



Santhera Pharmaceuticals Holding AG

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Minutes of the 2010 Annual Shareholders' Meeting – April 26, 2010

At 10.00 AM, Michael Lytton, Chairman of the Board of Directors (**Board**) opened the fourth Annual Shareholders' Meeting of Santhera Pharmaceuticals Holding AG (**Santhera**, or **Company**) as a listed company.

The major part of the meeting would be held in English, with a simultaneous translation into German (and vice versa) also being made available.

Mr Lytton welcomed the other members of the **Board**, Jürg **Ambühl**, Martin **Gertsch**, Hans Peter **Hasler** (Vice Chairman) Bernd **Seizinger**, and Klaus **Schollmeier**, who was also Santhera's Chief Executive Officer. Tim **Rink** had to send his apologies.

Mr Lytton also welcomed the other members of the **Executive Management**, Barbara **Heller**, Chief Financial Officer, Helmut **Kessmann**, Chief Business Officer and Thomas **Meier**, Chief Scientific Officer.

In addition, Mr Lytton welcomed Jürg **Zürcher** of Ernst & Young, as representative of Santhera's Auditors, Caspar **Zellweger** as independent proxy, Stephan **Haefelfinger** as corporate proxy, Bernhard **Simonetti**, notary public and Dieter **Gericke** of Homburger AG, the Company's external legal adviser.

Carin **Mittermayer** and Tanja **Christener** acted as vote counters. When a vote was taken, they stood up and recorded the shareholders' votes. If a shareholder preferred, she or he was invited to notify them, indicate name, domicile and number of shares plus the votes for the record. This information would show up in the minutes of this meeting which would be put on Santhera's website by the end of this week. This would also be the case for the slides of Mr Schollmeier.

Finally, Mr Lytton nominated Oliver **Strub**, Secretary to the Board, as taker of the minutes of this meeting.

This meeting was convened in accordance with the law and the Company's articles by publication of the meeting notice in the **Swiss Commercial Gazette** on April 1, 2010. In addition, the shareholders entered into the share register as of April 21, 2010, 5pm, had been invited to today's meeting by letter dated April 1, 2010. The Company did not receive any motion or request that **additional items** be placed on the agenda. He then declared that the **meeting constituted a quorum**.

Mr Lytton stated that he would give the details later on about the number of shareholders and shares present and represented by proxy at today's meeting.

Mr Lytton then made some **organizational remarks**:

- Some **guests** who were not shareholders had been invited. These guests were not entitled to vote.
- Shareholders entitled to vote who would like to ask questions, to comment or would like to make a motion were invited to raise their hand. They would then be handed a **microphone** and would be requested to indicate their name and domicile for the record. He indicated to the shareholders that they were welcome to speak German – one of his colleagues would then translate for him.
- In the interest of an effective and efficient meeting, Mr Lytton requested shareholders to **limit their comments** and questions to the respective agenda item. If they would like to share information of a more general nature, he suggested doing so under agenda item number 1.
- Generally, votes and elections would be done by a **show of hands**. If a shareholder would like to have the shareholder's meeting cast its vote by a **ballot**, she or he was invited to propose to do so for an agenda item. In such a case, Mr Lytton would have all other shareholders vote on such proposal by a show of hands.
- An **audio tape recording** of this meeting would be made.
- The results of the meeting would be published in a **news release** later on the day of the meeting.

AGENDA ITEM 1 – APPROVAL OF REPORTS


Approval of the Annual Report, the Annual Financial Statements, the Consolidated Financial Statements for 2009; Acknowledgement of the Reports of the Auditors

The Chairman stated that 2009 had been another important year for Santhera as it executed on its strategy and took important steps towards establishing a sustainable basis for future growth and revenues from its products on the market or in development. Santhera showed a strong corporate and financial performance. It had generated significant income both from product sales in Canada as well as license fees. In addition, the Company had succeeded in establishing fipamezole as a second pillar in its product portfolio with the FJORD study confirming the efficacy of the compound in reducing levodopa-induced dyskinesia in Parkinson's patients and the subsequent partnering of the program in the United States and Canada with Biovail. The success with fipamezole was a significant milestone for Santhera as it allowed building the Company on revenue streams from two distinct, late-stage product opportunities.

