

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Pharma Mar, S. A.

**Financial Statements and Directors' Report
As of 31 December 2025**



Auditor's Report on Pharma Mar, S.A.

(Together with the financial statements and directors' report of Pharma Mar, S.A. for the year ended 31 December 2025)

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)



KPMG Auditores, S.L.
Pº de la Castellana, 259C
28046 Madrid

Independent Auditor's Report on the Financial Statements

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

To the shareholders of Pharma Mar, S.A.

REPORT ON THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Pharma Mar, S.A. (the "Company"), which comprise the balance sheet at 31 December 2025, and the statement of income, statement of changes in equity and statement of cash flows for the year then ended, and notes.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the equity and financial position of the Company at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with the applicable financial reporting framework (specified in note 2 to the financial statements) and, in particular, with the accounting principles and criteria set forth therein.

Basis for Opinion

We conducted our audit in accordance with prevailing legislation regulating the audit of accounts in Spain. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those regarding independence, that are relevant to our audit of the financial statements pursuant to the legislation regulating the audit of accounts in Spain. We have not provided any non-audit services, nor have any situations or circumstances arisen which, under the aforementioned regulations, have affected the required independence such that this has been compromised.

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



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Key Audit Matters

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

Recognition and recoverability of deferred tax assets

See notes 2.2, 4.11 and 22 to the financial statements

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
As indicated in note 22 to the accompanying financial statements, at 31 December 2025 the Company has recognised deferred tax assets for a total of Euros 47,144 thousand, which primarily correspond to available deductions generated for research and development and unused tax loss carryforwards to be applied to corporate income tax by the Spanish tax group. The recognition and recoverability of these deferred tax assets is analysed on an annual basis by the Company's management and Directors in line with the best estimate of taxable profits for the next five years, which is deemed to be the reasonably foreseeable horizon. As part of their assessment, the Company's management and Directors analyse whether the deductions could be converted into a receivable from the taxation authorities (monetisation) in the future, for the purposes of considering it in assessing their recoverability. The analysis of the initial recognition and recoverability of deferred tax assets is considered a key audit matter because estimating future taxable profits requires a significant degree of judgement.	Our audit procedures included the following: - Assessing the design and implementation of certain key controls linked to the process of recognising and measuring deferred tax assets. - Assessing the reasonableness of the criteria and the main assumptions considered by the Spanish tax group in estimating the future taxable profits necessary for offset. - Assessing the reasonableness of the amounts to be offset in the estimated period of time, in accordance with applicable tax legislation. - Analysing the consistency of forecast results which served as a basis for analysing the recoverability of the deferred tax assets with the approved business plan. - We also assessed whether the disclosures in the financial statements meet the requirements of the financial reporting framework applicable to the Company.

Recognition of revenue

See notes 2.2, 4.14 and 23.1 to the financial statements

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
The Company's activity, as indicated in note 1 to the accompanying financial statements, consists mainly of the research, development and marketing of marine-derived bioactive principles for use in oncology. As indicated in note 4.14 to the accompanying financial statements, the Company recognises revenue when control of the goods or services is transferred to customers. At that point, revenue is recognised as the amount of the consideration to which the Company expects to be entitled in	Our audit procedures included the following: - Obtaining an understanding of the revenue recognition process and assessing the design and implementation of certain key controls related to the process for recognising revenues near the reporting date. - Performing an analysis of data using artificial intelligence to identify patterns in the recognition of revenue from product sales throughout the year, and highlight anomalies on which to focus our procedures to check their existence and

Recognition of revenue

See notes 2.2, 4.14 and 23.1 to the financial statements

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
exchange for the transfer of the goods and services promised under contracts with customers. Specifically: - Revenue from the sale of products is recognised at the time control of the asset is transferred to the customer, which generally occurs when the goods are delivered to the end customer. - Revenues from licensing, development and similar agreements are recognised on an accruals basis for the various performance obligations identified, which have been previously priced in the contract analysis process, as well as for the achievement of milestones. - Royalty revenues are recognised in accordance with the agreed percentage of sales achieved by the counterparty to the arrangement at a given point in time. Due to the significance of the amount of revenues and the possibility of revenue being recognised in an incorrect period, we have considered this a key audit matter.	accuracy, individually matching the revenue with the accounts receivable and the cash received in the audited year. - Tests of detail on revenues from royalties, checking whether the revenues recognised in 2025 reflect the percentage agreed between the parties of the amount of sales that the counterparty to the agreement has made in the licensed territory. - External confirmation for a sample of outstanding invoices, performing alternative procedures, where applicable, based on delivery notes, contracts or evidence of subsequent collection. - Tests of detail on a selection of revenue transactions either shortly before or shortly after the reporting date, reviewing delivery notes or contracts to check whether the transactions were recognised in the appropriate period. - We also assessed whether the disclosures in the financial statements meet the requirements of the financial reporting framework applicable to the Company.

Valuation of investments in Group companies and associates

See notes 2.2, 4.6.4 and 11.3 to the financial statements

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
As disclosed in note 11 to the accompanying financial statements, at 31 December 2025 the Company has non-current investments in Group companies and associates amounting to Euros 93,369 thousand, of which Euros 90,371 thousand represents the net investment in Sylentis, S.A.U. In accordance with accounting criteria, the Company performs an annual assessment of the existence of objective evidence of impairment of investments in Group companies and associates, and estimates their recoverable amount at the reporting date of those entities for which there is objective evidence of impairment. The annual impairment test was performed on Sylentis, S.A.U., recording impairment in 2025 in the amount of Euros 4,436 thousand. The Company estimates the recoverable amount of these assets by applying valuation techniques, supported by an independent expert, that require a	Our audit procedures included the following: - Assessing the design and implementation of certain key controls linked to the process of estimating the recoverable amount of investments in Group companies and associates. - Evaluating the criteria used by the Company in the process of assessing the existence of objective evidence of impairment of the investments in Group companies and associates. - With the assistance of our specialists, assessing the reasonableness of the methodology used in the recoverable amount calculation performed by an independent expert, as well as the key assumptions used, including the evaluation of the sensitivity of the recoverable amount



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Valuation of investments in Group companies and associates

See notes 2.2, 4.6.4 and 11.3 to the financial statements

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
high degree of judgement by the Company's management and Directors, and the use of estimates that include relevant assumptions subject to uncertainty. Due to the significance of the carrying amount of the assets, the high degree of judgement and the uncertainty associated with estimating the recoverable amount of these assets, we have considered this to be a key audit matter.	estimates to reasonably possible changes in the key assumptions. Moreover, we evaluated the competence, objectivity and conclusions of the independent expert engaged by Company management. - We also assessed whether the disclosures in the financial statements meet the requirements of the financial reporting framework applicable to the Company.

Other Information: Directors' Report

Other information solely comprises the 2025 directors' report, the preparation of which is the responsibility of the Company's Directors and which does not form an integral part of the financial statements.

Our audit opinion on the financial statements does not encompass the directors' report. Our responsibility regarding the information contained in the directors' report is defined in the legislation regulating the audit of accounts, as follows:

- a) Determine, solely, whether the non-financial information statement and certain information included in the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration, as specified in the Spanish Audit Law, have been provided in the manner stipulated in the applicable legislation, and if not, to report on this matter.



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- b) Assess and report on the consistency of the rest of the information included in the directors' report with the financial statements, based on knowledge of the entity obtained during the audit of the aforementioned financial statements. Also, assess and report on whether the content and presentation of this part of the directors' report are in accordance with applicable legislation. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report them.

Based on the work carried out, as described above, we have observed that the information mentioned in section a) above has been provided in the manner stipulated in the applicable legislation, that the rest of the information contained in the directors' report is consistent with that disclosed in the financial statements for 2025, and that the content and presentation of the report are in accordance with applicable legislation.

Directors' and Audit Committee's Responsibility for the Financial Statements

The Directors are responsible for the preparation of the accompanying financial statements in such a way that they give a true and fair view of the equity, financial position and financial performance of the Company in accordance with the financial reporting framework applicable to the entity in Spain, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The audit committee is responsible for overseeing the preparation and presentation of the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements _____

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing legislation regulating the audit of accounts in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



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As part of an audit in accordance with prevailing legislation regulating the audit of accounts in Spain, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors².
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with Pharma Mar, S.A.'s audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the entity's audit committee with a statement that we have complied with the ethical requirements regarding independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, safeguarding measures adopted to eliminate or reduce the threat.

From the matters communicated to the audit committee of the entity, we determine those that were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.



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REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

European Single Electronic Format

We have examined the digital file of Pharma Mar, S.A. for 2025 in European Single Electronic Format (ESEF) comprising an XHTML file with the financial statements for the aforementioned year, which will form part of the annual financial report.

The Directors of Pharma Mar, S.A. are responsible for the presentation of the 2025 annual financial report in accordance with the format requirements stipulated in Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 (hereinafter the “ESEF Regulation”). In this regard, they have incorporated the Annual Corporate Governance Report and the Annual Report on Directors’ Remuneration by means of a reference thereto in the directors’ report.

Our responsibility consists of examining the digital file prepared by the Company’s Directors, in accordance with prevailing legislation regulating the audit of accounts in Spain. This legislation requires that we plan and perform our audit procedures to determine whether the content of the financial statements included in the aforementioned digital file fully corresponds to the financial statements we have audited, and whether the financial statements have been formatted, in all material respects, in accordance with the requirements of the ESEF Regulation.

In our opinion, the digital file examined fully corresponds to the audited financial statements, and these are presented, in all material respects, in accordance with the requirements of the ESEF Regulation.

Additional Report to the Audit Committee

The opinion expressed in this report is consistent with our additional report to the Company’s audit committee dated 26 February 2026.

Contract Period

We were appointed as auditor by the shareholders at the ordinary general meeting on 29 May 2024 for a period of three years, from the year ended 31 December 2024.

KPMG Auditores, S.L.
On the Spanish Official Register of
Auditors (“ROAC”) with No. S0702

(Signed on original in Spanish)

José Ignacio Rodríguez Prado
On the Spanish Official Register of Auditors (“ROAC”) with No. 15,825
26 February 2026

Pharma Mar, S.A.
Balance sheet as of 2025 year-end
(thousand euro)

ASSETS		Note	31/12/2025	31/12/2024
A) Non-current assets			175,325	168,615
I. Intangible assets			3,344	790
1.	Development	6	2,190	-
2.	Computer software	6	1,154	790
II. Property, plant and equipment			30,121	26,603
1.	Land and structures	7	14,408	12,538
2.	Technical installations and other tangible fixed assets	7	15,682	12,732
3.	Advances & construction in progress	7	31	1,333
III. INVESTMENT PROPERTY			845	845
1.	Land	8	845	845
IV. Non-current investment in group and associated undertakings			93,369	101,957
1.	Equity instruments	11	93,369	97,643
2.	Loans to Group undertakings	10.14 & 30	-	4,314
V. Non-current financial assets			502	2,362
1.	Equity instruments	10 & 12	335	331
2.	Loans to third parties	10 & 14	6	6
3.	Other financial assets	10.14 & 15	161	2,025
VI. Deferred tax assets		22	47,144	36,058
B) Current assets			269,856	241,707
I. Inventories			53,880	51,739
1.	Raw materials and other supplies	13	1,586	1,420
2.	Products in process	13	47,877	47,962
3.	Finished products	13	951	1,277
4.	Supplier advances	13	3,466	1,080
II. Trade and other accounts receivable			57,316	40,223
1.	Customer receivables for sales and services	10 & 14	36,563	32,719
2.	Receivable from group and associated undertakings	10.14 & 30	780	1,202
3.	Sundry debtors	10 & 14	213	267
4.	Personnel	10 & 14	105	105
5.	Current tax assets	24	10,215	3,560
6.	Other receivables from public authorities	24	9,440	2,370
III. Current investment in group and associated undertakings			57	96
1.	Other financial assets	10.14 & 30	57	96
IV. Current financial assets			146,814	90,697
1.	Other financial assets	10 & 15	146,814	90,697
V. Accruals		10 & 14	1,075	1,479
VI. Cash and cash equivalents			10,714	57,473
1.	Cash	16	10,714	20,274
2.	Cash equivalents	16	-	37,199
Total assets (A+B)			445,181	410,322

Pharma Mar, S.A.
Balance sheet as of 2025 year-end
(thousand euro)

TOTAL EQUITY AND LIABILITIES	Note	31/12/2025	31/12/2024
A) Equity		312,091	278,127
A-1) Capital and reserves		311,097	276,835
I. Capital		10,800	10,933
1. Share capital	17	10,800	10,933
II. Share premium account	17	45,909	59,858
III. Reserves		269,724	279,255
1. Legal and bylaw reserves	18	2,160	2,187
2. Other reserves	18	267,564	277,068
IV. (Own shares and equity instruments)	17	(38,719)	(30,827)
V. Prior years' income		(42,384)	(82,609)
1. (Prior years' loss)	18	(42,384)	(82,609)
VI. Profit or loss for the year	3	65,767	40,225
A-2) Value adjustments		18	16
I. Hedge transactions		18	16
A-3) Subsidies, donations and legacies received	6 & 19	976	1,276
B) Non-current liabilities		47,655	55,940
I. Long-term provisions		-	150
1. Other provisions		-	150
II. Non-current debt		35,407	39,469
1. Bonds and other marketable securities	10 & 20	16,896	16,831
2. Bank debt	10 & 20	10,510	14,116
3. Other financial liabilities	10 & 20	8,001	8,522
III. Deferred tax liabilities	22	329	428
IV. Non-current accruals	20	11,919	15,893
C) CURRENT LIABILITIES		85,435	76,255
I. Short-term provisions	21	16,827	13,713
II. Current debt		11,872	8,736
1. Bonds and other marketable securities	10 & 20	405	405
2. Bank debt and debt to official authorities	10 & 20	10,294	7,193
3. Other financial liabilities	10 & 20	1,173	1,138
III. Current accounts payable to group and associated undertakings	10.20 & 30	1,901	2,762
IV. Trade and other accounts payable		50,188	47,071
1. Suppliers	10 & 20	666	768
2. Suppliers - group and associated undertakings	10.20 & 30	8,364	5,494
3. Sundry creditors	10 & 20	29,689	29,621
4. Personnel (compensation payable)	10 & 20	9,064	8,077
5. Other debt to public authorities	24	1,443	1,701
6. Customer advances	10 & 20	962	1,410
V. Current accruals	20	4,647	3,973
Total net equity and liabilities (A+B+C)		445,181	410,322

Pharma Mar, S.A.
2025 Statement of income
(thousand euro)

STATEMENT OF INCOME	Note	31/12/2025	31/12/2024
A) Continuing operations			
1.Net revenues	23.1 & 23.2	219,715	174,981
a) Product sales		77,467	66,389
b) Licensing and co-development agreements		77,784	46,518
c) Royalties		63,828	61,347
d) Other revenues		636	727
2.Variation in finished goods and work-in-process inventories	13	(411)	11,953
3.Capitalized in-house work	6	2,190	-
3.Purchases		(14,802)	(22,942)
a) Raw materials and other consumables consumed	23,4	(3,764)	(4,863)
b) Outside work		(11,038)	(18,079)
4.Other operating revenues		73	72
a) Ancillary and other current revenues		73	72
5.Staff expenses	23,5	(48,919)	(47,319)
a) Wages, salaries and similar		(40,609)	(39,504)
b) Employee welfare expenses		(8,310)	(7,815)
6.Other operating expenses	23,6	(100,490)	(93,182)
a) Outside services		(99,160)	(92,636)
b) Taxes other than income tax		(1,513)	(363)
c) Losses, impairment and changes in trade provisions		183	(183)
7.Depreciation and amortization	6 & 7	(3,175)	(3,599)
8.Recognition of subsidies for non-financial assets and others	19	439	998
9.Impairment losses and income from disposal of assets	6.1 & 23.7	760	1,004
a) Impairments and losses	6.1 & 23.7	760	1,004
A.1) OPERATING INCOME (1+2+3+4+5+6+7+8+9)		55,380	21,966
10.Financial revenues	25	3,299	6,843
a) Marketable securities and other financial instruments		3,299	6,843
a 1) Group and associated undertakings		201	1,178
a 2) Third parties		3,098	5,665
11.Financial expenses	25	(2,214)	(2,153)
a) Debts to third parties		(2,214)	(2,153)
12.Variation in fair value of financial instruments		334	-
a) Trading portfolio and other		334	-
13.Exchange differences	25	(1,969)	2,456
14.Impairment losses and income from disposal of financial instruments	25	(4,275)	(5,536)
a) Impairments and losses		(4,275)	(5,886)
b) Income on disposals and other		-	350
A.2) FINANCIAL INCOME (10+11+12+13)		(4,825)	1,610
A.3) INCOME BEFORE TAXES (A.1 + A.2)		50,555	23,576
14.Income tax	24	15,212	16,649
A.4) INCOME FOR THE YEAR FROM CONTINUING OPERATIONS (A.3+14)		65,767	40,225
A.5) INCOME FOR THE YEAR (A.4)		65,767	40,225

