break-even in mid 2026. For this reason Management considers it appropriate to apply the going concern basis in preparing the financial statements.

### 3. Seasonality

The Group's operating result is not subject to significant seasonal variations.

### 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 six months ended		Period-end rates	
	Jun 30, 2025	Jun 30, 2024	Jun 30, 2025	Dec 31, 2024
1 Euro (EUR)	0.9415	0.9614	0.9355	0.9419
1 US dollar (USD)	0.8628	0.8894	0.7977	0.9038
1 British pound (GBP)	1.1177	1.1253	1.0928	1.1350
1 Canadian dollar (CAD)	0.6117	0.6547	0.5832	0.6290

### 5. Cash and Cash Equivalents

<i>In CHF thousands</i>	Jun 30, 2025	Dec 31, 2024
Cash at banks and on hand	14,409	18,330
Short-term investments with maturity of less than three months	3,988	22,595
<b>Total cash and cash equivalents</b>	<b>18,397</b>	<b>40,925</b>

## **6. Share Capital**

### **6.1 Ordinary share capital**

As of June 30, 2025, issued share capital totaled CHF 1,357,715.40, consisting of 13,577,154 shares with a nominal value of CHF 0.10 each. As of December 31, 2024, issued share capital totaled CHF 1,343,334.30, consisting of 13,433,343 shares with a nominal value of CHF 0.10 each.

### **6.2 Treasury shares**

During the six months ending June 30, 2025, a total of 17,107 treasury shares were issued in respect of share-based compensation.

As of June 30, 2025, the Company holds 625,098 treasury shares with a nominal value of CHF 0.10 each for a total value of CHF 62,509.80. As of December 31, 2024, the Company held 642,835 treasury shares with a nominal value of CHF 0.10 each for a total value of CHF 64,283.50.

### **6.3 Capital band**

As of June 30, 2025, the Company held a capital band between CHF 630,000.00 (lower limit) and CHF 1,860,000.00 (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.

### **6.4 Conditional shares**

Pursuant to Article 3b and Article 3c 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 June 30, 2025 and as of December 31, 2024, Article 3b conditional capital totaled CHF 604,115.50 consisting of 6,041,155 shares with a nominal value of CHF 0.10 each.

#### **Article 3c conditional shares**

As of June 30, 2025, Article 3c conditional capital totals CHF 41,990.00, consisting of 419,900 shares with a nominal value of CHF 0.10 each. As of December 31, 2024, Article 3c conditional capital totaled CHF 48,280.20 consisting of 482,802 shares with a nominal value of CHF 0.10 each.

#### **Article 3d conditional shares**

As of June 30, 2025, Article 3d conditional capital totals CHF 461,909.10, consisting of 4,619,091 shares with a nominal value of CHF 0.10 each. As of December 31, 2024, Article 3c conditional capital totaled CHF 470,000.00 consisting of 4,700,000 shares with a nominal value of CHF 0.10 each.

## **7. Financial Liabilities**

### **7.1 Equity-linked financing arrangements**

*Movement schedule of the financial liabilities arising from equity-linked financing arrangements*

The table below summarizes the changes in financial liabilities arising from equity-linked financing arrangements and their financial instruments during the six months ending June 30, 2025, and June 30, 2024:

<i>In CHF thousands</i>	Exchangeable Notes warrants	Warrants
<b>Balance, December 31, 2023</b>	<b>1,248</b>	<b>2,265</b>
Effective interest / amortized cost / fair value adjustments	(614)	(1,234)
<b>Balance, June 30, 2024</b>	<b>634</b>	<b>1,031</b>
Derecognition of financial instruments on Exercise	(1,011)	-
Effective interest / amortized cost / fair value adjustments	377	1,265
<b>Balance, December 31, 2024</b>	<b>-</b>	<b>2,296</b>
Derecognition of financial instruments on Exercise	-	(1,083)
Effective interest / amortized cost / fair value adjustments	-	(846)
<b>Balance, June 30, 2025</b>	<b>-</b>	<b>367</b>

#### *Equity-linked financial instruments valuation and sensitivity analysis*

The equity-linked financing arrangements' financial instruments includes the embedded derivatives and warrants. The financial instruments 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 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>	<b>Jun 30, 2025</b>	<b>Dec 31, 2024</b>
Equity-linked financing arrangements – warrants:		
Granted in September 2021	50%	61%
Granted in January 2023	50%	60%

