



Santhera Pharmaceuticals Holding AG

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Translation. The German version is legally binding.

Invitation to the Annual Shareholders' Meeting

Monday, April 23, 2007, 10:30 CET, at Hotel Victoria, Centralbahnplatz 3–4, Basel, Switzerland

Agenda

1. Approval of the Annual Report, the Annual Financial Statements, the Consolidated Financial Statements for 2006; acknowledgement of the Reports of the Auditors and the Independent Group Auditors
2. Appropriation of the results, use and creation of reserves
3. Discharge of the members of the Board of Directors and of the management from liability
4. Amendment to section 15 of the Company's Articles of Incorporation: Increase of maximum number of members of the Board of Directors to eight
5. Election of Klaus Schollmeier as a new member of the Board of Directors
6. Individual reelection of members of the Board of Directors
7. Reelection of Auditors and Group Auditors

A buffet lunch will be served after the meeting.

Agenda, Motions and Explanations

1. **Approval of the Annual Report, the Annual Financial Statements, the Consolidated Financial Statements for 2006; acknowledgement of the Reports of the Auditors and of the Independent Group Auditors**

Motion

The Board of Directors (**Board**) proposes to approve the Annual Report, the Annual Financial Statements and the Consolidated Financial Statements for 2006.

2. **Appropriation of the results, use and creation of reserves**

Motion

The Board proposes to carry forward the accumulated loss of CHF 12,836,478, to compensate this loss with the capital reserves and share premium of CHF 119,088,589 and to transfer the amount of CHF 104,508,627 from capital reserves and share premium to the free reserves.

Explanation

As at December 31, 2006, the loss carry forward amounted to CHF 0 and the net loss to CHF 12,836,478, resulting in an accumulated loss of CHF 12,836,478. As at the same date, capital reserves and share premium amounted to CHF 119,088,589. If the shareholders approve the motion of the Board, the accumulated loss would be compensated with capital reserves and share premium, reducing the latter to CHF 106,252,111. From this amount, it is proposed to transfer a total of CHF 104,508,627 to the free reserves, resulting in net capital reserves and share premium of CHF 1,743,484. As at December 31, 2006, the Company's free reserves amounted to CHF 41,491,373. As a consequence of the transfer of CHF 104,508,627, the free reserves would amount to CHF 146,000,000.

3. **Discharge of the members of the Board of Directors and the management from liability**

Motion

The Board proposes to grant discharge to the members of the Board and to the members of the management for the business year 2006.

4. **Amendment to section 15 of the Company's Articles of Incorporation: Increase of maximum number of members of the Board of Directors to eight**

Motion

The Board proposes to amend section 15 of the Company's Articles of Incorporation as follows:

“Der Verwaltungsrat besteht aus höchstens ~~sieben~~ acht Mitgliedern.”

The English translation of the legally binding German version is as follows: "The Board of Directors shall consist of no more than ~~seven~~ eight members."

Explanation

On March 1, 2007, the Board decided to nominate the Company's CEO, Klaus Schollmeier, for election to the Company's Board upon a proposal made by the Nomination & Compensation Committee. The current Articles of Incorporation limit the number of Board members to seven. For an expansion of the Board, this number needs to be increased by one.

5. Election of Klaus Schollmeier as a new member of the Board of Directors

Motion

The Board proposes to elect Klaus Schollmeier for a period of 3 years as a member of the Board of Directors until the 2010 Annual Shareholders' Meeting.

Explanation

Klaus Schollmeier, Santhera's CEO since its inception in 2004, has been a main driver of the Company's strategic direction. Before that, he had served many years in senior positions in the pharmaceutical industry (BASF, Knoll and Abbott). Additional biographical information is available at www.santhera.com under "Investors – Corporate Governance". The Board believes that with the addition of Klaus Schollmeier to the Company's Board, the decision making process will become even more effective and efficient and will help to increase the information flow between Board and management. It is not intended that Klaus Schollmeier will become Chairman of the Board or member of any committee of the Board.

6. Individual reelections of members of the Board of Directors

Motions

The Board proposes to reelect

- Martin Gertsch and Bernd Seizinger each for a period of 3 years until the 2010 Annual Shareholders' Meeting
- Michael Lytton and Timothy Rink each for a period of 2 years until the 2009 Annual Shareholders' Meeting
- Rudolf Gyga and Georg Nebgen each for a period of 1 year until the 2008 Annual Shareholders' Meeting

as members of the Board of Directors.

Explanation

The terms of office of the above Board members all expire at the Annual Shareholders' Meeting 2007, while Hans Peter Hasler's does so in 2009. In order to assure continuance in the Company's governance and experience, the Board proposes to the shareholders to introduce staggered terms of office. The different election periods would result in two reelections in 2008,

three in 2009 and three in 2010. Detailed curricula are available on the Company's website at www.santhera.com under "Investors – Corporate Governance". The elections will be held individually.

7. Reelection of the Auditors and Group Auditors

Motion

The Board proposes to reelect Ernst & Young AG, Basel, as Auditors and Group Auditors for an additional period of one year until the 2008 Annual Shareholders' Meeting.

Explanation

Upon a proposal made by the Company's Audit Committee to the Board, Ernst & Young are proposed for reelection.

Liestal, March 30, 2007
For the Board of Directors

A handwritten signature in black ink, appearing to read 'Michael Lytton', with a stylized flourish at the end.

Michael Lytton
Chairman

Organizational Remarks

Documents

The Company's 2006 Annual Report is available at Hammerstrasse 47, CH-4410 Liestal, Switzerland. It can also be downloaded from www.santhera.com under "Investors – Reports".

Admission cards/voting material

Shareholders entered into the share register with the right to vote as of April 19, 2007, 17:00 CET, will receive invitation and – upon request – admission card and voting material. A shareholder selling her/his shares before the Annual Shareholders' Meeting is not entitled to participate in the Annual Shareholders' Meeting.

Book closure period

The Company's share register will close on April 19, 2007, 17:00 CET, and will reopen on April 24, 2007, 07:00 CET.

Powers of attorney

Shareholders may give proxy to (i) the independent proxy (unabhängiger Stimmrechtsvertreter), Dr Caspar Zellweger, attorney-at-law, Elisabethenstrasse 2, CH-4010 Basel, Switzerland, (ii) the Company representative (Organvertreter), (iii) a depositary (Depotvertreter) or (iv) another shareholder entitled to vote. Proxy may be given by completing and returning the registration form or by filling out the respective form on the admission card.

Unless there are explicit instructions to the contrary, independent proxy and the Company representative will cast their votes in favor of the motions made by the Board. Shareholders signing their power of attorney without indicating a representative will be deemed to have appointed the independent proxy – their votes will be cast in favor of the motions made by the Board.

Location

Hotel Victoria is located 2 minutes from the main railway station (Bahnhof SBB) and about 20 minutes from Basel airport (EuroAirport).

Admission

At the day of the meeting, the admission office will be open from 10:00 CET.

Language

The language used at the meeting will predominantly be English and there will be a simultaneous German translation available. Shareholders can ask their questions in English or German.

Buffet lunch

The Board is pleased to invite you to a buffet lunch after the shareholders' meeting.