Pharma Mar, S.A.
Statement of changes in equity for
2025

A) STATEMENT OF RECOGNIZED REVENUES AND EXPENSES 2025
(thousand euro)

STATEMENT OF CHANGES IN NET EQUITY	Note	31/12/2025	31/12/2024
A) INCOME, PER INCOME STATEMENT		65,767	40,225
Revenues and expenses recognized directly in equity			
I. Valuation of financial instruments		2	2
II. Subsidies, donations and legacies received	19	39	606
III. Tax effect	19	(10)	(152)
B) TOTAL REVENUES AND EXPENSES RECOGNIZED DIRECTLY IN EQUITY (I+II+III)		31	456
Transfers to profit or loss			
I. Subsidies, donations and legacies received	19	(439)	(998)
II. Tax effect	19	110	250
C) TOTAL TRANSFERS TO PROFIT OR LOSS (I+II)		(329)	(748)
TOTAL RECOGNIZED REVENUES AND EXPENSES (A + B + C)		65,469	39,933

Pharma Mar, S.A.
Statement of changes in equity for
2025

B) TOTAL STATEMENT OF CHANGES IN EQUITY 2025
(thousand euro)

	Share capital (Note 17)	Share premium account (Note 17)	Reserves (Note 18)	(Own shares and equity instruments) (Note 17.3)	Prior years' income	Income for the year (Note 3)	Subsidies, donations and legacies received (Note 19)	Value adjustments	TOTAL
Closing balance 2023	11,013	71,278	279,208	(31,091)	(69,052)	(13,557)	1,570	14	249,383
Total recognized revenues and expenses	-	-	-	-	-	40,225	(294)	2	39,933
Capital reduction (Note 17.3)	(80)	-	(4,967)	5,000	-	-	-	-	(47)
Share ownership plans (Note 17.3 & 26)	-	-	49	724	-	-	-	-	773
Transactions with shares (purchases) (Note 17.3)	-	-	-	(18,630)	-	-	-	-	(18,630)
Transactions with shares (sales) (Note 17.3)	-	-	4,965	13,170	-	-	-	-	18,135
Distribution of dividend (Note 17.2)	-	(11,420)	-	-	-	-	-	-	(11,420)
Distribution of income (Note 3)	-	-	-	-	(13,557)	13,557	-	-	-
Closing balance 2024	10,933	59,858	279,255	(30,827)	(82,609)	40,225	1,276	16	278,127
Total recognized revenues and expenses	-	-	-	-	-	65,767	(300)	2	65,469
Capital reduction (Note 17.3)	(133)	-	(14,793)	14,881	-	-	-	-	(45)
Share ownership plans (Note 17.3 & 26)	-	-	(90)	555	-	-	-	-	465
Transactions with shares (purchases) (Note 17.3)	-	-	-	(34,120)	-	-	-	-	(34,120)
Transactions with shares (sales) (Note 17.3)	-	-	5,352	10,792	-	-	-	-	16,144
Distribution of dividend (Note 17.2)	-	(13,949)	-	-	-	-	-	-	(13,949)
Distribution of income (Note 3)	-	-	-	-	40,225	(40,225)	-	-	-
Closing balance 2025	10,800	45,909	269,724	(38,719)	(42,384)	65,767	976	18	312,091

Pharma Mar, S.A.
Statement of Cash Flows for
2025
(thousand euro)

	Notes	31/12/2025	31/12/2024
A) OPERATING CASH FLOW			
1.Income before taxes		50,555	23,576
2.Adjustments to income		26,325	15,557
a) Depreciation and amortization (+)	6, 7, 8	3,175	3,599
b) Impairment losses		3,248	(19,532)
c) Change in provisions		19,008	14,401
d) Subsidies recognized (-)	18	(439)	(562)
e) Income from derecognitions and disposals of property, plant and equipment (+/-)	6, 7, 23	87	(1,004)
f) Income from derecognitions and disposals of financial instruments (+/-)		-	25,068
g) Share-based payments		695	733
h) Financial revenues (-)	25	(3,298)	(6,843)
i) Financial expenses (+)	25	2,214	2,153
j) Exchange differences (+/-)	25	1,969	(2,456)
k) Change in fair value of financial instruments (+/-)		(334)	-
3.Changes in working capital		(27,079)	(43,686)
a) Inventories (+/-)	13	(2,141)	(12,670)
b) Debtors and other accounts receivable (+/-).	14	(10,128)	(3,647)
c) Creditors and other accounts payable (+/-).	20	5,207	(10,554)
d) Other non-current assets and liabilities (+/-)		(3,973)	(4,153)
e) Provisions		(16,044)	(12,662)
4.Other operating cash flow		(2,345)	25,555
a) Interest paid (-)		(1,814)	(1,678)
b) Interest received (+)		3,177	6,843
c) Corporate income tax receipts/payments	22	(3,708)	20,390
5.Operating cash flow (+/-1+/-2+/-3+/-4)		47,456	21,002
B) INVESTING CASH FLOW			
6.Investment payments (-)		(359,250)	(368,568)
a) Group and associated undertakings	11	(9,900)	(29,183)
b) Intangible assets	6	(2,935)	(162)
c) Property, plant and equipment	7	(5,785)	(2,852)
d) Other financial assets		(340,630)	(336,371)
7.Divestment receipts (+)		300,481	353,513
a) Group and associated undertakings	11	14,214	350
b) Divestment receipts		-	888
c) Other financial assets		286,267	352,275
8.Investing cash flow (7-6)		(58,769)	(15,055)
C) FINANCING CASH FLOW			
9.Receipts and payments in connection with equity instruments		(18,112)	(406)
a) Acquisition of own equity instruments (-)	17	(34,121)	(18,613)
b) Disposal of own equity instruments (+)	17	15,870	18,112
c) Subsidies, donations and legacies received (+)	19	139	95
10.Receipts and payments in connection with instruments representing financial liabilities		(1,416)	10,918
a) Issuance		1,377	15,567
1.Bank debt and debt to official authorities (+)	20	1,377	15,567
b) Refund and amortization of:		(2,793)	(4,649)
1.Bank debt and debt to official authorities (-)	20	(2,793)	(4,649)
11.Payment of dividends and remuneration on other equity instruments.		(13,949)	(11,420)
12.Financing cash flow (+/-9+/-10-11)		(33,477)	(908)
D) EFFECT OF EXCHANGE RATE VARIATIONS		(1,969)	1,655
E) NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (+/-5+/-8+/-12+/-D)		(46,759)	6,694
Beginning cash and cash equivalents		57,473	50,779
Ending cash and cash equivalents		10,714	57,473

Pharma Mar, S. A.

NOTES TO 2025 FINANCIAL STATEMENTS (thousand euro)

1. COMPANY BUSINESS

Pharma Mar, S. A. (hereafter "Pharma Mar" or the "Company") was incorporated on 30 April 1986 as a limited company (sociedad anónima) for an indefinite period. Its registered offices are at Avenida de los Reyes nº 1 (Pol. Industrial La Mina – Norte), Colmenar Viejo (Madrid).

Pharma Mar's main activity is research, development and marketing of bio-active principles, particularly those of marine origin, for application in human medicine, especially in the anti-tumor, antiviral and immunomodulation fields and the area of tropical diseases, as well as management, support and development of its investee, Sylentis, S. A.U., in the RNA interference field, and the subsidiaries whose object is to market oncology products in Europe.

Pharma Mar, S. A.'s shares are listed on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges and the Spanish electronic market (SIBE).

The Company's financial statements are presented in euro, which is the Company's functional and presentation currency.

The Company's directors consider that the 2025 financial statements, which were authorized on 26 February 2026, will be approved without changes by the Shareholders' Meeting.

In accordance with the provisions of Royal Decree 1.159/2010, of 17 September, on 26 February 2026, the Company authorized the Consolidated Financial Statements as of 31 December 2025 for the group of companies of which it is the controlling company, which disclose a consolidated net profit of €74,986 thousand, equity (including profit for the year) of €251,833 thousand, assets amounting to €395,081 thousand and revenues amounting to €221,390 thousand.

Those Consolidated Financial Statements were drawn up in accordance with the International Financial Reporting Standards adopted by the European Union (IFRS-EU).

The Consolidated Financial Statements contain all the Group undertakings, using the applicable consolidation method in each case, in conformity with article 42 of the Commercial Code.

2. BASIS OF PRESENTATION

2.1 True and fair view

The financial statements were prepared from the Company's accounting records and are presented in accordance with the current mercantile law and the rules established in Spain's General Accounting Plan approved by Royal Decree 1514/2007 (GAP 2007), as amended by Royal Decree 1159/2010, Royal Decree 602/2016 and Royal Decree 1/2021, and in accordance with the format and markup requirements of Commission Delegated Regulation (EU) 2019/815, in order to present a true and fair view of the equity, financial position and income of the Company and the veracity of the cash flows set out in the cash flow statement.

The figures in the documents comprising these financial statements (balance sheet, income statement, statement of changes in equity, cash flow statement and these notes to financial statements) are expressed in thousand euro.

2.2 Critical aspects of measuring and estimating uncertainty

The preparation of the financial statements requires the Company to use certain estimates and judgments in connection with the future that are evaluated continuously and are based on past experience and other factors, including expectations about future events that are considered to be reasonable in the circumstances.

By definition, these estimates seldom coincide with the actual results. The estimates and judgments with a significant risk of having a material impact on the carrying amounts of assets and liabilities in the next financial year are detailed below.

Deferred tax assets

The main source of information for assessing the recoverability of deferred tax assets is the projection of expected future taxable profits. In calculating these expected profits, only compounds in phase III clinical development are taken into consideration, i. e. those at a very advanced stage of development that, therefore, have a high probability of success.

Deferred tax assets due to tax losses carried forward and unused tax credits are recognized to the extent that the Company is likely to obtain future taxable income enabling them to be offset. Accordingly, for the purpose of the 2025 financial statements, the projections of revenues and expenses were re-estimated using management's best estimates about the Company's business and the current and foreseeable economic situation.

In calculating expected future income and assessing the recoverability of the tax credits, only the companies belonging to the consolidated tax group of which Pharma Mar is the head are considered.

The Company assesses the recoverability of deferred tax assets on the basis of estimates of future taxable income. The recoverability of deferred tax assets depends ultimately on the Company's ability to generate sufficient taxable income in the periods in which those deferred taxes are deductible. Changes in future tax rates or in the prospects of generating taxable income against which to recover the carrying amount of deferred tax assets may result in changes in that carrying amount.

The main assumptions made in calculating expected future income and, therefore, the recoverability of the tax credits and deductions generated by the undertakings that belong to the tax group in Spain are as follows:

- The tax budget is based on the five-year budget approved by management.
- The main variables used in projections for the Oncology segment are as follows: a) the probability assigned to ongoing developments (revenue expected for each product under development is assigned a probability of occurrence based on the degree of progress with ongoing development); b) the estimated selling price; and c) a penetration rate as a function of the number of patients that could potentially be treated with the product under development.
- The tax plan also uses the following significant assumptions:
 - Average 36,64% growth in sales in the Oncology segment. That growth is due mainly to the good sales prospects for Zepzelca, a product currently under development, by our partner in the US market.
 - Sustained growth in expenses in the oncology segment is assumed to average 8.79%.

Reasonably possible variations with respect to management's assumptions in estimating future taxable income, especially the assumptions used in the Oncology segment, may materially affect the amounts recognized as deferred tax assets. The main factors that may affect this estimate are: the probability of occurrence assigned to the expected revenues from compounds currently in phase III clinical development with a high likelihood of success, the estimated price of the drug, the prevalence of the various potential indications in the population, the timing of approval, and market share:

- A 5% reduction in the estimated price for the main compound under development (Zepzelca) would result in the derecognition of assets in the amount of €4,128 thousand.
- A 1-year delay in sales of the main compound under development, Lurbinectedin, would result in derecognition of assets in the amount of €16,837 thousand.
- A 10% reduction in market share for the main compound under development (Zepzelca) would result in derecognition of assets in the amount of €5,752 thousand.

- A 10% reduction in market share for Zepzelca in the US market would result in derecognition of assets in the amount of €1,878 thousand.

Note 24 details the assets recognized by the Company as of 31 December 2025 and 2024 and the assets not recognized by application of this approach.

Evaluation of the recoverability of investments in Group and associated companies. Sylentis, S. A.U.

Management tests investments in group and associated companies for impairment on an annual basis when there is objective evidence that the carrying amount of an investment will not be recoverable. The determination of the recoverable amount of the investment involves the use of estimates by management when the recoverable amount cannot be determined in any other way. The Company generally uses discounted cash flow methods to determine the recoverable amount. The discounted cash flow calculations are based on forward-looking projections of budgets presented by management. The flows are based on past experience and represent management's best estimate of future market performance. Key assumptions in determining the recoverable value include sales growth and the discount rate. The estimates, including the methodology used, can have a significant impact on the outcome of the analysis.

In the specific case of the investment in Sylentis, S. A., since the latter does not currently generate revenue and as it focuses on the research and development of products with therapeutic activity based on the reduction or silencing of gene expression, the company has been using the valuation of an independent appraiser as the best measurement of recoverable value. The valuation is the result of using several valuation methods, such as rNPV (risk-adjusted net present value), discounted cash flow, market comparables, recent transactions, etc. Degrees of probability are applied to each of the methods to obtain different valuation ranges depending on the sensitivity applied to the calculation (see sensitivity analysis in note 11.3.1).

In 2023 Sylentis began construction of a plant for the manufacture of oligonucleotides which was completed in 2024. Over the course of 2025, the plant implemented the necessary measures to obtain Good Manufacturing Practice (GMP) certification from the European Medicines Agency (EMA), which it obtained in December. The cost invested in the plant is considered to be its recoverable or realizable value until it begins production activities for third parties. The plant was not included in the valuation to which the previous paragraph refers, as that valuation only covers the part of the Company dedicated to R&D.

Recognition of revenue arising from licensing and/or co-development of Pharma Mar compounds

Pharma Mar enters into licensing and/or development agreements that generally include many factors, and the associated revenues must be matched with the costs and considerations to be paid.

When deciding how to recognize the revenues from those transactions (Note 4.14.2), the directors consider the following factors:

- The economic basis of the transaction.
- The nature of the components of the transaction (payments, asset swaps, etc.).
- The valuation and distribution, on a fair value basis, of each item of consideration.
- The transfer of material risks and benefits deriving from ownership of the goods and the assumption of future obligations.
- The degree of progress with the project (milestones).

Climate change: analysis of financial risk and impact

Pharma Mar has produced a Climate-Related Risks and Opportunities Report in accordance with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and the EU Taxonomy. This analysis examines the physical and energy transition risks that the Company will have to face in the medium and long term, as well as the opportunities that mitigating climate change will bring.

The report is divided into several sections:

- Governance: describes the governance structure for managing climate-related risks and opportunities.

- Risk identification and management: an analysis of the physical risks (climate events such as temperature, wind, water) and energy transition risks (relating to government policy, technology, markets and reputation), in order of priority according to probability, severity, fragility and adaptive capacity.
- Description of risks and opportunities: the climate impacts on the Colmenar Viejo and Getafe laboratories and on our main suppliers are evaluated qualitatively and quantitatively, taking into account varying climate patterns up to 2050.
- Impacts and opportunities: we analyze the financial impact of physical and energy transition risks, and quantify any economic opportunities.
- Strategy: a discussion of the Company's approach to climate adaptation and mitigation.
- Metrics and targets: indicators are introduced to monitor and manage climate risk.