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

<i>In CHF thousands</i>		<b>Jun 30, 2025</b>	<b>Dec 31, 2024</b>
<i>Financial instruments</i>	Increase / decrease in volatility assumption	Effect on result before taxes	Effect on result before taxes
Equity-linked financing arrangements – warrants			
	+5%	(100)	(257)
Change in volatility	-5%	93	298

7.2 Financing arrangements - convertible bond

Nominal values and carrying values of the convertible bonds

The following table summarizes the nominal and carrying value of the convertible bond as of June 30, 2025, and December 31, 2024:

In CHF thousands					Jun 30, 2025		Dec 31, 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	6,845	6,971	6,398
Total current convertible bonds					6,971	6,845	6,971	6,398

As of June 30, 2025, the Company has outstanding senior unsecured convertible bonds with Highbridge in the aggregate nominal amount of CHF 7 million. These bonds were amended in August 2024 to extend their maturity to August 2025 and are convertible into shares at a conversion price of CHF 10 per share. The instrument is accounted for as a hybrid financial instrument, with the derivative component measured at fair value through profit or loss.

Movement schedule of the financial liabilities arising from convertible bond issuances

The table below summarizes the changes in financial liabilities arising from convertible bond issuances and their financial instruments during the six months ending June 30, 2025, and June 30, 2024:

<i>In CHF thousands</i>	2021/24 Bonds	2021/24 Bonds derivatives	2021/24 Private Bonds	2021/24 Private Bonds derivatives
<b>Balance, December 31, 2023</b>	<b>12,755</b>	<b>67</b>	<b>8,188</b>	<b>5,188</b>
Effective interest / amortized cost / fair value adjustments	654	(67)	2,068	(2,350)
<b>Balance, June 30, 2024</b>	<b>13,409</b>	<b>-</b>	<b>10,256</b>	<b>2,838</b>
Repayment / repurchase of debt / bonds	(13,547)	-	-	-
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	138	-	974	2,350
Changes in fair value of derivative	-	-	-	(672)
Derecognition upon agreement update	-	-	(6,971)	(1)
Recognition upon modification	-	-	6,083	888
Adjustment for modification	-	-	17	-
<b>Balance, December 31, 2024</b>	<b>-</b>	<b>-</b>	<b>6,398</b>	<b>2,323</b>
Effective interest / amortized cost / fair value adjustments	-	-	447	(915)
<b>Balance, June 30, 2025</b>	<b>-</b>	<b>-</b>	<b>6,845</b>	<b>1,408</b>

#### *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 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 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>	<b>Jun 30, 2025</b>	<b>Dec 31, 2024</b>
Derivatives:		
2021/24 Private Bonds	38%	50%

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

In CHF thousands		Jun 30, 2025	Dec 31, 2024
Financial instruments	Increase / decrease in volatility assumption	Effect on result before taxes	Effect on result before taxes
2021/24 Private Bonds – derivatives			
	+5%	(25)	80
Change in volatility	-5%	19	(21)

### 7.3 Financing arrangements - term loan

On August 12, 2024, Santhera closed a new term loan financing agreement with Highbridge Capital Management, LLC (Highbridge).

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%. 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.

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

In CHF thousands					Jun 30, 2025		Dec 31, 2024	
	Offering	Currency	Interest	Maturity	Nominal value	Carrying value	Nominal value	Carrying value
			3-month SARON plus					
HB Term Loan	Private	CHF	9.75%	Dec 2028	35,000	32,123	35,000	31,729
Total noncurrent loans					35,000	32,123	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
Proceeds	34,300	-	-
Initial recognition of financial instruments at fair value	(2,855)	1,750	1,105
Effective interest / amortized cost / fair value adjustments	284	466	889
<b>Balance, December 31, 2024</b>	<b>31,729</b>	<b>2,216</b>	<b>1,994</b>
Effective interest / amortized cost / fair value adjustments	394	(299)	(431)
<b>Balance, June 30, 2025</b>	<b>32,123</b>	<b>1,917</b>	<b>1,563</b>

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>	<b>Jun 30, 2025</b>	<b>Dec 31, 2024</b>
Derivatives:		
HB Term Loan	1% - 11%	3% - 16%
Warrants:		
HB Term Loan	72%	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>		<b>Jun 30, 2025</b>	<b>Dec 31, 2024</b>
<i>Financial instruments</i>	Increase / decrease in volatility assumption	Effect on result before taxes	Effect on result before taxes
HB Term Loan – warrants			
	+5%	(125)	(132)
Change in volatility	-5%	85	92



#### **7.4 Financing arrangements - royalty purchase agreement**

On August 13, 2024, Santhera closed a royalty monetization financing agreement with R-Bridge Investment Six PTE. LTD.