Mr Lytton then gave the floor to Klaus Schollmeier who presented the highlights of the business year 2009 and the excitements and challenges that laid ahead of Santhera.

Mr Schollmeier explained Santhera's business, product sales, strategy, pipeline, main indications, compounds and financial statements (Slides and speech of Klaus Schollmeier can be downloaded from santhera.com)

In the meantime, the attendance list had been compiled:

Shareholders and shares			
			
Total share capital		3'657'727	
	Number	Shares	As percentage of share capital
Company representative	1	1'462'142	39.97%
Independent proxy	1	695'024	19.00%
Depositories	0	0	0.00%
Shareholders	43	46'900	1.28%
Shareholders total	45	2'204'066	
Absolute majority		1'102'034	
2/3 - majority		1'469'378	

Annual Shareholders' Meeting, April 26, 2010 slide 3

For economic and ecological reasons, the Company had mailed a hardcopy of the annual report only to those shareholders who had indicated on the reply form to the invitation to this annual shareholders' meeting that they wished to receive such report. Hard copies of the annual report were also available outside at the information desk. The report consisted of an overview of Santhera's business, product and development pipeline, the financial statements for 2009 and the corporate governance report. The entire report was also available electronically as an interactive document on the Company's Web site santhera.com and could also be downloaded in pdf format.

Those shareholders who had indicated German as their preferred language had in addition received the German translation of the Management's Discussion & Analysis for their information.

Ernst & Young had audited both statutory and consolidated financial statements. Their audit reports could be found on pages F-42 and F-55 of the financial reports. Jürg Zürcher, the representative of the auditors had informed the Chairman that Ernst & Young had no additional remarks to their reports.

The Board of Directors proposed approval of the (i) annual report, (ii) statutory financial statements of Santhera Pharmaceuticals Holding AG and (iii) consolidated financial statements of the Santhera Group, all with regard to the financial year 2009.

The Chairman then opened the forum for discussion with regard to annual report, the financial statements and the additional explanations.

There were no additional questions, remarks or motions. The Chairman then proceeded to voting.

As a result of the voting by a show of hands, the motion carried with a vast majority, some dissenting votes and some abstentions.

AGENDA ITEM 2 - APPROPRIATION OF THE RESULTS, USE AND CREATION OF RESERVES

The Board proposed to transfer the entire profit for the year of CHF 2,796,417 to the free reserves and to transfer the amount of CHF 15,500,000 from capital reserves and share premium to the free reserves.

For 2009, the Company's net profits had amounted to CHF 2,796,417. The Board proposed to transfer the entire profits to the Company's free reserves which as at December 31, 2009, had amounted to CHF 148,418,397. As a consequence of the second transfer of CHF 15,500,000 from capital reserves and share premium to the free reserves, the latter would increase to CHF 166,714,814. The proposed transfers were consistent with best practice in Switzerland and in line with past practice of Santhera with regard to the handling of reserves.

Mr Lytton then opened the forum for discussion. As there were no questions, remarks or motions, the Chairman proceeded to voting.

As a result of the voting by a show of hands, the motion carried with a vast majority, some dissenting votes and some abstentions.

AGENDA ITEM 3 - DISCHARGE

The Board proposed to discharge Board and Management from liability for their activities in 2010.

The Chairman proposed that the shareholders vote on this motion for the management as a whole and opened the forum for discussion. There were no questions, remarks or motions. Mr Lytton asked the Members of the Board and Executive Management to abstain from voting. The Chairman then proceeded to voting.

As a result of the voting by a show of hands, the motion carried with a vast majority, some dissenting votes and some abstentions.

AGENDA ITEM 4 – CAPITAL STRUCTURE

The fourth item of today's agenda concerned renewal, increase and amendments of the authorized and conditional share capital.