This analysis leads us to conclude that Pharma Mar's facilities are not exposed to high climate risks under any of the scenarios considered. A medium-low risk only exists in the most extreme case (Representative Concentration Pathway 8.5) and in events of water stress and drought. However, some suppliers do pose a medium risk in the event of heavy rain, flooding and fire, which has prompted the Company to diversify its supply sources.

Key energy transition risks include the potential future price of carbon emission allowances, certain regulatory obligations and the cost of adopting cleaner technologies. The financial impact would in any case be limited, given Pharma Mar's low-carbon business model. As for opportunities, we should highlight energy efficiency and the use of clean energy.

Pharma Mar's Net Zero Plan, approved by the Appointments, Remuneration and Sustainability Committee, aims to make the company carbon neutral by 2050. As part of this plan, work continued in 2025 to reduce emissions from its production processes and activities. Major actions included:

- The installation of additional photovoltaic solar panels at the Colmenar Viejo facilities, bringing the total to 850 kWp, which will enable us to meet around 35% of electricity demand at both the Colmenar Viejo laboratory and the Sylentis laboratory in Getafe with 100% renewable, self-produced energy.
- The Colmenar Viejo laboratory was supplied with 100% certified renewable electricity throughout 2025.
- The installation of 12 new charging points for electric or plug-in hybrid vehicles, bringing the total to 27.
- The gradual electrification of the fleet. By the end of the year, over 75% of vehicles were some form of hybrid.

Political risks

Geopolitical conflicts and wars may have a direct impact on:

- Disruption in the supply of APIs (active pharmaceutical ingredients): In Pharma Mar's case, the relevant raw materials in its production process do not come from Asia or Eastern Europe. Pharma Mar has approved a number of suppliers, all of them located within Spain and the European Union, to avoid these risks. All raw materials and inactive ingredients purchased by Pharma Mar are sourced almost exclusively in Europe, primarily in Spain. There was no impact on either the price or regularity of supply in 2025 and neither is this expected in 2026.
- Marketing capacity: Pharma Mar sells its products in Eastern Europe, Russia, Asia and Israel through specialist local and international partners. Sales in these regions in 2025 were not impacted. Overall, these regions account for less than 2% of total product sales.
- Increase in logistics costs: There were no increases in logistics costs due to geopolitical risks in 2025. In fact, we optimized our supply chain, reducing the company's logistics costs by more than 15%.
- Disruption of clinical trials in conflict regions: The only trial that Pharma Mar is currently conducting in a conflict zone — Israel — is the LAGOON study, which has already completed the patient recruitment phase.

In conclusion, Pharma Mar's cost and revenue estimates have not been significantly affected by the current geopolitical risks.

2.3 Comparative information

The amounts for 2025 are presented alongside those for 2024 for comparison purposes.

2.4 Grouping of items

To facilitate comprehension of the balance sheet, income statement, statement of changes in equity and cash flow statement, those financial statements are presented in grouped form, and the necessary breakdown is given in the notes to financial statements.

3. DISTRIBUTION OF INCOME

The proposed distribution of 2025 income which will be presented to the Shareholders' Meeting, and the actual distribution approved for 2024 by the shareholders on 18 June 2025, are as follows:

(Euros)	2025	2024
BASIS OF DISTRIBUTION		
Income for the year	65,767,372.67	40,224,894.79
	65,767,372.67	40,224,894.79
Distribution		
Prior years' losses	42,383,197.72	40,224,894.79
Voluntary reserves	23,384,174.95	-
	65,767,372.67	40,224,894.79

The distribution of income for the year ended 31 December 2025 that will be proposed to the Shareholders' Meeting, in accordance with article 274 of the Consolidated Text of the Capital Companies Act, approved by the Legislative Royal Decree of 2 July 2010, will consist of allocating profit for the year to prior years' losses (€42,383,197.72) and the difference, amounting to €23,384,174.95, to Voluntary reserve.

4. ACCOUNTING AND VALUATION STANDARDS

The valuation standards applied for the various items are as follows:

4.1 Intangible assets

Intangible assets are recognized initially if:

- i) they fulfill the definition of asset contained in the Accounting Conceptual Framework: "Rights, goods and other resources controlled economically by the company as a result of past events and from which the company expects to obtain profits or economic yields in the future,"
- ii) they fulfill the condition of being recognized in the accounts, in line with the Accounting Conceptual Framework: "Assets must be recognized on the balance sheet where they are likely to provide profits or economic yields for the company in the future, and provided that they can be measured reliably,"
- iii) they fulfill the identifiability requirement "that the intangible asset fulfills either of the following two conditions:
 - a. it must be possible to separate it from the company and sell, assign, deliver for exploitation, lease or exchange it, or
 - b. it must arise from rights in rem or contractual rights, regardless of whether those rights are transferable or can be separated from the company or from its other rights or obligations.

4.1.1 Research & Development expenses

Research is planned original investigation in pursuit of new knowledge and greater understanding in scientific and technology.

Development is the specific application of research findings in a specific design or plan for the production of materials, products, processes, systems or services that are new or substantially improved, up to commencement of commercial production.

Research expenditure is expensed in the year it is incurred.

Development expenses in the year are capitalized when they meet the following conditions:

- i) there is a specific itemized project that enables the expenses attributable to the project to be measured reliably,
- ii) there are clear criteria for assignment, allocation and recognition of the costs of each project,
- iii) there are sound reasons, at all times, for expecting technical success,
- iv) the financial and commercial success of the project is reasonably assured,
- v) funding is reasonably assured to enable the project to be concluded, and the necessary technical resources are available, and
- vi) the company intends to complete the intangible asset in question for use or sale.

Fulfillment of those conditions is assessed each year.

Development expenses recognized under assets must be amortized in accordance with a systematic plan over their useful life, beginning in the year in which the project concluded. That useful life normally coincides with the term of the patent.

If a company is unable to distinguish between the research and development phases of an internal project to create an intangible asset, it must treat the expenses arising in that project as if they had been incurred solely in the research phase.

For the purposes of subsequent remeasurement:

- Impairment is assessed in the year-end close or whenever progress with projects gives any indication of impairment or there are doubts about fulfillment of the conditions for capitalization.
- Annual assessments of the recoverability of the amounts capitalized in ongoing development projects, which include, among others, (i) assessment of the recoverability of the compound based on the fair value of the agreements, or (ii) assessment of the recoverability of the asset based on the Company's specific business plans for the molecule.

Measurement of research and development projects

Where projects are carried out with the company's own resources, they are measured at production cost and include the directly attributable costs that are necessary to create, produce and prepare the asset. In particular, they include the following items:

- i) cost of personnel related directly to the project activities,
- ii) cost of raw materials, consumables and services used directly in the project,
- iii) depreciation and amortization of fixed assets assigned directly to the project, and
- iv) the part of indirect costs that can reasonably be assigned to the project activities, provided that such assignment is rational.

Costs of sub-activities and those of the company's general structure may not be assigned to research and development projects. Financial expenses related to research expenses may not be capitalized. That useful life is estimated as the period in which profits are expected to be generated, which normally coincides with the patent's period of validity.

Where research and development projects are outsourced to other companies or institutions, they are measured at acquisition cost.

4.1.2 Computer software

Computer software licenses acquired from third parties are capitalized based on the costs incurred to acquire and prepare them for using the specific program. Those costs are amortized over their estimated useful lives, i. e. 4 or 5 years.

Computer program maintenance costs are recognized in profit or loss as incurred.

4.2 Property, plant and equipment

Property, plant and equipment are recognized at acquisition or production cost. Property, plant and equipment are presented on the balance sheet at cost less the accumulated amount of depreciation and impairments.

The amount of capitalized in-house work on property, plant and equipment is calculated as the sum of the acquisition costs of consumables and the direct and indirect costs allocable to those assets.

The costs of expanding, modernizing or improving property, plant and equipment are capitalized solely when they increase the assets' capacity or productivity or extend their useful life, provided that it is possible to ascertain or estimate the carrying amount of the items that are retired from inventory due to being replaced.

The cost of major repairs is capitalized and depreciated over their estimated useful lives, whereas recurring maintenance costs are recognized in profit or loss in the year in which they are incurred.

Apart from land, which is not depreciated, depreciation of property, plant and equipment is taken systematically on a straight-line basis over the asset's useful life, having regard to actual loss of functionality and usability. The estimated useful lives are as follows:

	Years
Buildings and structures	25-30
Technical installations and machinery	10
Vehicles	4-7
Furniture and fixtures	10
Computer hardware	4-7

The residual value and the useful life of an asset are measured, and adjusted if necessary, at each balance sheet date.

When the carrying amount of an asset exceeds its estimated recoverable amount, its value is written down immediately to the recoverable amount.

Losses and gains on the disposal of property, plant and equipment are calculated by comparing the revenue from the sale with the carrying amount, and are recognized in profit or loss.

4.3 Investment property

Investment property comprises land held for rental over the long term that is not occupied by the Company. The items under this heading are presented at acquisition cost less any impairment losses.

4.4 Leases

Where the Company is the lessee - Operating lease

Leases where the lessor retains substantially all the risks and rewards incidental to ownership are classified as operating leases. Operating lease payments (net of any incentive received from the lessor) are recognized in profit or loss on a straight-line basis over the lease term.

Where the Company is the lessor

Assets leased under operating leases are recognized in the balance sheet on the basis of their nature. The revenues from the lease are recognized on a straight-line basis over the lease term.

4.5 Impairment of non-financial assets

Amortizable assets are measured for impairment whenever an event or change in circumstances indicates that the carrying amount may not be recoverable.

An impairment loss is recognized for the amount by which the carrying amount exceeds the recoverable amount, the latter being understood to mean the lower of the fair value less the selling cost or the value in use.

To perform the impairment tests, assets are grouped at the lowest level of cash flow that cannot be identified separately (cash-generative units - CGU). Non-financial assets other than goodwill that have suffered impairment are measured at each balance sheet date to ascertain whether the loss has been reversed.

4.6 Financial assets

4.6.1 Financial assets at amortized cost

This category includes financial assets, including those listed on an organized market, where the Company holds the investment for the purpose of collecting the cash flows derived from the performance of the contract, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Contractual cash flows that are solely receipts of principal and interest on the principal amount outstanding are inherent to an agreement that is an ordinary or common loan, notwithstanding that the transaction is arranged at a zero or below-market interest rate.

This category includes trade accounts receivable and non-trade accounts receivable:

- a) Trade accounts receivable: financial assets arising from the sale of goods and the delivery of services as part of the company's business operations where payment is deferred, and
- b) Non-trade accounts receivable: financial assets, other than equity instruments and derivatives, that are not commercial in origin and represent the receipt of a determined or determinable amount arising from loans or credit granted by the company.

Initial measurement

Financial assets in this category are measured initially at fair value, which, unless there is evidence to the contrary, is the transaction price, i. e. the fair value of the consideration given, plus directly attributable transaction costs.

Nevertheless, trade accounts receivable maturing at not more than one year which do not have an explicit contractual interest rate, and loans to personnel, dividends receivable and capital calls, which are expected to be collected in the short term, are measured at nominal value to the extent that the effect of not discounting the cash flows can be considered to be non-material.

Subsequent re-measurement

Financial assets in this category are measured at amortized cost. Accrued interest is recognized in profit or loss using the effective interest rate method.

However, receivables maturing in less than one year which, in accordance with the provisions of the preceding paragraph, are initially measured at nominal value, continue to be measured on that basis except in the event of impairment.

When the contractual cash flows of a financial asset change due to financial difficulties on the part of the issuer, the company analyzes whether an impairment loss should be recognized.

Impairment

The necessary valuation adjustments are made, at least at accounting close and whenever there is objective evidence that the value of a financial asset, or of a group of financial assets with similar risk characteristics measured together, has been impaired as a result of one or more events occurring after initial recognition that cause a reduction or delay in the estimated future cash flows, which may be due to the debtor's insolvency.

The amount of impairment loss in these financial assets is generally the difference between their carrying amount and the present value of estimated future cash flows, including those from executing any collateral or other guarantees, discounted at the effective interest rate applying at the time of initial recognition. In the case of financial assets at floating rates, the effective interest rate used is that in force under the contractual terms on the closing date of the financial statements.

Impairment losses, and their reversal when the amount of such loss is reduced by a subsequent event, are recognized as an expense or revenue, respectively, in profit or loss. Reversal of impairment is capped at the carrying amount of the asset that would have been recognized at the date of reversal if no impairment had been recognized.

4.6.2 Financial assets at fair value through equity

This category includes financial assets whose contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding and that are not held for trading and do not qualify as "Financial assets at amortized cost". This category also includes investments in equity instruments for which the irrevocable option to classify them as "Financial assets at fair value through profit or loss" has been exercised.

Initial measurement

Financial assets in this category are measured initially at fair value, which is generally the transaction price, i. e. the fair value of the consideration given, plus directly attributable transaction costs, including the amount of any pre-emptive subscription or similar rights that were acquired.

Subsequent re-measurement

Financial assets in this category are measured at fair value without deducting the transaction costs that might be incurred in their disposal. Fair value changes are recognized directly in equity until the financial asset is derecognized or impaired, at which point the amount so recognized is transferred to profit or loss.

Nevertheless, impairment losses and foreign exchange gains and losses on monetary financial assets in foreign currencies are recognized in profit or loss.

Accrued interest, calculated using the effective interest rate method, and accrued dividends are recognized in profit or loss.

When such assets must be measured due to derecognition or other reasons, the weighted average value by homogeneous groups approach is used.

In the exceptional case that the fair value of an equity instrument is no longer reliable, prior adjustments recognized directly in equity are treated in the same way as for impairment of financial assets at cost.

In the case of the sale of pre-emptive subscription and similar rights or the segregation of such rights for exercise, the amount of the rights is netted off the carrying amount of the respective assets. This amount corresponds to the fair value or cost of the rights, calculated in a way that is consistent with the measurement of the associated financial assets.

Impairment

At least at year-end, the necessary valuation adjustments are made whenever there is objective evidence that the value of a financial asset, or of a group of financial assets included in this category with similar risk characteristics that are measured together, has been impaired as a result of one or more events that occurred after initial recognition and result in:

a) In the case of acquired debt instruments, a reduction or delay in the estimated future cash flows due to the debtor's insolvency; or

b) In the case of investments in equity instruments, a lack of recoverability of the assets' carrying amount as a result of a material or prolonged decline in fair value. An instrument is generally considered to have been impaired after a fall in value lasting one and a half years or amounting to forty percent of its market price, where the value has not recovered, without prejudice to the possibility that it may be necessary to recognize an impairment loss before this period has elapsed or the market price has fallen by the aforementioned percentage.

The valuation adjustment for impairment of these financial assets is the difference between their cost or amortized cost less any impairment losses recognized previously in profit or loss and the fair value at the time of measurement.

If there is objective evidence of impairment, the accumulated losses previously recognized in equity as a reduction in fair value are recognized in profit or loss.

Fair value gains in subsequent years are credited to profit or loss against the valuation adjustment recognized in prior years. This does not apply to fair value gains on equity instruments with changes through equity.

4.6.3 Financial assets at fair value through profit or loss

This category includes equity instruments that are not held for trading and that may not be measured at cost over which an irrevocable choice was made at the time of initial recognition to present subsequent fair value changes directly in equity.

This category also includes financial assets designated irrevocably at the time of initial recognition as being measured at fair value through profit or loss that would otherwise have been included in another category, in order to eliminate or significantly reduce measurement inconsistency or accounting asymmetry that would otherwise arise from measuring of assets or liabilities on another basis.

Initial measurement

Financial assets in this category are measured initially at fair value, which, unless there is evidence to the contrary, is the transaction price, i. e. the fair value of the consideration given. Directly attributable transaction costs are recognized in profit or loss.

Subsequent re-measurement

After initial recognition, the financial assets in this category are measured at fair value through profit or loss.

4.6.4 Financial assets at cost

This measurement category includes:

- a) Investments in the equity of group, multi-group and associated undertakings.
- b) Other investments in equity instruments whose fair value cannot be determined by reference to a quoted price in an active market for an identical instrument or cannot be reliably estimated, and derivatives whose underlyings are such investments.
- c) Any other financial asset that initially qualifies for measurement at fair value through profit or loss, when it is not possible to estimate fair value reliably.