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.

The royalty agreement with R-Bridge is partial and capped. Santhera is monetizing 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 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 11.1%, 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 9.0 million and 8.0 million respectively.

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
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)
<b>Balance, December 31, 2024</b>	<b>36,975</b>	<b>8,016</b>
Repayment	(1,430)	-
Fair value adjustments / amortization / FX impact	(2,395)	(2,310)
<b>Balance, June 30, 2025</b>	<b>33,150</b>	<b>5,706</b>

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>		Jun 30, 2025	Dec 31, 2024
<i>Financial instruments</i>	Increase / decrease in volatility assumption	Effect on liability balance	Effect on result before taxes
2024 royalty purchase agreement	+25%	(100)	-
Change in revenue projections	-25%	140	10

### 7.5 Summary of warrants issued and outstanding

The table below summarizes the changes in warrants granted and outstanding in connection with financing arrangements as of June 30, 2025, and December 31, 2024:

Warrants granted	Expiry date	Exercise price (CHF)	Outstanding Dec 31, 2024	Issued	Exercised	Expired/ Forfeited	Outstanding Jun 30, 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
<b>1,639,682</b>			<b>916,205</b>	<b>-</b>	<b>(80,909)</b>	<b>(140,252)</b>	<b>695,044</b>

## 8. 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 June 30, 2025, and December 31, 2024. During the six months ended June 30, 2025, there have been no transfers between the different hierarchy levels.

<i>In CHF thousands</i>		<b>Jun 30, 2025</b>				
	Carrying value	Level 1	Fair Value Hierarchy			Total
			Level 2	Level 3		
2021/24 Private Bonds	6,845	-	5,578	-		<b>5,578</b>
Term Loans	32,123	-	44,282	-		<b>44,282</b>
<b>Total financial liabilities at amortized cost</b>	<b>38,968</b>	<b>-</b>	<b>49,860</b>	<b>-</b>		<b>49,860</b>
Royalty purchase agreements	32,307	-	-	32,307		<b>32,307</b>
Derivative financial instruments	3,325	-	-	3,325		<b>3,325</b>
Warrant financial instruments	1,930	-	-	1,930		<b>1,930</b>
<b>Total financial liabilities at fair value through profit or loss</b>	<b>37,562</b>	<b>-</b>	<b>-</b>	<b>37,562</b>		<b>37,562</b>

  

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

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 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 Company's publicly traded convertible bonds are determined using quoted market prices (Level 1 inputs). For 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)

## 9. Defined Benefit Obligations

During the interim period, the Group's pension liability decreased by CHF 4.7 million (December 31, 2024: CHF 7.7 million), primarily reflecting an increase in the discount rate applied at June 30, 2025 from 0.90% to 1.25%. The remeasurement of the obligation resulted in actuarial gain of CHF 5.1 million, recognized in other comprehensive income.

## 10. Segment and Geographic Information

### 10.1 Segment information

The Group operates as one business segment, namely development and commercialization of products for the treatment of neuromuscular and pulmonary diseases. Executive Management, being the chief operating decision makers, assess the reporting data and allocate resources as one segment on an aggregated consolidated level according to operating expenses by function. The Group has generated revenue from sales of AGAMREE for the treatment of DMD and revenues from licensing agreements, including milestones, royalties, and direct sales to licensing partners. Geographic revenue information is based on location of the customer.