The Chairman first presented an overview of the proposals of the Board in agenda items 4(a) to 4(d)

as they affected the capital structure of Santhera as a whole and were therefore closely related. The proposed changes had the objective of enabling Santhera to act with utmost flexibility if opportunities arose in the current biotech market which had recently seen an increasing number of strategic transactions. The ongoing consolidation process could possibly lead to attractive prospects and the Company would have to be able to act fast and decisively if it wanted to successfully participate in this interesting market.

In a nutshell, the Board proposed the following:

- (i) For Financing, M&A and similar transactions
An increase of the authorized capital from CHF 325,945 to CHF 1,800,000, together with a proposal to increase the flexibility to exclude the pre-emptive rights of existing shareholders in accordance with best market practice in Switzerland.
- (ii) For option/conversion rights of bonds or similar financial instruments

An increase of the conditional capital from currently CHF 490,182 to CHF 600,000.
- (iii) For employee participation
No change at all of the amount of conditional capital but a removal of the requirement of the minimum exercise price of CHF 90 with regard to options that can be converted into 175,000 Santhera shares. The Chairman emphasized that the removal of the strike price of CHF 90 would only have a prospective effect on options that could be issued in the future.

If approved, the increased capitals would give Santhera more flexibility and enable it to execute licensing and acquisition opportunities, financing transactions and incentivize current and future employees. Both authorized and conditional capitals could be used as a currency for transactions and for financing purposes. The proposed increases, together with the introduction of additional criteria under which the Board could exclude the pre-emptive rights of the shareholders would provide the Company with the flexibility required to play an active part in the consolidation process of the biotech industry. It was clear that the Board and the Management would always ensure a sound and diligent decision-making process and take into consideration the interests of the shareholders.

Mr Lytton said that while shareholders could comment or make proposals later on under the specific agenda items, he would like to open the floor for the discussion already then as agenda items 4(a) to 4(d) were closely related.

As there were no questions, remarks or motions, the Chairman proceeded to agenda item 4(a).

AGENDA ITEM 4(a) – AUTHORIZED CAPITAL: EXTENSION IN TIME AND INCREASE OF AMOUNT

The Chairman apologized for the small font used on some of the following slides which were difficult to read. The Shareholders had however received the text of all proposed amendments to the Company's Articles of Incorporation in the invitation to the Annual Shareholders' Meeting.

The Board proposed to amend the first sentence of, and to add a new fifth sentence in, the first paragraph of Article 3a of the Company's Articles of Incorporation as shown on the slide.

"The Board of Directors shall be authorized, at any time until ~~April 20, 2010~~ April 26, 2012, to increase the share capital in an amount not to exceed CHF 325,945 1,800,000 through the issuance of up to 325,945 1,800,000 fully paid registered shares with a nominal value of CHF 1 each. An increase in partial amounts shall be permitted. The Board of Directors shall determine the issue price, the type of payment, the date of issue of new shares, the conditions for the exercise of pre-emptive rights and the beginning date for dividend entitlement. In this regard, the Board of Directors may issue new shares by means of a firm underwriting through a banking institution, a syndicate or another third party with a subsequent offer of these shares to the current shareholders (unless the pre-emptive rights of current shareholders are excluded). The Board of Directors is then entitled to facilitate, restrict or exclude any trade with pre-emptive rights. The Board of Directors may permit preferential subscription rights that have not been exercised to expire or it may place these rights and/or shares as to which preferential subscription rights have been granted but not exercised, at market conditions or use them for other purposes in the interest of the Company."

A statutory authorization to increase the Company's capital was valid for a period of a maximum of two years. On April 20, 2010, the current authorization had ceased to be in effect. So as to retain the Company's flexibility to grow its business through authorized capital, it was proposed

- (i) That the current authorization be replaced by one that would expire in two years from this Annual Shareholders' Meeting and
- (ii) To increase the amount of the authorized capital from currently CHF 325,945 to CHF 1,800,000.