Initial measurement

Investments in this category are measured initially at cost, which is equivalent to the fair value of the consideration provided plus directly attributable transaction costs; the latter are not included in the cost of investments in group undertakings.

Nevertheless, where the investment preceded its classification as a group, multi-group or associated undertaking, the cost of the investment is taken to be the carrying amount that should have applied before it was so classified.

Initial measurement includes the amount of any acquired pre-emptive subscription and similar rights.

Subsequent re-measurement

Equity instruments in this category are measured at cost less any accumulated impairment losses.

When such assets must be measured due to derecognition or other reasons, the weighted average cost by homogeneous groups approach is used, such groups comprising securities that have the same rights.

In the case of the sale of pre-emptive subscription and similar rights or the segregation of such rights for exercise, the cost of the rights is netted off the carrying amount of the respective assets.

Impairment

At least at year-end, the necessary value adjustments are made if there is objective evidence that the carrying amount of an investment will not be recoverable. The amount of the valuation adjustment is the difference between the carrying amount and the recoverable amount, the latter being understood as the higher of fair value less selling costs and the present value of the future cash flows arising from the investment, which, in the case of equity instruments, is calculated either by estimating those expected to be received as a result of the distribution of dividends by the investee and the disposal or derecognition of the investment in the investee, or by estimating the share in the future cash flows expected to be generated by the investee both from its ordinary activities and from its disposal or derecognition.

Except where there is better evidence of the recoverable value of investments in equity instruments, impairment of this class of investments is estimated as a function of the investee's equity and any unrealized capital gains existing at the measurement date, net of the tax effect. Where the investee has, in turn, invested in another company, this value will be measured taking account of the equity reported in the consolidated financial statements produced in accordance with the standards of the Commercial Code and its secondary legislation (see Note 2.2).

Impairments and any reversals of impairment are recognized as an expense or revenue, respectively, in profit or loss. Reversal of impairment is capped at the carrying amount of the investment that would have been recognized at the date of reversal if no impairment had been recognized.

Assets that are designated as hedged items are subject to the measurement requirements of hedge accounting.

4.7 Inventories

Inventories are measured at the lower of cost or net realizable value. Where the net realizable value of inventories is lower than cost, the appropriate valuation adjustments are recognized as an expense in profit or loss. If the circumstances leading to the valuation adjustment cease to exist, the adjustment is reversed and recognized as revenue in profit or loss.

The cost price is obtained as follows:

- Raw materials and other supplies: weighted average cost price.
- Finished and semi-finished products and products in process: weighted average cost of the raw and ancillary materials used, plus the applicable amount of direct labor and general manufacturing expenses valued at standard costs (based on normal production capacity). No adjustment to inventory is recognized if the difference between standard cost and actual cost is not material.

The net realizable value is the estimated sale price in the normal course of business less the estimated costs required for the sale and, in the case of raw materials and products in process, the estimated costs required to complete production.

4.8 Equity

Share capital is represented by ordinary shares.

The cost of issuing new shares or options is presented directly under equity as a reduction of reserves.

In the case of acquisition of own shares by the Company, the consideration paid, including any directly attributable incremental cost, is deducted from equity until the shares are canceled, re-issued or disposed of. If the shares are sold or re-issued, any amount received, net of any directly attributable incremental cost of the transaction, is recognized in equity.

4.9 Financial liabilities

4.9.1 Financial liabilities at amortized cost

This category generally includes trade accounts payable and non-trade accounts payable:

- a) Trade accounts payable: financial liabilities arising from the purchase of goods and services as part of the company's business operations where payment is deferred, and
- b) Non-trade accounts payable: financial liabilities other than derivatives that are not commercial in origin but arise from loans or credit received by the company.

Participation loans that have the characteristics of an ordinary or common loan are also included in this category, without prejudice to the agreed interest rate (zero or below market).

Initial measurement

Financial liabilities in this category are measured initially at fair value, which is the transaction price, i. e. the fair value of the consideration received, adjusted for directly attributable transaction costs.

Nevertheless, trade accounts payable maturing at over one year which do not have a contractual interest rate, and capital calls by third parties whose amount is expected to be paid in the short term, are measured at their nominal value provided that the effect of not discounting the cash flows is not material.

Subsequent re-measurement

Financial liabilities in this category are measured at amortized cost. Accrued interest is recognized in profit or loss using the effective interest rate method.

Nevertheless, debts maturing in less than one year that are measured initially at nominal value continue to be valued at that amount. This category includes both trade and non-trade accounts payable. This debt is classified under current liabilities unless the Company has an unconditional right to defer the liability settlement for at least twelve months from the balance sheet date, in which case it is classified under non-current liabilities.

These debts are recognized initially at fair value adjusted for directly-allocable transaction costs, and are subsequently recognized at amortized cost in accordance with the effective interest rate method. The effective interest rate is the discount rate that matches the carrying amount of the instrument with the projected flow of future payments up to the liability's maturity.

Nevertheless, trade accounts payable maturing at over one year which do not have a contractual interest rate are measured, both initially and subsequently, at their nominal value provided that the effect of not discounting the cash flows is not material.

If existing debts are renegotiated, no material changes are considered to exist if the new lender is the same as the initial lender and the present value of the cash flows, including net fees, does not differ by more than 10% from the present value of the outstanding cash flows payable on the original liability calculated using the same method.

4.10 Subsidies received

Repayable subsidies are recognized as liabilities until the conditions rendering them non-repayable are met; non-repayable subsidies are recognized as revenues directly in equity and are recognized as revenues on a systematic, rational basis in line with the expenses arising from the subsidy. Non-repayable subsidies from shareholders are recognized directly in equity.

For these purposes, a subsidy is considered to be non-repayable when there is an individual agreement to grant the subsidy, all the conditions established for granting it have been fulfilled, and there are no reasonable doubts that it will be collected.

Monetary subsidies are recognized at the fair value of the amount granted and non-monetary subsidies at the fair value of the received asset, at the time of recognition in both cases.

Non-repayable subsidies related to the acquisition of intangible assets, property, plant and equipment and investment property are recognized in profit or loss in proportion to the depreciation/amortization of the related assets or when the asset is disposed of, impaired or derecognized.

Non-repayable subsidies related to specific expenses are recognized in profit or loss in the year in which the corresponding expenses accrue, and those granted to offset an operating deficit are recognized in the year in which they are granted, except where they are allocated to offset operating deficits in future years, in which case they are recognized in those years.

Additionally, implicit interest on zero-rate and other concessional loans from official authorities is recognized in equity as a non-refundable subsidy. These subsidies are recognized as revenue for the year in proportion to the associated expenses.

4.11 Current and deferred taxes

The income tax expense (revenue) is the amount accruing under this heading in the year and comprises the expense (revenue) for current and deferred taxes.

The expense (revenue) for current and deferred taxes is recognized in profit or loss. Nevertheless, the tax effect of items that are recognized directly in equity is recognized in equity.

Current tax assets and liabilities are recognized for the amount expected to be paid to, or recovered from, the tax authorities, in accordance with the legislation enacted or substantively enacted at year-end.

Deferred taxes are measured, in accordance with the liability method, based on the temporary differences arising between the tax base of the assets and liabilities and their carrying amounts. However, deferred taxes arising from the initial recognition of an asset or liability in a transaction other than a business combination that

does not affect the accounting result or the tax base at the time of recognition are not recognized. The deferred tax is determined by applying the tax regulations and rates enacted or substantively enacted on the balance sheet date and which are expected to apply when the corresponding deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax liabilities are recognized insofar as it is probable that there will be future taxable income to offset temporary differences (Note 2.2).

At each accounting close, deferred tax assets are remeasured and impairment is recognized to the extent that there are doubts as to their recovery in the future. Also, at each accounting close, the deferred tax assets not recognized on the balance sheet are remeasured and are recognized to the extent that they are likely to be recovered against future taxable income.

As a result of the application of Spanish Act 27/2014, of 17 December, on Corporate Income Tax, certain deductions for research and development may be monetized with a 20% discount on the tax payable, subject to certain conditions. When the Company makes the decision to monetize tax credits, based on certified reports evidencing those amounts, and there is a reasonable expectation that the total average personnel, or average R&D personnel, will be maintained for two years, and the amounts collected from the monetization of these tax credits are reasonably expected to be reinvested in R&D activities, the amount of the monetization is recognized under deferred tax assets.

Consolidated income tax

Pharma Mar, S. A. is the leading company of the group of companies for corporate income tax purposes with number 29/93.

The companies comprising the tax group in 2025 are: Sylentis, S. A.U., with Pharma Mar, S. A. as leading company.

It is consolidated Group policy to recognize the tax expense at individual undertakings in accordance with the resolution of the ICAC (Spanish Accounting and Audit Institute) dated 9 February 2016.

4.12 Employee benefits

4.12.1 Share-based compensation

The company operates share-based incentive plans for employees. Those plans are subject to a lock-up period during which employees must continue to work for the Company.

The fair value of the services provided by the employees in exchange for the shares is recognized under personnel expenses as the services are provided, during the lock-up period, and a reserve for the incentive plans is recognized simultaneously in equity for the same amount.

The fair value of the services to be provided by those employees is determined with respect to the fair value of the shares granted. That amount is recognized in profit or loss during the lock-up period. The Company regularly reviews its assumptions and adjusts any deviation resulting from employee rotation.

4.12.2 Termination indemnities

Termination indemnities are paid to employees as a result of the Company's decision to terminate the employment contract before the normal retirement age or when the employee agrees to resign in exchange for those benefits.

The Company recognizes these benefits when it has demonstrably decided to terminate the employees in accordance with an irrevocable formal detailed plan or to provide termination indemnities as a result of an offer to encourage voluntary retirement. Benefits that are not to be paid in the twelve months following the balance sheet date are discounted to their present value.

4.13 Provisions and contingent liabilities

Provisions for environmental restoration, restructuring costs and litigation are recognized when the Company has a present obligation, either legal or implicit, as a result of past events, an outflow of funds is likely to be necessary in the future to settle the obligation, and the amount can be estimated reliably. Restructuring provisions include lease cancellation penalties and employee termination indemnities. No provisions are recognized for future operating losses.

Provisions are calculated at the present value of the disbursement expected to be needed to settle the obligation, using a pre-tax rate that reflects current market measurements of the time value of money and the specific risks attached to the obligation. Adjustments due to updating the provision are recognized as a financial expense as they accrue.

Provisions maturing at one year or less that do not have a material financial effect are not discounted.

When part of the disbursement required to settle the provision is expected to be paid by a third party, the reimbursement is recognized as a separate asset provided that its collection is practically assured.

Obligations arising as a result of past events whose materialization is conditional upon the occurrence or non-occurrence of one or more future events outside the Company's control are treated as contingent liabilities. Those contingent liabilities are not recognized in the accounts but are disclosed in detail in the notes to financial statements.

4.14 Recognition of revenues

Revenues are recognized when control of the goods or services is transferred to the customer. At that time, revenue is recognized for the amount of the consideration expected to be received in exchange for the transfer of committed goods and services under the contracts with customers, as well as other revenue not arising from contracts with customers that constitute the Company's ordinary business. The amount to recognize is determined by deducting, from the amount of the consideration for the committed transfer of goods or services to customers or other revenues from the Company's ordinary activities, the amount of discounts, refunds, price reductions, incentives or rights granted to customers, as well as value added tax and other directly related taxes that must be charged to customers.

Where the price set in contracts with customers includes variable consideration, the best estimate of the variable consideration is included in the price to be recognized to the extent that it is very likely that there will not be a significant reversal of the amount of revenue recognized when the uncertainty associated with the variable consideration is subsequently resolved. The Company bases its estimates on historical information, taking into account the type of customer, the type of transaction and the specific terms of each agreement.

4.14.1 Revenue from the sale of products

The Company sells in the European Union by virtue either of the marketing approval received from the European Medicines Agency (EMA) for soft tissue sarcoma (since 2007) and relapsed platinum-sensitive ovarian cancer (since 2009), or of the Temporary Authorizations for Use (TAU) granted by some European Union countries such as France (Autorisation d'accès compassionnel — AAC).

Sales are recognized when control of the products has been transferred, i. e., when the products are delivered to the end customer, who has full discretion over the channel and price for selling the products, and there are no unfulfilled obligations that might affect customer acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, the customer has accepted the products in accordance with the sale contract, and the acceptance period has ended or the Company has objective evidence that all acceptance criteria have been met.

Where the Company sells to subsidiaries, it recognizes the amount of sales at the time of product delivery to the subsidiary.

Where sales are made through distributors, two different situations may arise:

- sales to the distributor in Portugal: sales are recognized once the product is delivered to that distributor, since that is the point at which control over the goods is transferred.
- sales to distributors in the Nordic countries, Eastern Europe, Greece, Cyprus, Ireland and the United Kingdom, with which the Company has agreements for promotion and commercial distribution. In this model, the sale occurs once the product is shipped from the Company's warehouse in Spain to the distributors, since that is the point at which control over the goods is transferred. The commission collected by the aforementioned partners is recognized as a reduction in the amount of the sale when it occurs.

Distribution costs are recognized as period expenses.

4.14.2 Licensing, development and other similar agreements

Revenues under licensing and development agreements are recognized in accordance with the accrual of the identified performance obligations, which have been previously assigned a price in a process of analyzing the agreement, and of milestones attained.

In the normal course of its business, the Company has developed intellectual property on certain compounds and has signed licensing and development agreements with certain pharmaceutical companies. Under these agreements, third parties are granted licenses to use the products developed by the Company and/or are given access to products under development. The agreements under which these transfers, assignments or accesses are granted are generally complex and include multiple components in two distinct phases: development and marketing. The associated revenues must be matched with the costs and considerations to be paid by the Company.

The Company takes account of the following factors when analyzing licensing, development and marketing contracts:

- Identification of the performance obligations.
- Determination of the transaction price, taken as the value of the contract signed with the counterparty.
- Allocation of the transaction price to the various performance obligations.
- The estimate of when those obligations are considered to have been discharged and, therefore, when the consideration received is accrued and subsequently recognized.

This revenue is recognized at the point at which control of the asset is transferred to the client, which may be at a certain point in time (as in the sale of licenses for use), or over a period of time (as in the case of the transfer of services, or where what is being transferred is a right of access).

Revenues from licensing, development and similar agreements may arise during the compound's development phase:

- Upfront payments collected by Pharma Mar, which are generally non-refundable. Exceptionally, some agreements may provide conditions under which a portion of the upfront payment must be reimbursed.
- Milestone payments, triggered when the compound to which the agreement refers attains development milestones, generally of a regulatory or clinical nature.

Or they may arise during the commercialization phase:

- Royalties on sales.
- Revenues from the supply of products (raw materials).
- Milestone payments, which may refer to technical, regulatory or accumulated sales milestones.

As a general rule, upfront payments are recognized as revenues in the year in which they are collected, provided that:

- they are not refundable,
- the Company does not assume material future obligations (except those for which separate consideration is provided for under arm's-length conditions), and
- substantially all of the risks and benefits inherent to the asset are transferred.

In the event that the conditions are not met, they are recognized as deferred revenues.

Deferred revenues are recognized in profit or loss over the term of the related commitments as a function of the degree of progress of the project, measured using an input model, as and when the obligations set out in the contract are met.

Additionally, any consideration linked to fulfillment of certain technical, regulatory or accumulated sales requirements (milestones) in the framework of cooperation agreements with third parties is recognized on the basis of the same rules as for upfront payments set out above.

The Company does not recognize revenues in excess of the amount to which it is entitled.

Receipts attributed to the marketing phase, i. e. royalties and revenues for the supply of raw materials, are recognized on an accrual basis once marketing commences.

Royalties are set on an arm's-length basis and supply contract prices are based on market manufacturing margins.

4.14.3 Royalties

Royalty revenue is recognized on the basis of the agreed percentage of sales at a given point in time by the counterparty to the agreement.

4.14.4 Interest revenues

Interest revenues on financial assets at amortized cost are recognized using the effective interest rate method. Where an account receivable is impaired, the Company writes the carrying amount down to the recoverable value, by discounting estimated future cash flows at the instrument's original effective interest rate, and carries the discount as a reduction in interest revenues. Interest revenues on loans that have suffered impairment are recognized using the effective interest rate method.