### 10.2 Geographic information - revenues

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

<i>In CHF thousands</i>	Six months ended							
	Jun 30, 2025				Jun 30, 2024			
	Europe	North America	Asia	Total	Europe	North America	Asia	Total
Net sales	11,577	-	-	11,577	6,563 <sup>1</sup>	-	-	6,563
Revenue from outlicensing transactions								-
Upfront fees and milestones	-	-	860	860	- <sup>1</sup>	-	5,352	5,352
Royalties	-	5,392	296	5,688	-	910	-	910
Net sales to licensing partners	-	5,726	162	5,888	-	1,240	49	1,289
<b>Revenue from contracts with customers</b>	<b>11,577</b>	<b>11,118</b>	<b>1,318</b>	<b>24,013</b>	<b>6,563</b>	<b>2,150</b>	<b>5,401</b>	<b>14,114</b>

<sup>1</sup> Includes a CHF 0.1 million reclassification adjustment from Revenue from outlicensing transactions to Net sales related to revenue from distribution partners

During the six months ending June 30, 2025, AGAMREE direct sales to Germany and Austria continued to grow, supplemented by growth of direct sales in the United Kingdom which launched toward the end of 2024. Further direct sales growth was achieved through sales to distribution partners, as well as growth in royalty revenue through increased sales by licensing partners. During the six months ending June 30, 2024, AGAMREE direct sales are to Germany and Austria, with the majority of sales generated in Germany following launches within the period.

### 10.3 Geographic information - 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, 2024 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>	<b>Jun 30, 2025</b>	<b>Dec 31, 2024</b>
Balance, January 1	1,981	-
Additions (upfront payments received)	-	1,982
Amounts recognised as revenue	(42)	(1)
<b>Balance, June 30, 2025</b>	<b>1,939</b>	<b>1,981</b>
Current portion of contract liabilities	89	56
Noncurrent portion of contract liabilities	1,850	1,925

### 11. Cost of Sales

<i>In CHF thousands</i>	<b>Six months ended</b>	
	<b>Jun 30, 2025</b>	<b>Jun 30, 2024</b>
Direct cost of sales	4,745	1,596
Indirect cost of sales	822	170
Amortization of intangibles	2,491	2,487
Royalty expenses	3,728	962
Milestone expenses	20,337	-
<b>Total cost of sales</b>	<b>32,123</b>	<b>5,215</b>

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 owed 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 20.3 million owed to ReveraGen and R-Bridge for achievement of sales milestones of AGAMREE, with CHF 12.9 million payable within 12 months after the reporting period (current portion) and CHF 7.4 million payable after more than 12 months (noncurrent portion).

## 12. Operating Expenses by Nature

<i>In CHF thousands</i>	<b>Six months ended</b>	
	<b>Jun 30, 2025</b>	<b>Jun 30, 2024</b>
External development expenses	8,342	9,944
Patent and license expenses	36	85
Marketing and sales expenses	3,071	2,057
Employee expenses	10,812	8,223
Share-based compensation	2,335	2,590
General and administrative expenses	1,986	2,752
Depreciation and amortization	346	286
Facility related and lease expenses	94	209
Other	312	561
<b>Total operating expenses</b>	<b>27,334</b>	<b>26,707</b>

## 13. Financial Income / (Expense)

### 13.1 Financial income

<i>In CHF thousands</i>	<b>Six months ended</b>	
	<b>Jun 30, 2025</b>	<b>Jun 30, 2024</b>
Interest income on cash and cash equivalents	355	480
Realized and unrealized foreign exchange gains	3,709	3,895
Change in fair value of financial instruments	4,052	4,263
<b>Total financial income</b>	<b>8,116</b>	<b>8,638</b>

13.2 Financial expense

In CHF thousands	Six months ended	
	Jun 30, 2025	Jun 30, 2024
Interest and make-whole expenses	(4,777)	(4,019)
Interest expense on lease liabilities	(23)	(12)
Realized and unrealized foreign exchange losses	(6,629)	(1,955)
<b>Total financial expense</b>	<b>(11,429)</b>	<b>(5,986)</b>

14. Equity Rights Plans

Santhera has established equity rights plans to align the long-term interests of the members of the Board, the Executive Management, and employees. Rights granted under these plans are equity-settled. The table below summarizes the equity rights plans' instruments granted during the six months ended June 30, 2025, and June 30, 2024:

In CHF thousands (except no. of grants)	Six months ended			
	Jun 30, 2025		Jun 30, 2024	
	Number granted	Fair value	Number granted	Fair value
Restricted Stock Units (RSUs)	31,347	294	40,429	443
Share Appreciation Rights (SARs)	183,692	1,474	2,104	16
Performance Stock Units (PSUs)	444,789	2,975	4,269	34

The fair value of equity rights granted is measured on the grant date. For the six months ended June 30, 2025, the fair value measurement range of valuation parameters remained relatively similar with those disclosed in the Group's audited consolidated financial statements for the year ended December 31, 2024, except for the volatility, exercise price (equal to the Share prices at grant), which was based on an exercise base value of CHF 12.64 (2024: CHF 10.50).