Mr Lytton then opened the floor for discussion. As there were no questions, remarks or motions, he proceeded to voting.

As a result of the voting by a show of hands, the motion carried with the required two thirds majority, some dissenting votes and some abstentions.

AGENDA ITEM 4(B) – AUTHORIZED CAPITAL: EXCLUSION OF PRE-EMPTIVE RIGHTS

The Board proposed to amend lit. a) and lit. b) of the third paragraph of Article 3a of the Company's Articles of Incorporation, and to add a new lit. c), lit. d) and lit. e) to the third paragraph of Article 3a of the Company's Articles of Incorporation, as per the text on the slide.

- a) "for the acquisition of an enterprise, parts of an enterprise or participations, or products, intellectual property or licenses, or for new investments including product development programs, or, in case of a share placement, for the financing or refinancing of such transactions, or for investments through a share placement with one or several investors; or

- b) for the purpose of the participation of strategic partners (including in the event of a public tender offer) or for the purpose of an expansion of the shareholder constituency in certain investor groups or investor markets or in connection with the listing of shares on domestic or foreign stock exchanges, including in connection with the grant of an over-allotment option to the banks involved; or
- c) for the participation or compensation of companies performing services for the benefit of the Company or any of its subsidiaries; or
- d) in order to quickly and flexibly raise equity capital through share placements, which would be difficult to achieve, or could only be achieved at considerably less favorable terms, with preferential subscription rights; or
- e) for the defense of an actual, threatened or potential takeover bid, in relation to which the Board of Directors, upon consultation with an independent financial adviser retained by it, has not recommended to the shareholders acceptance on the basis that the Board of Directors has not found the takeover bid to be financially fair to the shareholders."

The adjustments proposed by the Board were to help ensure that the Company would be in the position to act with a maximum of flexibility to finance its growth and to act timely and in the best interests of the Company and its shareholders in connection with strategic opportunities.

Mr Lytton then opened the floor for discussion. As there were no questions, remarks or motions, he proceeded to voting.

As a result of the voting by a show of hands, the motion carried with the required two thirds majority, some dissenting votes and some abstentions.

AGENDA ITEM 4(C) – CONDITIONAL CAPITAL: REMOVAL OF STRIKE PRICE REQUIREMENT

The Board proposed to delete the third sentence of the first paragraph of Article 3b of the Company's Articles of Incorporation as per the text on the slide.

"The share capital of the Company shall be increased by a maximum aggregate amount of CHF 650,515 through the issuance of a maximum of 650,515 registered shares, which shall be fully paid-in, with a par value of CHF 1 per share by the exercise of option rights which the employees or directors of the Company or a group company are granted according to respective regulations of the Board of Directors. The exercise price of each option to be granted shall – at the full discretion of the Board of Directors – either equal (i) the weighted average share price during the three months preceding the grant or (ii) the closing price of the share at the grant date. ~~With respect to options that can be converted into 175,000 shares, the exercise price must in addition be at least CHF 90.~~ The preemptive rights of the shareholders are excluded. The acquisition of registered shares through the exercise of option rights and the subsequent transfer of the registered shares shall be subject to the transfer restrictions provided in Article 5 of the Articles of Incorporation."

The Board proposed to remove the requirement of the minimum exercise price of CHF 90 with regard to options convertible into 175,000 shares. With a share price that had recently been around CHF 25, this requirement made this part of the conditional capital ineffective as incentive for future grants for current and future employees. The Chairman reiterated that this change was prospective only, and would have no retroactive effect on options already granted.

Mr Lytton then opened the floor for discussion.

Alfred Höhener, Magden

Mr Höhener said that he had always wondered why the Company had such a high amount of conditional capital when compared to other Swiss Biotech companies. Why did the Company have such a high conditional capital and why were most of the options issued to the Company's General & Administration function? He did not understand why there wasn't a larger part allocated to the Research department.