4.14.5 Dividends

Dividend revenues are recognized in profit or loss when the Company becomes entitled to collect them. Nevertheless, if the dividends paid are from profits obtained prior to the acquisition date, they are not recognized as revenues but, rather, are deducted from the carrying amount of the investment.

4.14.6 Provision of services

The Company provides advisory and support services to Group undertakings.

4.15 Foreign currency transactions

4.15.1 Functional and presentation currency

The financial statements are presented in euro, which is the Company's functional and presentation currency.

4.15.2 Transactions and balances

Foreign currency transactions are translated to the functional currency at the exchange rates ruling on the transaction date. Exchange gains or losses arising on the settlement of those transactions and on translating monetary assets and liabilities denominated in foreign currency at the year-end exchange rate are recognized in profit or loss, except when deferred in equity as a qualifying cash flow hedge or qualifying net investment hedge.

Fair value changes in available-for-sale financial assets denominated in foreign currency are analyzed as the exchange differences resulting from changes in the amortized cost of the instrument and other changes in the security's carrying amount. Exchange differences are recognized in profit or loss and other changes to the carrying amount are recognized in equity.

Exchange differences on non-monetary items, such as equity instruments at fair value through profit or loss, are presented as part of that gain or loss in fair value. Exchange differences on non-monetary items, such as available-for-sale equity instruments, are recognized in equity.

4.16 Related-party transactions

Related-party transactions are generally recognized initially at fair value. If the agreed price differs from fair value, the difference is recognized on the basis of the economic reality of the transaction. Subsequent measurements are performed in accordance with the applicable standards.

Nevertheless, in mergers, demergers and contributions of business lines, the items comprising the acquired business line are recognized for the amount that would correspond to them, upon completion of the transaction, in the consolidated financial statements of the group or subgroup.

When the controlling company of the group or subgroup, and its subsidiary, are not involved, the financial statements to be considered for this purpose will be those of the largest group or subgroup into which the equity items are integrated whose controlling company is Spanish.

In these cases, any difference disclosed between the net value of the acquiree's assets and liabilities, adjusted for the balance of grants, donations and bequests received, impairments, and any amount of capital and issue premium issued by the acquiring company, is recognized in reserves.

5. RISK POLICY AND MANAGEMENT

5.1 Financial risk factors

The Company's activities are subject to a number of financial risks: market risk (including exchange rate risk, interest rate risk and price risk), credit risk, and liquidity risk. The Company's overall risk management program focuses on the uncertainty of the financial markets and tries to minimize the potential adverse effects on the Company's returns. The finance department is responsible for risk management in accordance with the guidelines provided by the Board of Directors. That department identifies, assesses and hedges financial risks. The Board establishes guidelines for overall risk management and for specific areas such as interest rate risk, liquidity risk, the use of derivatives and non-derivatives, and investment of surplus liquidity.

5.1.1 Market risk

5.1.1.1 Price risk

The Company's long-term financial assets are securities of biopharmaceutical companies. The volume of investment in this type of asset is not material in the context of the Company's operations; accordingly, the related price risk is very low.

The Company's policy with regard to financial assets is to place cash in low-risk highly-liquid financial assets in order to ensure the availability of funds. For this reason, those financial assets are almost entirely government bonds and deposits at banks with good credit quality, with the result that their value does not fluctuate significantly.

5.1.1.2 Exchange rate risk

The Company operates internationally and, therefore, is exposed to exchange rate risk on transactions in foreign currencies, particularly the US dollar. Exchange rate risks arise from future commercial balances and recognized assets and liabilities in foreign operations.

As of 31 December 2025, balances denominated in currencies other than the euro, mainly US dollars, amounted to €52,256 thousand (€51,032 thousand in 2024). The main balances in foreign currency in 2025 were financial assets.

If, as of 31 December 2025, the euro had appreciated by 5% with respect to the US dollar while all other variables remained constant, income after taxes for the year would have been lower by €1,974 thousand (€1,835 thousand in 2024), mainly as a result of translation into euro of investments.

If, as of 31 December 2025, the euro had depreciated by 5% with respect to the US dollar while all other variables remained constant, income after taxes for the year would have been higher by €2,072 thousand (€1,927 thousand in 2024).

Management does not consider it necessary to establish any policy for hedging the foreign currency risk vs. the functional currency.

5.1.1.3 Interest rate risk on cash flows and fair values

The Company's interest rate risk arises from remunerated financial assets that can be converted into cash. The remunerated financial assets consist basically of government bonds and deposits remunerated at floating interest rates referenced to Euribor.

The Company's interest rate risk arises from interest-bearing debt. Floating-rate debt exposes the Company to interest rate risk. Fixed-rate debt exposes the Company to interest rate risk on the fair value. A sizable part of the debt is in the form of repayable advances from official bodies that are not subject to interest rate risk.

The Company analyses its exposure to interest rate risk dynamically. It simulates a number of scenarios considering refinancing, roll-overs, alternative financing and hedging. Based on those scenarios, the Company calculates the effect on income of a given variation in interest rates. Each simulation assumes the same change in interest rates in all currencies. The scenarios are applied only to the largest interest-bearing liability positions.

5.1.2 Credit risk

Credit risk is managed in groups. Credit risk arises from cash and cash equivalents placed with banks and financial institutions, and from customer balances.

The banks and financial institutions with which the Company works generally have independent ratings. Where customers have an independent rating, that rating is used; otherwise, the Company assesses the risk based on the customer's financial position, past experience and other factors. Where there is no doubt about a customer's solvency, no credit limits are set.

Where the Company acquires financial assets other than government bonds, it must apply the following policies:

- Acquisition of fixed-income funds that invest in public- or private-sector debt (government bonds, treasury bills and commercial paper), generally secure, which pay periodic coupons.
- Acquisition of money market funds comprising fixed-income securities where security is prioritized in exchange for a slightly lower yield than other investments.

The credit quality of the financial assets and of customers with which the Company had balances as of 31 December 2025 and 2024 is set out in Note 10.3.

5.1.3 Liquidity risk

Prudent liquidity risk management entails having sufficient cash and marketable securities, financing via sufficient committed credit facilities, and the capacity to settle market positions.

The Company's goal is to maintain flexible financing by having sufficient funds in financial assets to settle its obligations.

As of 31 December 2025, the company held cash and cash equivalents plus current financial assets amounting to €157,528 thousand (€148,170 thousand in 2024) and non-current financial assets amounting to €161 thousand (€2,025 thousand in 2024).

As of 31 December 2025, the company's current interest-bearing debt stood at €11,872 thousand (€8,736 thousand in 2024) and its non-current interest-bearing debt was €35,407 thousand (€39,469 thousand in 2024).

In 2025, the company generated operating cash flows of €47,456 thousand; in 2024, it consumed cash flows amounting to €21,002 thousand.

The following should be noted in connection with Pharma Mar's liquidity position as of 2025 year-end:

- Pharma Mar ended 2025 with cash and cash equivalents plus current and non-current financial assets amounting to €157,689 thousand.
- Pharma Mar had unused credit lines in the amount €13,319 thousand.
- Working capital is positive in the amount of €184,421 thousand.

Pharma Mar regularly monitors liquidity projections on the basis of expected cash flows, and Management considers that it has sufficient cash, tradeable securities and credit lines available to meet its liquidity needs and payment commitments within the time horizon that is considered to be necessary.

At least once per year, the Company's finance department presents the directors with a business plan for the next five years, together with cash flow estimates for the following year, including a range of scenarios for the source and application of funds, based on progress with ongoing research.

Consequently, at the time of authorizing these financial statements, the directors of Pharma Mar consider that Pharma Mar has ample liquidity to cover its research and development projects and honor its future payment obligations.

The table below shows an analysis of the Company's financial liabilities grouped by maturity based on the period remaining between the balance sheet date and the contractual maturity date, excluding the corresponding interest. The amounts in the table are the contractual cash flows, which have not been discounted. Since these amounts are not discounted, they are not comparable to the amounts recognized as interest-bearing debt on the balance sheet.

31/12/25 (thousand euro)	2026	2027	2028	2029	2030	2031 and thereafter	TOTAL Non-current	TOTAL
Bonds and other marketable securities	405	17,000	-	-	-	-	17,000	17,405
Bank loans	8,424	3,719	3,836	2,955	-	-	10,510	18,934
Debt to official authorities	<u>1,870</u>	<u>1,964</u>	<u>1,480</u>	<u>1,596</u>	<u>1,083</u>	<u>3,168</u>	<u>9,291</u>	<u>11,161</u>
Bank debt and debt to official authorities	10,294	5,683	5,316	4,551	1,083	3,168	19,801	30,095
Other financial liabilities	1,173	-	-	-	-	-	-	1,173
Current accounts payable to group and associated undertakings	1,901	-	-	-	-	-	-	1,901
Suppliers	666	-	-	-	-	-	-	666
Suppliers - group and associated undertakings	8,364	-	-	-	-	-	-	8,364
Sundry creditors	29,689	-	-	-	-	-	-	29,689
Customer advances	962	-	-	-	-	-	-	962
TOTAL	53,454	22,683	5,316	4,551	1,083	3,168	36,801	90,255

31/12/24								
(thousand euro)	2025	2026	2027	2028	2029	2030 and thereafter	TOTAL Non-current	TOTAL
Bonds and other marketable securities	405	-	17,000	-	-	-	17,000	17,405
Bank loans	5,720	3,606	3,719	3,836	2,955	-	14,116	19,836
Debt to official authorities	1,874	1,847	1,970	1,480	1,576	2,941	9,813	11,687
Bank debt and debt to official authorities	7,594	5,452	5,689	5,316	4,531	2,941	23,929	31,523
Other financial liabilities	1,138	-	-	-	-	-	-	1,138
Current accounts payable to group and associated undertakings	2,762	-	-	-	-	-	-	2,762
Suppliers	768	-	-	-	-	-	-	768
Suppliers - group and associated undertakings	5,494	-	-	-	-	-	-	5,494
Sundry creditors	29,621	-	-	-	-	-	-	29,621
Customer advances	1,410	-	-	-	-	-	-	1,410
TOTAL	49,190	5,452	22,689	5,316	4,531	2,941	40,929	90,119

5.2 Fair value estimates

The fair value of financial instruments that are traded in an active market (e. g. securities held for trading and available for sale) is based on the market price on the balance sheet date. The market price used for financial assets is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined by using measurement techniques. The Company uses a variety of methods and makes assumptions based on the market conditions at each balance sheet date. Listed market prices or agent quotations are used for long-term debt. Other techniques, such as discounting estimated cash flows, are used to determine the fair value of the other financial instruments. The fair value of forward exchange rate contracts is determined by using the exchange rates quoted in the market on the balance sheet date.

The carrying amount of trade accounts payable and receivable is assumed to approximate their fair value. The fair value for the purposes of presenting the financial information is estimated by discounting the contractual future cash flow at the current market interest rate available to the Company for similar financial instruments.

The fair value of repayable advances that are interest-free or at a subsidized interest rate is determined by applying, to the repayments to be made, the yield curve in force on the date of receipt of the advance plus the spread normally paid by the Company on loans.

The fair value of floating-rate loans is estimated to coincide with the carrying amount.

6. Intangible assets

The breakdown and changes in the "Intangible Assets" account as of 31 December 2025 and 2024 are as follows:

2025

(thousand euro)	Development	Computer software	TOTAL
Cost			
Balance as of 31/12/24	262,877	3,669	266,546
Recognitions	2,190	745	2,935
Derecognitions (Note 6.6)	-	(101)	(101)
Balance as of 31/12/25	265,067	4,313	269,380
Impairment			
Balance as of 31/12/24	(356)	-	(356)
Balance as of 31/12/25	(356)	-	(356)
Accumulated amortization			
Balance as of 31/12/24	(262,521)	(2,879)	(265,400)
Provisions	-	(348)	(348)
Derecognitions	-	68	68
Balance as of 31/12/25	(262,521)	(3,159)	(265,680)
Net carrying amount 31/12/25	2,190	1,154	3,344

2024

(thousand euro)	Development	Computer software	TOTAL
Cost			
Balance as of 31/12/23	264,332	4,622	268,954
Recognitions	-	162	162
Derecognitions (Note 6.6)	(1,455)	(1,115)	(2,570)
Balance as of 31/12/24	262,877	3,669	266,546
Impairment			
Balance as of 31/12/23	(356)	-	(356)
Balance as of 31/12/24	(356)	-	(356)
Accumulated amortization			
Balance as of 31/12/23	(263,274)	(3,609)	(266,883)
Provisions	(702)	(338)	(1,040)
Derecognitions	1,455	1,068	2,523
Balance as of 31/12/24	(262,521)	(2,879)	(265,400)
Net carrying amount 31/12/24	-	790	790

6.1 Development

The company continued to develop the molecules in its pipeline during 2025.

Recoverability analysis

"Development" expenses are measured at cost, corrected at year-end if there is objective evidence that the investment will not be recovered. The carrying amount must be corrected to the recoverable amount, i. e. the fair value less selling costs or the present value of the future cash flows arising from the investment, whichever is higher.

Recognitions in Development in 2025 include the costs involved in the submitting the dossier for Zepzelca (ImForte clinical trial) to the European Medicines Agency (EMA). As of 31 December 2025, no amortization expense had been incurred for this item because the dossier submission process has not yet been completed. Amortization will commence once that process has concluded, which is expected to be around mid-2026.

There were no new recognitions in 2024.

6.2 Capitalized financial expenses

There were no capitalized financial expenses as of 2025 and 2024 year-end.

6.3 Intangible assets located in other countries

There are no intangible assets located in other countries

6.4 Intangible assets acquired from group and associated undertakings

No assets were acquired from group or associated undertakings in 2025 and 2024.

6.5 Fully amortized assets

Computer software includes €2,421 thousand which had been fully amortized (€1,996 thousand as of 31 December 2024)

6.6 Derecognitions

In 2025, the amount shown as derecognitions (€101 thousand) reflects obsolete software licenses that were replaced with new licenses (€1,115 thousand in 2024).

6.7 Assets designated as collateral and subject to ownership restrictions

As of 31 December 2025 and 2024, there were no intangible assets subject to ownership restrictions or pledged as collateral for liabilities.

6.8 Subsidies received to finance research and development

As of 31 December 2025, the "Subsidies, donations and legacies received" item of the Company's equity included €976 thousand used to finance research and development activities (€1,276 thousand in 2024). This amount corresponds to repayable loans from official authorities at zero or below-market interest (Note 19).

7. Property, plant and equipment

The detail and changes in the Property, Plant and Equipment account as of 31 December 2025 and 2024 are as follows:

2025

(thousand euro)	Land and structures	Installations	Construction in progress and advances	TOTAL
Cost				
Balance as of 31/12/24	24,592	42,254	1,333	68,179
Recognitions	-	2,375	3,410	5,785
Transfers	1,634	2,856	(4,490)	-
Derecognitions	-	(2,304)	(222)	(2,526)
Balance as of 31/12/25	26,226	45,181	31	71,438
Impairment				
Balance as of 31/12/24	(843)	-	-	(843)
Reversal of impairment (Note 23.7)	843	-	-	843
Balance as of 31/12/25	-	-	-	-
Accumulated amortization				
Balance as of 31/12/24	(11,211)	(29,522)	-	(40,733)
Provisions	(607)	(2,221)	-	(2,828)
Derecognitions	-	2,244	-	2,244
Balance as of 31/12/25	(11,818)	(29,499)	-	(41,317)
Net carrying amount 31/12/25	14,408	15,682	31	30,121

2024

(thousand euro)	Land and structures	Installations	Construction in progress and advances	TOTAL
Cost				
Balance as of 31/12/23	24,592	41,423	1,749	67,764
Recognitions	-	1,435	1,417	2,852
Transfers	-	1,833	(1,833)	-
Derecognitions	-	(2,437)	-	(2,437)
Balance as of 31/12/24	24,592	42,254	1,333	68,179
Impairment				
Balance as of 31/12/23	(1,127)	-	-	(1,127)
Reversal of impairment (Note 23.7)	284	-	-	284
Balance as of 31/12/24	(843)	-	-	(843)
Accumulated amortization				
Balance as of 31/12/23	(10,606)	(29,881)	-	(40,487)
Provisions	(605)	(1,955)	-	(2,560)
Derecognitions	-	2,314	-	2,314
Balance as of 31/12/24	(11,211)	(29,522)	-	(40,733)
Net carrying amount 31/12/24	12,538	12,731	1,333	26,603

As of 31 December 2025, the net carrying amount of land and structures was €6,699 thousand and €7,709 thousand, respectively (€5,856 thousand and €6,682 thousand, respectively, in 2024).