The RSUs granted during the six months ended June 30, 2025, vest between May 19, 2025, and one day before the AGM 2026.

The PSUs and SARs granted during the six months ended June 30, 2025, vest between May 21, 2025 and May 20, 2028, with the achievement of pre-defined performance targets.

For the six months ended June 30, 2025, and June 30, 2024, non-cash share-based compensation expense recognized in the interim consolidated income statement, for all equity rights plans totaled CHF 2.3 million and CHF 2.6 million, respectively.

15. Earnings / (Loss) 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>	<b>Six months ended</b>	
	<b>Jun 30, 2025</b>	<b>Jun 30, 2024</b>
Net result attributable to shareholders	(38,832)	(15,263)
Weighted average number of shares issued and outstanding	12,780,621	11,335,864
<b>Basic and diluted net result per share</b>	<b>(3.04)</b>	<b>(1.35)</b>

Basic and diluted net result per share excludes Shares to be issued upon the future conversion of the Exchangeable Notes, convertible bonds, and warrant financial instruments as they would be anti-dilutive. Any future conversions of the Exchangeable Notes and convertible bonds to Shares may have a dilutive effect on the basic net result per share in the future.

## 16. Transactions with Related Parties

The Company's related parties include members of the Executive Management and Board. The table below summarizes the Executive Management and Board compensation expense for the six months ended June 30, 2025, and June 30, 2024:

<i>In CHF thousands</i>	<b>Six months ended</b>	
	<b>Jun 30, 2025</b>	<b>Jun 30, 2024</b>
Executive Management		
Short-term employee benefits (wages, salaries, allowances)	1,572	1,405
Post-employment benefits (pension fund and defined benefit contributions)	187	338
Share-based compensation	787	398
Board of Directors	520	341
<b>Total Board and Executive Management compensation</b>	<b>3,066</b>	<b>2,482</b>

Detailed remuneration disclosures are provided in the Group's audited consolidated financial statements for the year ended December 31, 2024.

## 17. Subsequent Events

In August 2025, Santhera announced the signing of three exclusive distribution agreements with new partners for AGAMREE for the treatment of Duchenne muscular dystrophy (DMD). The agreements signed with Gen İlaç and Ikris Pharma Network provide for exclusive distribution in Turkey and India respectively, while the agreement signed with Uniphar provides exclusive distribution in five GCC (Gulf Cooperation Council) countries including the United Arab Emirates, the Kingdom of Saudi Arabia, Kuwait, Oman and Bahrain.

On September 23, 2025 Santhera announced that it has secured approximately CHF 20 million in additional growth capital to meet increased product demand from partners and to support the acceleration of global launches.

Santhera has secured a royalty monetization with existing investor R-Bridge. Under the terms of the agreement, R-Bridge will receive 25% of net royalties on AGAMREE from Catalyst (North America)



and Sperogenix (China). Upon closing, R-Bridge will pay Santhera USD 13 million (CHF 10.3 million), net of certain fees, upfront. 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.

Santhera has also secured a new agreement with Highbridge, which will provide an additional CHF 10 million via a new convertible note. The instrument will also exchange, at parity, the existing CHF 7 million convertible bond that was previously scheduled to mature on September 30, 2025. The new convertible bond will have a three-year maturity, with a conversion price set at a 10% premium to the closing share price on the date of this announcement. In addition, the Company will issue 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.

## **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 out-licensed rights to vamorolone for North America to Catalyst Pharmaceuticals and for China to Sperogenix Therapeutics. For further information, please visit [www.santhera.com](http://www.santhera.com).

AGAMREE® is a trademark of Santhera Pharmaceuticals.

## **Forward-Looking Statements**

This Interim 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 Interim 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.

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