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The Chairman stated that the proposed change, the elimination of the requirement of the CHF 90 minimum strike price, would only have a prospective effect and not a retroactive one. The objective of the proposal was to make the conditional capital available for a state-of-the-art stock option plan to attract new talent and to incentivize current employees to stay with the Company. The CEO emphasized that an exercise price of CHF 90 was very high. The Company's option plan was a long-term plan where options only fully vested after four years. Santhera was planning for success and in the US had to recruit a sales force and key marketing people to be able to launch its product next year. He also emphasized that Santhera had a very lean structure with less than fifty employees considering that seven clinical programs were ongoing. Finally, it was the policy of Santhera to allocate stock options to all Santhera employees. Any option allocation was calculated based on a retention power factor. There was no focus on the Executives only. Mr Lytton indicated the Company sometimes found it difficult to compete with big Pharma companies on the job market and that options would play an important role in the recruiting and retaining process. He also stated that it was the Nomination & Compensation Committee who made these allocations; not Management. Barbara Heller, CFO, further explained to Mr Höhener that in general the Company would not allocate overhead expenses to R&D or M&S. Taking this into consideration and despite the restructuring of the research team in 2009, the personnel expenses related the stock option allocations in R&D were increased in 2009 and those within G&A had been reduced, both in absolute figures as well as proportionally, compared to 2008. Detailed information could be found on page F-28 of the annual report. Further, she informed that the Company had conducted a benchmarking with respect to the capital structures and could confirm that the proposed conditional capital for its employee participation was not out of range compared to peer companies in Switzerland.

Walter Grob, Bern

Mr Grob wished to know what the employees had to pay for their options and what the strike price was.

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Mr Schollmeier explained that the exercise price ranged between CHF 1 and CHF 114.50. The strike

price for the Swiss-based employees was the volume weighted average share price of the three months preceding a grant date, while the options allocated to US and Canadian employees had a strike price that equaled the market price on the day of the grant for tax reasons. Normally, once a year, the retention power of the options for every employee was assessed and - where necessary - adjustments could be made. He said that the employee had to pay the strike price when exercising the option. The Chairman added that a large portion of the stock options that had been granted some time ago, had exercise prices that were significantly above the current share price.

As there were no further questions, remarks or motions, the Chairman proceeded to voting.

As a result of the voting by a show of hands, the motion carried with the required two thirds majority, some dissenting votes and some abstentions.

AGENDA ITEM 4(D) – CONDITIONAL CAPITAL: INCREASE OF AMOUNT

The Board proposed to amend the first sentence of the second paragraph of Article 3b of the Company's Articles of Incorporation as per the text on the slide.

"The share capital of the Company shall be increased by a maximum aggregate amount of CHF 490,182 <u>600,000</u> through the issuance of a maximum of 490,182 <u>600,000</u> registered shares, which shall be fully paid-in, with a par value of CHF 1 per share by the exercise of option and/or conversion rights which are granted in connection with the issue of bonds, similar obligations or other financial instruments by the Company or another group company, and/or by the exercise of options which are granted by the Company or another group company."

The Board proposed to increase the amount of conditional capital to be used in connection with the exercise of option rights, convertible bonds and other financing instruments in order to provide the Company with additional financial flexibility.

Mr Lytton then opened the floor for discussion. As there were no questions, remarks or motions, he proceeded to voting.

As a result of the voting by a show of hands, the motion carried with the required two thirds majority, some dissenting votes and some abstentions

AGENDA ITEM 5(a) – CHANGES DUE TO THE NEW SWISS FEDERAL INTERMEDIATED SECURITIES ACT (FISA)/AMENDMENT TO ARTICLE 4 OF THE ARTICLES OF INCORPORATION

The Board proposed to amend Article 4 of the Company's Articles of Incorporation. The English translation of the legally binding German version was as follows:

Current version	Proposed amended version
<p>“Abolished printing of share certificates</p>	<p>“Form of Shares</p>
<p>The shareholder may at any time request the Company to issue a confirmation of the number of registered shares held by such shareholder. The shareholder is not entitled, however, to request the printing or delivery of share certificates for registered shares. The Company may, on the other hand, at any time print and deliver share certificates for registered shares, and may, with the consent of the shareholder, cancel share certificates that are delivered to it, without replacement.</p> <p>Uncertificated registered shares, incl. any uncertificated rights arising thereunder, may be transferred only by way of assignment. In order to be valid, such assignment requires notification to the Company.</p> <p>If a bank administers uncertificated registered shares on a shareholders' behalf, such shares and the uncertificated rights arising thereunder may only be transferred with the bank's cooperation. Furthermore, they can only be pledged in favor of such bank, in which case no notification to the Company is required.”</p>	<p>The Company may issue its shares in the form of uncertificated securities, single certificates or global certificates. Under the conditions set forth by statutory law, the Company may convert its shares from one form into another form at any time and without the approval of the shareholders. The Company shall bear the cost of any such conversion.</p> <p>The shareholder has no right to demand the printing and delivery of share certificates or any conversion of the form of the shares. Each shareholder may, however, at any time request a written confirmation from the Company of the registered shares held by such shareholder, as reflected in the share register.</p> <p>The transfer of and granting of a security interest in any intermediated securities based on registered shares of the Company requires the assistance of the intermediary with which the shareholder holds its securities account.”</p>

The FISA had entered into force on January 1, 2010. The FISA created a new legal framework for the trading of intermediated securities. A key element of the FISA was that it expressly recognizes the legal effect of crediting uncertificated shares, such as the ones issued by the Company, to securities accounts. The transfer of a share was effected through electronic book entry by the intermediary holding the account, usually a bank. The changes to the Articles of Incorporation technically reflected the new legal framework and were in line with the new standards for Swiss public companies. As since the IPO, Santhera had not printed any shares or share certificates, these changes would not materially affect the shareholders.

Mr Lytton then opened the floor for discussion. As there were no questions, remarks or motions, he proceeded to voting.

As a result of the voting by a show of hands, the motion carried with a vast majority, some dissenting votes and some abstentions.

AGENDA ITEM 5(b) – DELETION OF “GROUP AUDITORS”

The Board proposed deletion of the term “Group Auditors” due to the revised Swiss Code of Obligations by corresponding amendments to paragraph 3 of Article 10; lit. 10 of Article 19; title C; paragraphs 1 and 2 of Article 20; Articles 21 and 22 of the Articles of Incorporation as per the text on the slide.

(i)	to amend paragraph 3 of Article 10 of the Company's Articles of Incorporation The English translation of the legally binding German version is as follows:
	“The annual business report and the Auditor's report and, if any, the Group Auditor's report must be available for examination by the Shareholders at the registered office of the Company at least 20 days prior to the date of the Ordinary Meeting of Shareholders. Such reference shall be included in the invitation to the Ordinary Meeting of Shareholders.”
(ii)	to amend lit. 10 of Article 19 of the Company's Articles of Incorporation The English translation of the legally binding German version is as follows:
	<p>“Competences of the Board of Directors</p> <p>The Board of Directors may pass resolutions concerning all matters not reserved to the authority of any other corporate body by law, these Articles of Incorporation or regulations.</p> <p>The Board of Directors has, in particular, the following nondelegable and inalienable duties:</p> <p>[...]</p> <p>10. the examination of the professional qualifications of the <u>qualified auditors</u>;</p> <p>[...]”</p>
(iii)	to amend title C of the Company's Articles of Incorporation The English translation of the legally binding German version is as follows:
	<p>“C. The Auditors”</p>
(iv)	to amend paragraph 1 and paragraph 2 of Article 20 of the Company's Articles of Incorporation

The English translation of the legally binding German version is as follows:

"Election, Term of Office

The Meeting of Shareholders shall elect the Auditors ~~and Group Auditors~~.

The term of office of the Auditors ~~and Group Auditors~~ shall be one year. The term of office commences on the day of the election and expires on the day of the next Ordinary Meeting of Shareholders.