New recognitions under "Transfers of land and structures" refer to the construction of a new car park for the Company, with capacity for 250 vehicles, intended for use by employees and visitors. The car park was completed and incorporated into fixed assets in the current financial year.

Technical installations and machinery recognized in 2025 and 2024 relate mainly to the acquisition of various items of equipment for the production and R&D areas.

7.1 Partial reversal of impairment

In 2025, the Company reversed the entire €843 thousand impairment provision for a plot of land in Colmenar Viejo when it was added to the Company's facilities (€284 thousand partial reversal in 2024).

7.2 Assets acquired from Group and associated undertakings

In 2025 and 2024 the company did not acquire any property, plant or equipment from any of the group companies.

7.3 Fully depreciated assets

As of 31 December 2025, the Company was using assets with a carrying amount of €21,275 thousand which had been fully depreciated (€21,658 thousand as of 31 December 2024).

7.4 Property, plant and equipment pledged as collateral

As of 31 December 2025 and 2024, none of the Company's property, plant and equipment was encumbered.

7.5 Assets acquired under finance leases

There were no finance leases outstanding as of the end of 2025 and 2024.

7.6 Subsidies received

No fixed assets financed by subsidies from public authorities were acquired in 2025 and 2024.

7.7 Insurance

The Company has arranged insurance policies to cover the risks to which its property, plant and equipment are subject. The cover of these policies is deemed to be sufficient.

7.8 Assets located in other countries

There is no property, plant and equipment located outside Spanish territory.

7.9 Commitments to acquire fixed assets

The Company did not have any commitments to acquire fixed assets at 2025 and 2024 year-end.

8. INVESTMENT PROPERTY

As of 31 December 2025, the Company had land which was held for appreciation and rental income as "Investment property" for a total net amount of €845 thousand (€845 thousand in 2024).

It is a plot of land located at Avda. de la Industria no. 52, in Polígono Industrial de Tres Cantos (Madrid), which is under a 25-year lease since 2016.

Revenues under this heading amounted to €73 thousand in 2025 (€72 thousand in 2024).

9. OPERATING LEASES

The Company has equipment leases (vehicles, computers and software) and operating leases (laboratories, offices, cold stores, document archives and material stores). The equipment leases can be canceled upon payment of the established penalty and the operating leases can be canceled subject to advance notice.

The minimum total future net payments for non-cancelable operating leases are as follows:

OPERATING LEASE COMMITMENTS		
(thousand euro)	31/12/2025	31/12/2024
Less than 1 year	1,909	1,977
1-5 years	1,470	2,134
Over 5 years	8	-
TOTAL	3,386	4,111

The expense recognized in profit or loss amounted to €2,412 thousand in 2025 (€2,396 thousand in 2024).

10. ANALYSIS OF FINANCIAL INSTRUMENTS

10.1 Analysis by category

The carrying amount of each category of financial instrument established in the accounting and measurement rules for "Financial Instruments", except for investments in the equity of group, multi-group and associated undertakings (Note 11) and assets and liabilities with public authorities (Note 24), is as follows:

10.1.1 Current and non-current financial assets and liabilities

2025	Financial assets at amortized cost	Financial assets at fair value through equity	Financial assets at fair value through profit or loss	Financial assets at cost	TOTAL
(thousand euro)					
Non-current financial assets					
Non-current financial assets (Notes 12 & 14)	-	335	-	6	341
Other financial assets (Notes 14.1 & 15)	161	-	-	-	161
Current financial assets					
Customer and other accounts receivable (Note 14.3)	36,563	-	-	-	36,563
Customer and other accounts receivable - Group and associated undertakings (Notes 14 & 30)	780	-	-	-	780
Financial assets – Group undertakings (Notes 14 and 30)	57	-	-	-	57
Current financial assets (Note 15)	139,480	-	7,334	-	146,814
Other financial assets (Note 14)	1,393	-	-	-	1,393
	178,434	335	7,334	6	186,109

	Financial liabilities at amortized cost	TOTAL
Non-current financial liabilities		
Bonds and other marketable securities (Note 20.1)	16,896	16,896
Bank loans (Note 20.2)	10,510	10,510
Other financial liabilities (Note 20.3)	8,001	8,001
Current financial liabilities		
Bonds and other marketable securities (Note 20.1)	405	405
Bank loans (Notes 20.2 & 20.3)	10,294	10,294
Other financial liabilities	1,173	1,173
Current accounts payable – Group and associated undertakings (Notes 20 & 30)	1,901	1,901
Supplier accounts payable - Group and associated undertakings (Notes 20 & 30)	8,364	8,364
Suppliers	666	666
Sundry creditors	29,689	29,689
Personnel (compensation payable)	9,064	9,064
Customer advances	962	962
	97,925	97,925

2024					
	Financial assets at amortized cost	Financial assets at fair value through equity	Financial assets at fair value through profit or loss	Financial assets at cost	TOTAL
(thousand euro)					
Non-current financial assets					
Financial assets – Group undertakings (Note 14.2)	4,314	-	-	-	4,314
Non-current financial assets (Notes 12 & 14)	-	331	-	6	337
Other financial assets (Notes 14.1 & 15)	2,025	-	-	-	2,025
Current financial assets					
Customer and other accounts receivable (Note 14.3)	32,719	-	-	-	32,719
Customer and other accounts receivable - Group and associated undertakings (Notes 14 & 30)	1,202	-	-	-	1,202
Financial assets – Group undertakings (Notes 14 and 30)	96	-	-	-	96
Current financial assets (Note 15)	87,850	-	2,847	-	90,697
Other financial assets (Note 14)	1,852	-	-	-	1,852
	130,056	331	2,847	6	133,240

	Financial liabilities at amortized cost	TOTAL
Non-current financial liabilities		
Bonds and other marketable securities (Note 20.1)	16,831	16,831
Bank loans (Note 20.2)	14,116	14,116
Other financial liabilities (Note 20.3)	8,522	8,522
Current financial liabilities		
Bonds and other marketable securities (Note 20.1)	405	405
Bank loans (Notes 20.2 & 20.3)	7,193	7,193
Other financial liabilities	1,138	1,138
Current accounts payable – Group and associated undertakings (Notes 20 & 30)	2,762	2,762
Due to Group undertakings (Notes 20 & 30)	5,494	5,494
Suppliers	768	768
Sundry creditors	29,621	29,621
Personnel (compensation payable)	8,077	8,077
Customer advances	1,410	1,410
	96,337	96,337

10.2 Analysis by maturity

The amounts of financial instruments with a fixed or determinable maturity, by year of maturity, are as follows:

FINANCIAL ASSETS / LIABILITIES								
BY MATURITY							Total non-	
(thousand euro) 2025	2026	2027	2028	2029	2030	Subsequent years	Current	TOTAL
FINANCIAL ASSETS AT FAIR VALUE THROUGH EQUITY	-	-	-	-	-	335	335	335
Equity instruments (Note 12)	-	-	-	-	-	335	335	335
Financial assets at fair value through profit or loss	7,334	-	-	-	-	-	-	7,334
Other financial assets	7,334	-	-	-	-	-	-	7,334
Financial assets at cost	-	-	-	-	-	6	6	6
Loans to third parties	-	-	-	-	-	6	6	6
FINANCIAL ASSETS AT AMORTIZED COST	178,273	161	-	-	-	-	161	178,434
Financial assets – Group undertakings (Notes 14.2 & 30)	57	-	-	-	-	-	-	57
Other financial assets (Note 14.1)	-	161	-	-	-	-	161	161
Sundry debtors	213	-	-	-	-	-	-	213
Personnel	105	-	-	-	-	-	-	105
Accruals	1,075	-	-	-	-	-	-	1,075
Customer receivables for sales and services (Note 14.3)	36,563	-	-	-	-	-	-	36,563
Customer receivables - Group and associated undertakings (Notes 14.4 & 30)	780	-	-	-	-	-	-	780
Short-term deposits (Note 15)	139,480	-	-	-	-	-	-	139,480
TOTAL	185,607	161	-	-	-	341	502	186,109
FINANCIAL LIABILITIES AT AMORTIZED COST								
Bonds and other marketable securities (Note 20.1)	405	16,896	-	-	-	-	16,896	17,301
Bank loans and credit lines (Note 20.2)	8,424	3,719	3,836	2,955	-	-	10,510	18,934
Debt to official authorities (Note 20.3)	1,870	1,342	1,257	1,416	969	3,016	8,001	9,871
Bank debt and debt to official authorities	10,294	5,061	5,093	4,371	969	3,016	18,511	28,805
Current accounts payable – Group and associated undertakings (Notes 20 & 30)	1,901	-	-	-	-	-	-	1,901
Supplier accounts payable - Group and associated undertakings (Notes 20 & 30)	8,364	-	-	-	-	-	-	8,364
Suppliers	666	-	-	-	-	-	-	666
Sundry creditors	29,689	-	-	-	-	-	-	29,689
Personnel (compensation payable)	9,064	-	-	-	-	-	-	9,064
Customer advances	962	-	-	-	-	-	-	962
Other financial liabilities	1,173	-	-	-	-	-	-	1,173
TOTAL	62,518	21,957	5,093	4,371	969	3,016	35,407	97,925

FINANCIAL ASSETS / LIABILITIES								
BY MATURITY							Total non-	
(thousand euro) 2024	2025	2026	2027	2028	2029	Subsequent years	Current	TOTAL
FINANCIAL ASSETS AT FAIR VALUE THROUGH EQUITY	-	-	-	-	-	331	331	331
Equity instruments (Note 12)	-	-	-	-	-	331	331	331
Financial assets at fair value through profit or loss	2,847	-	-	-	-	-	-	2,847
Other financial assets	2,847	-	-	-	-	-	-	2,847
Financial assets at cost	-	-	-	-	-	6	6	6
Loans to third parties	-	-	-	-	-	6	6	6
FINANCIAL ASSETS AT AMORTIZED COST	123,718	1,790	-	-	-	4,549	6,339	130,056
Financial assets – Group undertakings (Notes 14.2 and 30)	96	-	-	-	-	4,314	4,314	4,409
Other financial assets (Note 14.1)	-	159	-	-	-	-	159	159
Sundry debtors	267	-	-	-	-	-	-	267
Personnel	105	-	-	-	-	-	-	105
Accruals	1,479	-	-	-	-	-	-	1,479
Customer receivables for sales and services (Note 14.3)	32,719	-	-	-	-	-	-	32,719
Customer receivables - Group and associated undertakings (Notes 14.4 & 30)	1,202	-	-	-	-	-	-	1,202
Other financial assets (Note 15)	-	1,631	-	-	-	235	1,866	1,866
Short-term deposits (Note 15)	87,850	-	-	-	-	-	-	87,850
TOTAL	126,565	1,790	-	-	-	4,886	6,676	133,240
FINANCIAL LIABILITIES AT AMORTIZED COST								
Bonds and other marketable securities (Note 20.1)	405	-	16,831	-	-	-	16,831	17,235
Bank loans and credit lines (Note 20.2)	5,720	3,606	3,719	3,836	2,955	-	14,116	19,836
Debt to official authorities (Note 20.3)	<u>1,473</u>	<u>1,511</u>	<u>1,683</u>	<u>1,257</u>	<u>1,395</u>	<u>2,676</u>	<u>8,522</u>	<u>9,995</u>
Bank debt and debt to official authorities	7,194	5,117	5,402	5,093	4,351	2,676	22,638	29,832
Current accounts payable – Group and associated undertakings (Notes 20 & 30)	2,762	-	-	-	-	-	-	2,762
Supplier accounts payable - Group and associated undertakings (Notes 20 & 30)	5,494	-	-	-	-	-	-	5,494
Suppliers	768	-	-	-	-	-	-	768
Sundry creditors	29,621	-	-	-	-	-	-	29,621
Personnel (compensation payable)	8,077	-	-	-	-	-	-	8,077
Customer advances	1,410	-	-	-	-	-	-	1,410
Other financial liabilities	1,138	-	-	-	-	-	-	1,138
TOTAL	56,868	5,117	22,233	5,093	4,351	2,676	39,469	96,337

The "Non-current financial assets - Group undertakings" account as of 31 December 2024 contained the loans indicated in Note 14.2. Those loans were classified as non-current since they have no fixed maturity. These loans were cancelled in 2025.

10.3 Credit quality of financial assets

The credit quality of financial assets that have not yet matured and have not suffered impairment can be assessed on the basis of credit ratings provided by external bodies or by the past history of default:

ACCOUNTS RECEIVABLE (thousand euro)	31/12/2025	31/12/2024
Customers without an external credit rating		
New customers (under 6 months)	3,240	377
Pre-existing customers (over 6 months)	33,323	32,342
TOTAL CUSTOMER RECEIVABLES FOR SALES AND SERVICES	36,563	32,719
Cash at bank and short-term bank deposits		
Moody's rating		
A+	-	569
A1	52,949	57
A2	60,088	96,496
A3	2,731	10,227
Baa1	-	13,194
Baa2	29,125	4,340
NR	12,635	23,287
TOTAL CASH AND CASH EQUIVALENTS PLUS CURRENT FINANCIAL ASSETS	157,528	148,170
NR	-	1,866
TOTAL CASH AND CASH EQUIVALENTS PLUS NON-CURRENT FINANCIAL ASSETS	-	1,866

11. Holdings in group undertakings

11.1 Description of Group undertakings: registered offices and line of business

The registered office and line of business of each of Pharma Mar's direct and indirect investees as of 31 December 2025 are summarized below:

COMPANY	Registered offices	Line of business
Sylentis, S. A.U. - Madrid (Spain)	Pza. del Descubridor Diego de Ordás 3, Madrid, Spain	Research, development, production and sale of products with therapeutic activity based on reducing or silencing gene expression. The Company does not have any products on the market.
Pharma Mar, USA Inc. - NY (USA)	195 Montague St. 12 th floor suite 1023 Brooklyn, NY 11201 USA	Marketing of pharmaceutical products.
PharmaMar, AG - Basel (Switzerland)	Aeschengraben 29, CH 4051 Basel (Switzerland)	Marketing of pharmaceutical products.
Pharma Mar, Sarl - Paris (France)	6 Rue de l'Est, 92100 Boulogne Billancourt, Paris, France	Marketing of pharmaceutical products.
Pharma Mar, GmbH - Berlin (Germany)	Uhlandstraße 14 - 10623 Berlin - Germany	Marketing of pharmaceutical products.
Pharma Mar, Srl - Milan (Italy)	Via Lombardia 2/A, Innov. Campus, Building B, Peschiera Borromeo, Milán, Italy	Marketing of pharmaceutical products.
Pharma Mar, Srl - Brussels (Belgium)	Rue de la Presse, 4 1000 Brussels, Belgium	Marketing of pharmaceutical products.
Pharma Mar Ges. m.b. H - Vienna (Austria)	Teinfaltstraße 9/7, 1010 Vienna, Austria	Marketing of pharmaceutical products.

11.2 Pharma Mar stakes in Group undertakings

The detail of the holdings in group companies as of 31 December 2025 and 2024 is as follows:

Name and domicile	Statutory auditor	2025		2024	
		Percentage of ownership		Percentage of ownership	
		Direct %	Indirect %	Direct %	Indirect %
Sylentis, S. A.U. - Madrid (Spain)	KPMG	100.00%	-	100.00%	-
Pharma Mar USA INC - NY (USA)	Walter & Shuffain	100.00%	-	100.00%	-
PharmaMar AG - Basel (Switzerland)	PwC	100.00%	-	100.00%	-
Pharma Mar Sarl - Paris (France)	KPMG	100.00%	-	100.00%	-
Pharma Mar GmbH - Berlin (Germany)	-	100.00%	-	100.00%	-
Pharma Mar Srl - Milan (Italy)	KPMG	100.00%	-	100.00%	-
Pharma Mar, Srl - Brussels (Belgium)	KPMG	100.00%	-	100.00%	-
Pharma Mar Ges. m.b. H - Vienna (Austria)	-	100.00%	-	100.00%	-

The percentage of voting rights is proportional to the stake in capital.

The Company periodically receives economic and financial information from all its investees. In compliance with article 155 of the consolidated text of the Capital Companies Act, Pharma Mar has presented the required notifications to the companies in which it has direct and/or indirect holdings of more than 10%.

11.3 Changes in holdings in Group undertakings: Capital increases, business combinations

The changes in the holdings in group companies in 2025 and 2024 are as follows:

COMPANY	Cost	Provision	Balance as of 31/12/24	Reversal of the provision	Provision	Balance as of 31/12/25
Holdings in group undertakings						
Sylentis, S. A.U.	138,018	(43,211)	94,807	-	(4,436)	90,371
Pharma Mar, USA INC	5,010	(5,010)	-	-	-	-
PharmaMar, AG	107	(52)	55	52	-	107
Pharma Mar, Sarl	1,641	(38)	1,603	38	-	1,641
Pharma Mar, GmbH	500	(29)	471	29	-	500
Pharma Mar, Srl	500	-	500	-	-	500
Pharma Mar, Srl (Belgium)	150	(43)	107	43	-	150
Pharma Mar Ges. m.b. H	100	-	100	-	-	100
	146,026	(48,383)	97,643	162	(4,436)	93,369

COMPANY	Cost	Provision	Balance as of 31/12/23	Recognition due to capital increase	Derecognition due to liquidation	Provision	Balance as of 31/12/24
Holdings in group undertakings							
Genómica, S. A.U. en liquidación	25,418	(25,418)	-	-	(25,418)	25,418	-
Sylentis, S. A.U.	82,018	(37,301)	44,717	56,000	-	(5,910)	94,807
Pharma Mar, USA INC	5,010	(5,010)	-	-	-	-	-
PharmaMar, AG	107	(52)	55	-	-	-	55
Pharma Mar, Sarl	1,641	(38)	1,603	-	-	-	1,603
Pharma Mar, GmbH	500	(29)	471	-	-	-	471
Pharma Mar, Srl	500	-	500	-	-	-	500
Pharma Mar, Srl (Belgium)	150	(43)	107	-	-	-	107
Pharma Mar Ges. m.b. H	100	-	100	-	-	-	100
	115,444	(67,890)	47,553	56,000	(25,418)	19,508	97,643

In December 2025, the Company recognized an impairment loss of €4,436 thousand (€5,910 thousand in 2024) on the investment in Sylentis to adjust the value of the investment to the recoverable value of the investee. The valuation method used is described in Note 11.3.1.

In 2024, the Company carried out two capital increases at its related company Sylentis S. A.U. by offsetting accounts payable to the Company by Sylentis in the amount of €56,000 thousand in total. In June, it raised capital by issuing 120,000,000 shares, with a par value of €0.01 and a share premium of €0.24, giving a total amount of €30,000 thousand. In December, it raised capital by issuing 104,000,000 shares, with a par value of €0.01 and a share premium of €0.24, giving a total amount of €26,000 thousand.

On 18 December 2024, Pharma Mar, S. A. approved the Final Liquidation Balance Sheet of Genómica, S. A.U. and declared the company liquidated. The liquidation instrument, executed on the same date by the Sole Liquidator, was filed for registration with the Madrid Mercantile Register on 23 December 2024. Registration took effect on 8 January 2025.

11.3.1 Disclosures on equity of the Group undertakings and their net carrying amount at Pharma Mar. Valuation methods for the holdings in Group undertakings

The amounts of capital, reserves, period income and other information of interest as of 31 December 2025 and 2024, as stated in each company's separate financial statements, and the net carrying amount at which Pharma Mar has recognized its holding in each subsidiary, are as follows:

COMPANY	2025					Total capital and reserves	Carrying amount at parent company
	Capital	Reserves	Other items	Operating profit	2025 income		
Sylentis, S. A.U.	5,823	97,875	(77,391)	3,869	3,790	30,096	90,371
Pharma Mar, USA INC	5,010	(4,942)	-	34	11	80	-
Pharma Mar, Sarl	1,641	(42)	-	63	48	1,646	1,641
Pharma Mar, GmbH	25	1,395	-	83	56	1,476	500
PharmaMar, AG	107	26	-	61	12	145	107
Pharma Mar, Srl	500	1,685	-	65	5	2,190	500
Pharma Mar, Srl (Belgium)	150	65	-	17	8	223	150
Pharma Mar Ges. m.b. H	35	251	-	20	11	296	100
TOTAL	13,291	96,313	(77,391)	4,213	3,941	36,154	93,369

COMPANY	2024						Carrying amount at parent company
	Capital	Reserves	Other items	Operating profit	2024 income	Total capital and reserves	
Sylentis, S. A.U.	5,823	97,878	(52,071)	(24,683)	(25,320)	26,309	94,807
Pharma Mar, USA INC	5,010	(4,944)	-	20	12	78	-
Pharma Mar, Sarl	1,641	(106)	-	58	63	1,598	1,603
Pharma Mar, GmbH	25	1,345	-	72	50	1,420	471
PharmaMar, AG	107	15	-	35	9	132	55
Pharma Mar, Srl	500	1,652	-	64	33	2,185	500
Pharma Mar, Srl (Belgium)	150	59	-	17	6	215	107
Pharma Mar Ges. m.b. H	35	236	-	26	15	286	100
TOTAL	13,291	96,136	(52,071)	(24,391)	(25,132)	32,223	97,643

Under point 2.5 ("Investments in the equity of Group undertakings") of Accounting and Measurement Standard 9, "Financial Instruments", of Spain's New General Accounting Plan, these investments must be carried at cost, corrected at year-end if there is objective evidence that the investment is not recoverable. The carrying amount must be corrected to the recoverable amount, i. e. the fair value less selling costs or the present value of the future cash flows arising from the investment, whichever is higher.

The basis for the impairment test applied to investments in group undertakings varies depending on the available information and the best evidence for each investee.

For Sylentis, S. A.U., and specifically for its R&D investments, appraisals by independent experts have primarily been used. The appraisals use a range of methods, each of which provides values subject to different degrees of probability, resulting in three valuation ranges: low, medium and high. Finally, a weighted average of the results obtained from each appraisal method is calculated. The methods are as follows: i) Sum of the parts, using the rNPV method and discounted cash flows, in relation to each of the open projects; ii) Market comparables; iii) Recent transactions; and iv) Using the valuations obtained with the above methods, a possible exit price an investor would currently pay based on an exit in three years' time.

In 2025, the test conducted using the above method showed an impairment of the investment of €4,436 thousand (€5,910 thousand in 2024).

The recoverable value of investments made in the Sylentis oligonucleotide manufacturing plant (which, as of 31 December 2025, had not commenced production activities for third parties) has been estimated to be the cost invested in that plant.

In 2025 and 2024, none of the investees are listed or distributed dividends.

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH EQUITY

Holdings in companies

Shareholding	Line of business	Percentage of ownership	Percentage of ownership
		2025 Direct %	2024 Direct %
Instituto BIOMAR	Pharmaceutical research	3.49%	3.49%
Pangaea Biotech SA	Consulting services	0.07%	0.07%
Johnson & Johnson	Manufacture of pharmaceuticals, consumer products, and medical devices and diagnostics	0.00001%	0.00001%

The value of those holdings is as follows:

(thousand euro)	31/12/2025	31/12/24
Instituto BIOMAR	252	252
Pangaea Biotech SA	50	50
Johnson&Johnson	33	29
	335	331

Those holdings are as follows:

- Unlisted securities: Instituto Biomar y Pangaea Biotech, available-for-sale financial investments in biopharmaceutical companies. The balance of these securities as of 31 December 2025 and 2024 was €302 thousand.
- Listed securities: Johnson&Johnson. The available-for-sale financial assets consist of biopharmaceutical company shares that are listed on the US market. Their fair value matches their listed market price. The balance of this item as of 31 December 2025 was €33 thousand (€29 thousand in 2024).

No provisions for losses were recognized in 2025 and 2024.

13. INVENTORIES

The Group classifies inventories as follows:

(thousand euro)	31/12/2025	31/12/24
Raw materials and other supplies	1,586	1,420
Semi-finished products and products in process	47,877	47,962
Finished products	951	1,277
Supplier advances	3,466	1,080
	53,880	51,739

The increase in the balance of inventories is the result of the need to advance production in preparation for launches in new territories, and of an increase in demand from licensees.

No financial expenses have been capitalized as the inventory production cycle does not exceed one year.

No material impairment losses were recognized for inventories in 2025 and 2024. No inventories have been committed as collateral for obligations or debt.

"Advances to suppliers" consists of advances paid to suppliers who manufacture intermediate products for us, which at the balance sheet date were pending receipt.

The Company has arranged an insurance policy to cover the risks to which the inventories are exposed. The cover of this policy is deemed to be sufficient.

14. FINANCIAL ASSETS AT AMORTIZED COST

Financial assets at amortized cost are classified as follows:

(thousand euro)	31/12/2025	31/12/2024
NON-CURRENT FINANCIAL ASSETS AT AMORTIZED COST	167	4,479
Long-term deposits and guarantees provided (Note 14.1)	161	159
Loans to third parties	6	6
Loans to Group undertakings (Notes 14.2 & 30)	-	4,314
CURRENT FINANCIAL ASSETS AT AMORTIZED COST	38,823	35,870
Customer receivables (Note 14.3)	36,563	32,719
Customer receivables – Group and associated undertakings (Notes 14.4 & 30)	780	1,202
Current investment – Group and associated undertakings (Notes 14.2 & 30)	57	96
Sundry debtors	213	267
Personnel	105	105
Accruals	1,075	1,479
Long-term deposits and guarantees provided	30	2
TOTAL	38,990	40,349

14.1 Deposits and sureties

Long-term deposits and guarantees as of 31 December 2025 and 2024 include deposits for leases.

14.2 Loans to Group undertakings

As of 31 December 2024, the "Non-current loans to group undertakings" caption includes the loan from Pharma Mar to Sylentis amounting to €4,314 thousand. This loan was classified as non-current since it had no fixed maturity. This loan was cancelled in 2025.

The "Current investments in group undertakings and associates" item contained the amount of €96 thousand in 2024, referring to interest on loans to group companies (Note 30) generated between the parent company and its investee Sylentis S. A.U. as a result of said loan.

14.3 Customer receivables

The detail of customer balances by age is as follows:

(thousand euro)	31/12/2025	31/12/2024
Current balances	28,451	22,198
Balances past-due but not provisioned	8,112	10,704
Up to 3 months	5,708	9,357
3-6 months	1,392	675
Over 6 months	1,013	672
TOTAL CUSTOMER RECEIVABLES	36,563	32,902
Provisions	-	(183)
TOTAL NET CUSTOMER RECEIVABLES	36,563	32,719

In 2025, the provision made in the previous fiscal year (€183 thousand) was reversed, as the balance was collected from the customer who had suspended payments in 2024 (and for whom Pharma Mar had to provision the full outstanding amount owed to it at the end of 2024).

Balances with official authorities

As of 31 December 2025, accounts receivable from public authorities amounted to €7,862 thousand (€5,416 thousand in 2024).

In 2025 and 2024, the geographic breakdown of receivables from public authorities is as follows:

(thousand euro)	Credit rating	31/12/2025
Spain	Aaau	132
France	Aaau	7,539
Austria	Aaa	191
TOTAL		7,862

(thousand euro)	Credit rating	31/12/2024
Spain	Aaau	340
France	Aaau	5,037
Austria	Aaa	34
Benelux	Aaa	5
TOTAL		5,416

Debt owed by official authorities that was more than three months past-due amounted to €1,649 thousand as of 31 December 2025 (€867 thousand in 2024), and no impairments had been recognized on those amounts.

14.4 Receivable from group and associated undertakings

The balances and transactions with group undertakings in 2025 and 2024 are detailed in Note 30.

15. FINANCIAL ASSETS

In 2025, "Other non-current financial assets" totaling €161 thousand include deposits provided.

In 2024, other non-current financial assets totaling €2,025 thousand include portfolios held at a number of institutions containing mainly corporate fixed-income securities that repay the nominal amount at maturity and mostly pay coupons. This amount includes €159 thousand of deposits provided.

In 2025, "Other current financial assets", amounting to €146,814 thousand (€90,697 thousand in 2024), comprise term deposits of €134,231 thousand maturing between 12 January and 5 May 2026, with yields ranging from 1.85% and 5.60% (€79,831 thousand in 2024, maturing between 22 January and 31 March 2025, with yields ranging from 2.59% to 2.90%) and portfolio investments with various entities amounting to €5,219 thousand in the form of corporate fixed-income assets (€10,866 thousand in 2024) and fixed-income investment funds amounting to €7,334 thousand. This amount includes €30 thousand of deposits provided.

16. CASH AND CASH EQUIVALENTS

The detail of this caption as of 31 December 2025 and 2024 is as follows:

(thousand euro)	31/12/2025	31/12/2024
Cash on hand and at banks	10,714	20,274
Cash equivalents	-	37,199
TOTAL	10,714	57,473

The amount booked under "Cash equivalents" in 2024 corresponded to two deposits: one amounting to USD 30,600 thousand (€29,454 thousand) and another of €7,745 thousand, both maturing in less than 90 days.

17. SHARE CAPITAL , SHARE PREMIUM AND OWN SHARES

The transactions that affected the Company's capital stock and treasury stock in 2025 and 2024 were as follows:

In February 2025, the Company's Board of Directors agreed on a share buyback program for the subsequent redemption of the shares acquired under this program, establishing a maximum of €9 million or 91,111 shares, representing approximately 0.5% of the capital stock, whichever occurs first. This Plan ended on 20 June 2025.

In July 2025, the Board of Directors agreed to redeem a block of 131,117 shares from the Company's treasury stock, a transaction that was executed and registered in September, along with the redemption of the 91,111 shares referred to in the previous paragraph.

In October 2025, the Board of Directors approved a new share buyback program, this time with the aim of reserving the shares for corporate transactions, establishing a maximum of 90,000 shares or €8 million, whichever figure is reached first. This Plan remained active as of 31 December 2025.

Over the course of 2025, in all periods in which none of the specific share buyback programs described in previous paragraphs were active, the Company had a liquidity contract in place with an external firm to manage purchases and sales of own shares on an independent basis.

A share buyback program, launched in July 2023 in order to provide the Company with the capacity to trade in its own shares in order to undertake corporate transactions, was completed on 31 January 2024.

In May 2024, the Company launched a new share buyback program to redeem the shares so acquired by reducing the Company's capital, establishing maximum of €5 million or 184,000 shares, whichever figure is reached first. This program ended on 30 September, having reached the maximum amount of €4,999,920 (132,679 shares).

On 23 December 2024, a new buyback program was launched in order to comply with the obligations arising from the share ownership plans for the Group's executives and employees, establishing a maximum of €5 million or 65,000 shares. This program ended on 21 February 2025, having reached the maximum amount of €4,999,604 (58,870 shares).

Over the course of 2024, in all periods in which none of the specific share buyback programs described in previous paragraphs were active, the Company had a liquidity contract in place with an external firm to manage purchases and sales of own shares on an independent basis.

Details of purchases of own shares made under the various buyback programs and the liquidity program are as follows:

Acquisitions of own shares	2025		2024	
	Shares	Amount (euro)	Shares	Amount (euro)
July 2023 buyback program			69,178	2,792,122
May 2024 buyback program			132,679	4,999,921
December 2024 buyback program	50,670	4,354,162	8,200	645,442
March 2025 buyback program	91,111	7,522,002		
November 2025 buyback program	29,400	2,195,432		
Liquidity Contract (purchases)	242,908	20,048,726	179,670	10,192,949
	414,089	34,120,322	389,727	18,630,434

17.1 Share capital

As of 31 December 2025, the Company's capital stock was represented by 18,000,000 fully subscribed and paid ordinary shares (18,222,228 ordinary shares as of 31 December 2024) with a par value of €0.60 each, which are listed on the four Spanish stock exchanges.