[...]"

(v) to amend Article 21 of the Company's Articles of Incorporation

The English translation of the legally binding German version is as follows:

"Duty to Audit and Report

The ~~Auditors and the Group Auditors~~ perform their duties in accordance with the applicable provisions of the Swiss Code of Obligations."

(vi) to amend Article 22 of the Company's Articles of Incorporation

The English translation of the legally binding German version is as follows:

"Special Audits, Interim Audits

The Board of Directors may at any time request the ~~Auditors and the Group Auditors~~ to conduct special audits, including interim audits, and to submit respective reports."

Mr Lytton then opened the floor for discussion. As there were no questions, remarks or motions, he proceeded to voting.

As a result of the voting by a show of hands, the motion carried with a vast majority, some dissenting votes and some abstentions.

AGENDA ITEM 6 – RE-ELECTIONS OF BOARD MEMBERS

The Board of Directors proposed to re-elect board members as follows, in the order as written in the invitation to this meeting:

- (a) *Martin Gertsch for a period of three years until the Annual Shareholders' Meeting 2013*
- (b) *Hans Peter Hasler for a period of three years until the Annual Shareholders' Meeting 2013*
- (c) *Michael Lytton for a period of two years until the Annual Shareholders' Meeting 2012*
- (d) *Klaus Schollmeier for a period of one year until the Annual Shareholders' Meeting 2011*
- (e) *Bernd Seizinger for a period of two years until the Annual Shareholders' Meeting 2012*

Mr Lytton stated that for his own re-election, he would afterwards hand over to Martin Gertsch. He also said that these re-elections would be held on an individual basis. Each member of the Board was prepared to accept his re-election.

Mr Lytton then opened the floor for discussion. As there were no questions, remarks or motions, he proceeded to the re-election of Martin **Gertsch**.

As a result of the re-election by a show of hands, Martin Gertsch was re-elected by a vast majority, some dissenting votes and some abstentions for a period of three years until the annual shareholders' meeting 2013.

Mr Lytton then proceeded to the re-election of Hans Peter **Hasler**.

As a result of the re-election by a show of hands, Hans Peter Hasler was re-elected by a vast majority, some dissenting votes and some abstentions for a period of three years until the annual shareholders' meeting 2013.

Mr Lytton then proceeded to the re-election of Klaus **Schollmeier**.

As a result of the re-election by a show of hands, Klaus Schollmeier was re-elected by a vast majority, some dissenting votes and some abstentions for a period of one year until the annual shareholders' meeting 2011.

Mr Lytton then proceeded to the re-election of Bernd **Seizinger**.

As a result of the re-election by a show of hands, Bernd Seizinger was re-elected by a vast majority, some dissenting votes and some abstentions for a period of two years until the annual shareholders' meeting 2012.

Mr **Lytton** then handed over to Mr Gertsch for his own re-election.

As a result of the re-election by a show of hands, Michael Lytton was re-elected by a vast majority, some dissenting votes and some abstentions for a period of two years until the annual shareholders' meeting 2012.

Mr Gertsch then handed back to Mr Lytton.

AGENDA ITEM 7

The Board proposed to re-elect Ernst & Young AG, Basel, as Auditors for a further period of one year until the 2011 Annual Shareholders' Meeting.

Ernst & Young, Basel, had assumed the existing audit engagement for Santhera's predecessor company MyoContract in 2002. The auditor in charge was Jürg Zürcher. He had assumed his responsibility in 2006. Mr Lytton noted that Ernst & Young was prepared to accept such re-election.

Mr Lytton then opened the floor for discussion. As there were no questions, remarks or motions, he proceeded to the re-election of Ernst & Young.

As a result of the re-election by a show of hands, Ernst & Young was re-elected by a vast majority, some dissenting votes and some abstentions as Auditors for a period of one year until the annual

shareholders' meeting 2011.

The meeting was adjourned at 11.45 AM.



Michael Lytton
Chairman of the Board



Oliver Strub
Secretary to the Board