As previously stated, on 27 February 2025, the Board of Directors approved a new program to acquire and cancel own shares, as a result of which 91,111 shares were acquired. On 30 July, the Board of Directors agreed to reduce capital by a total of 222,228 shares, which included the 91,111 shares acquired for this purpose plus 131,117 of the Company's own shares. The €133 thousand capital reduction was registered with the Mercantile Register in September 2025.

In 2024, the Company executed a share buyback plan with the aim of redeeming the acquired shares, as a result of which 132,679 shares were redeemed and capital was reduced by €80 thousand. The capital reduction was registered with the Mercantile Register in December 2024.

Changes in share capital in 2025 and 2024 are shown in the following table:

	Euro	Shares
Pharma Mar, S. A. share capital as of 31/12/2023	11,012,944	18,354,907
Capital reduction	79,607	132,679
Pharma Mar, S. A. share capital as of 31/12/2024	10,933,337	18,222,228
Capital reduction	133,337	222,228
Pharma Mar, S. A. share capital as of 31/12/2025	10,800,000	18,000,000

According to information in the official registers of the Spanish National Securities Market Commission as of 31 December 2025 and 2024, holders of significant stakes in Pharma Mar, S. A., either directly or indirectly, amounting to over 10% are as follows:

2025	DIRECT STAKE		INDIRECT STAKE (1)		TOTAL
	No. of shares	%	No. of shares	%	%
José M ^a Fernández Sousa-Faro	1,115,572	6.198	956,615	5.315	11.512

2024	DIRECT STAKE		INDIRECT STAKE (1)		TOTAL
	No. of shares	%	No. of shares	%	%
José M ^a Fernández Sousa-Faro	1,114,147	6.114	955,150	5.242	11.356

(1) Indirect stake held through his spouse, Ms. Montserrat Andrade Detrell.

17.2 Share premium account

The share premium account may be used for the same purposes as the Company's voluntary reserves, including conversion into capital stock, there being no restrictions as to its use or distribution.

In 2025, a dividend of €0,80 per share (€0.65 per share in 2024) was paid to shareholders charged to unrestricted reserves (share premium), the final amount of which totaled €13,949 thousand (€11,420 thousand in 2024). This amount was calculated after excluding treasury shares held at the time the dividend was distributed. If these treasury shares had not existed, the total payout would have come to €14,578 thousand (€11,931 thousand in 2024).

As of 31 December 2025, the share premium account amounted to €45,909 thousand (€51,858 in 2024).

17.3 Own shares

Changes in own shares in 2025 and 2024 are as follows:

	No. of shares	Amount (euro)
Balance as of 31/12/24	647,297	(30,827,074)
Own shares purchased	414,089	(34,120,322)
Reversal from share ownership plan	60	(2,307)
Own shares sold	(188,894)	10,792,715
Share ownership plan	(10,562)	557,557
Share redemptions	(222,228)	14,880,681
Balance as of 31/12/25	639,762	(38,718,750)

	No. of shares	Amount (euro)
Balance as of 31/12/23	715,187	(31,091,149)
Own shares purchased	389,727	(18,630,434)
Reversal from share ownership plan	1,596	(59,581)
Own shares sold	(308,024)	13,170,363
Share ownership plan	(18,510)	783,806
Share redemptions	(132,679)	4,999,921
Balance as of 31/12/24	647,297	(30,827,074)

As of 31 December 2025, the Company held 639,762 shares (647,297 shares in 2024), representing 3.55% of share capital (3.55% in 2024).

In 2025, the Company acquired own shares worth €34,120 thousand (€18,630 thousand in 2024) and sold own shares worth €10,793 thousand (€13,170 thousand in 2024). Those sales resulted in a profit of €5,352 thousand (a gain of €4,965 thousand in 2024), which was recognized in the Company's reserves. The company has a liquidity contract in place with an external firm that provides independent management of the purchase and sale of own shares.

As previously stated, of the total of shares acquired in 2025 (414,089), 222,228 shares were redeemed for €14,880 thousand. Of this amount, €133 thousand reduced share capital and €14,747 thousand reduced the Company's reserves. Of the total of shares acquired in 2024 (389,727), 132,679 shares were redeemed. The amount of shares acquired for redemption was €5,000 thousand. Of this amount, €80 thousand reduced share capital and €4,920 thousand reduced the Company's reserves.

In the scope of the employee share ownership plan, a total of 10,562 shares were allocated in 2025 to 193 beneficiaries at a price of €78.8254 (18,510 shares were allocated in 2024 to 157 beneficiaries at a price of €28.3616), generating a gain of €275 thousand (a loss of €259 thousand in 2024). Additionally, a total of 60 shares reverted under the share ownership plan in 2025 (1,596 shares in 2024), of which 115 shares were from Genómica, S. A.U. en liquidación.

18. RESERVES AND PRIOR YEARS' INCOME

The detail of the Company's reserves as of 31 December 2025 and 2024 is as follows:

(thousand euro)	31/12/2025	31/12/2024
LEGAL AND BYLAW RESERVES	2,160	2,187
Legal reserve	2,160	2,187
Other reserves	267,564	277,068
Voluntary reserves	52,478	62,025
Merger reserve	215,160	215,160
Reserve for canceled capital	333	200
Other reserves	31	31
Difference due to redenomination of share capital		
in euro	2	2
Own shares and equity instruments	(440)	(350)
TOTAL	269,724	279,255

The balance of the "Prior years' loss" item is €42,383 thousand in 2025 (€82,609 thousand in 2024).

The changes in reserves in 2025 and 2024 were as follows:

(thousand euro)	31/12/2024	Share redemptions	Gain/loss on own shares	Share ownership plan	31/12/2025
LEGAL AND BYLAW RESERVES					
Legal reserve	2,187	(27)	-	-	2,160
Other reserves					
Voluntary reserves	62,025	(14,900)	5,352	-	52,478
Merger reserve	215,160	-	-	-	215,160
Reserve for canceled capital	200	133	-	-	333
Other reserves	31	-	-	-	31
Difference due to redenomination of share capital in euro	2	-	-	-	2
Own shares and equity instruments	(350)	-	-	(90)	(440)
TOTAL	279,255	(14,793)	5,352	(90)	269,724

(thousand euro)	31/12/2023	Share redemptions	Gain/loss on own shares	Share ownership plan	31/12/2024
LEGAL AND BYLAW RESERVES					
Legal reserve	2,203	(16)	-	-	2,187
Other reserves					
Voluntary reserves	62,091	(5,031)	4,965	-	62,025
Merger reserve	215,160	-	-	-	215,160
Reserve for canceled capital	120	80	-	-	200
Other reserves	31	-	-	-	31
Difference due to redenomination of share capital in euro	2	-	-	-	2
Own shares and equity instruments	(399)	-	-	49	(350)
TOTAL	279,208	(4,968)	4,965	49	279,255

18.1 Legal reserve

Under article 274 of the Consolidated Text of the Capital Companies Act, approved by the Legislative Royal Decree of 2 July 2010, companies must transfer 10% of income for each year to the legal reserve until it amounts to at least 20% of capital stock.

The legal reserve may not be distributed and may only be used to offset losses if there are not sufficient unrestricted reserves available for this purpose, in which case it must be restored out of future income.

In 2025, the legal reserve was adjusted by €27 thousand compared to 2024 due to the capital reduction executed in September, charged to voluntary reserves (€16 thousand in 2024 for the reduction carried out in November 2024). The balance of this item as of 31 December 2025 was €2,160 thousand (€2,187 thousand in 2024).

18.2 Other reserves

Voluntary reserves: In 2025, voluntary reserves decreased by €14,747 thousand as a result of the redemption of 222,228 shares completed in September, together with the reclassification of €133 thousand to the restricted reserve for amortized capital and the increase of €27 thousand to adjust the reserve. The ancillary costs of the reduction were also recognized in the reserve. In total, this decrease is partially offset by the profit obtained from treasury stock transactions in the amount of €5,352 thousand. The balance of this item as of 31 December 2025 was €52,478 thousand.

In 2024, voluntary reserves decreased by €4,920 thousand as a result of the redemption of 132,679 shares completed in November, together with the reclassification of €80 thousand to the restricted reserve for amortized capital and the increase of €16 thousand to adjust the reserve. The ancillary costs of the reduction were also recognized in the reserve. In total, this decrease was partially offset by the profit obtained from treasury stock

transactions in the amount of €4,965 thousand. The balance of this item as of 31 December 2025 was €62,025 thousand.

Merger reserve: The merger reserve, which arose in 2015 as a result of the reverse merger between Pharma Mar and Zeltia (formerly the group parent company), amounts to €215,160 thousand. This reserve is unrestricted.

Reserve for canceled capital: this reserve is restricted and amounted to €333 thousand at the end of 2025, having increased by €133 thousand due to the capital amortization in September 2025.

Other reserves: these consist of a reserve amounting to €31 thousand as of 31 December 2025 and 2024 for Differences in conversion to GAP 2007 because of the treatment of exchange gains that had accrued but not been realized.

Reserve for differences in converting capital to euro: this reserve amounts to €2 thousand and is restricted.

Own shares and equity instruments: this item, arising from the accrual of expenses during the lock-up period of the employee stock ownership plan, amounted to €440 thousand as of 31 December 2025, a €90 thousand increase with respect to 2024 (€350 thousand).

18.3 Limitations on dividend distribution

The distribution of reserves designated elsewhere in this note as unrestricted is subject to the limits established by law.

Under the Capital Companies Act, profits may not be distributed unless the amount of distributable reserves is at least equal to the amount of research and development expenses shown on the assets side of the balance sheet.

19. Subsidies, donations and legacies received

As of 31 December 2025, the "Subsidies, donations and other legacies received" item of the Company's equity includes €976 thousand of subsidies for loans from official authorities at zero or below-market interest rates (Notes 5.2 & 6.8). The balance of this item was €1,276 thousand in 2024.

Those subsidies were granted for the implementation of a number of the Company's R&D projects, and the conditions under which they were granted have been met.

The changes in these subsidies are as follows:

(thousand euro)	31/12/2025	31/12/2024
BEGINNING BALANCE	1,276	1,570
Increase	29	454
Recognized in profit or loss	(329)	(748)
ENDING BALANCE	976	1,276

20. FINANCIAL LIABILITIES AT AMORTIZED COST

The detail of this caption as of 31 December 2025 and 2024 is as follows:

(thousand euro)	31/12/2025	31/12/2024
Bonds and other marketable securities (Note 20.1)	16,896	16,831
Bank loans (Note 20.2)	10,510	14,116
Debt to official authorities (Note 20.3)	8,001	8,522
Non-current accruals (Note 20.4)	11,919	15,893
NON-CURRENT FINANCIAL LIABILITIES AT AMORTIZED COST	47,326	55,362
Bonds and other marketable securities (Note 20.1)	405	405
Bank loans (Note 20.2)	8,424	5,720
Debt to official authorities (Note 20.3)	1,870	1,473
Other financial liabilities	1,173	1,138
Suppliers	666	768
Debt to group undertakings (Note 30)	8,364	5,494
Accounts payable to related parties (Notes 20.5 & 30)	1,901	2,762
Sundry creditors	29,689	29,621
Personnel	9,064	8,077
Customer advances	962	1,410
Current accruals (Note 20.4)	4,647	3,973
FINANCIAL LIABILITIES AT AMORTIZED COST	67,165	60,841
TOTAL FINANCIAL LIABILITIES AT AMORTIZED COST	114,491	116,203

The carrying amount of short-term debt is approximately the fair value since the effect of discounting is not material.

20.1 Bonds and other marketable securities

In 2015, the Company decided to issue non-convertible bonds for an amount of €17 million in order to strengthen its financial position and extend its debt maturity profile.

The principal terms and conditions of the bonds are as follows:

- The nominal amount of the issue is €17 million;
- Maturity: 12 years from disbursement;
- The issue was targeted at a single qualified Spanish investor via a private placement.
- The bonds, which are uncertificated, were issued at par, each with a nominal value of €100 thousand;
- The bonds bear a fixed coupon of 4.75% per annum payable in arrears every year from the date of disbursement;
- The Company is liable with all its assets for the obligations arising from the bonds and no specific guarantee is granted;
- The terms and conditions of the bonds are governed by Spanish law;
- The Company applied to list the bonds on the Alternative Fixed-Income Market (MARF) on 7 July 2015.

The debt is recognized at amortized cost under non-current liabilities.

Unpaid accrued interest amounted to €470 thousand as of 31 December 2025 (€467 thousand in 2024).

20.2 Bank debt

Current and non-current bank debt is broken down as follows:

(thousand euro)	31/12/2025		31/12/2024	
	Non-current	Current	Non-current	Current
Bank loans	10,510	3,606	14,116	884
Credit lines	-	4,703	-	4,703
Interest payable	-	115	-	133
TOTAL DEBTS AND ACCOUNTS PAYABLE	10,510	8,424	14,116	5,720

In 2024 the Company arranged a new bank loan for €15,000 thousand at a fixed interest rate of 3,10%, with a term of five years and a one-year grace period.

The maturity calendar of the bank debt in 2025 and 2024 is detailed in Note 10.2.

As of 31 December 2025, the limit of the credit lines is €18,000 thousand (€19,000 thousand in 2024), against which the Company had drawn €4,703 thousand (€4,703 thousand in 2024) including credit cards. The credit lines bore average interest of 3.66% in 2025 (5.18% in 2024). In addition, the Company has a foreign trade financing line with a limit of €2,000 thousand, against which no amount was drawn down as of 31 December 2025 and 2024.

20.3 Debt to official authorities

This caption refers to refundable advances received from official authorities for R&D funding, consisting of 10-year loans with a three-year grace period, at zero or below-market interest rates.

The amounts under this item, recognized as non-current debt at amortized cost, amounted to €8,001 thousand as of 31 December 2025 (€8,522 thousand in 2024).

A total of €1,870 thousand were recognized as current under this heading in 2025 (€1,473 thousand in 2024).

Of the total debt to official authorities, only €4,135 thousand bears interest at rates between 0.06% to 4,015% (in 2024, €3,816 thousand at rates between 0.06% and 0.643%).

The difference between initial fair value and the nominal value is accrued on the basis of market interest rates (Euribor and Spanish government bond yields plus a spread based on the Group's risk).

The maturities of the amounts due to official authorities which are recognized at fair value as of 31 December 2025 and 2024 are detailed in Note 10.2.

20.4 Accruals

As indicated in Note 4.14.2, the revenue associated with licensing and co-development agreements and other similar transactions must be matched with the consideration to be provided by the Company. If the Company has a contractual performance obligation, then the portion of revenue corresponding to the commitments set out in the agreement that are to be executed in subsequent periods must be recognized as deferred.

The balances of non-current and current deferred revenues are a result of agreements signed with our partners:

	Non-current deferred revenues	Current deferred revenues
Balance as of 31/12/23	19,866	24,927
Derecognitions	-	(1,000)
Transfers	(3,973)	3,973
Income	-	(23,927)
Balance as of 31/12/24	15,893	3,973
Recognitions	-	674
Transfers	(3,973)	3,973
Income	-	(3,973)
Balance as of 31/12/25	11,920	4,647

The recognitions in 2025 refer to the agreement signed with Merck Healthcare KGaA for Zepzelca in Japan. Under this agreement, Pharma Mar received an upfront payment of €22,000 thousand, of which it recognized €21,327 thousand in the income statement and booked the remaining €674 thousand as current deferred revenue.

The recognition in income in both years relates to the licensing agreement for Zepzelca with Jazz Pharmaceuticals and is a result of recognizing as revenue the deferred portion for fulfilling the commitments under that agreement.

20.5 Due to Group undertakings

The detail of accounts payable to related parties is as follows:

(thousand euro)	31/12/2025	31/12/2024
Current financial liabilities		
Corporate income tax payable (Note 24)	1,559	1,559
VAT payable (Note 24)	342	1,203
	1,901	2,762

The balances with Group undertakings under current financial assets and liabilities in 2025 consist mainly of those arising between the Company and its subsidiaries as a result of tax consolidation — both corporate income tax and value added tax (Note 24).

20.6 Information on deferral of payments to suppliers

Information on payments for commercial transactions performed in 2025 and 2024 and amounts pending payment at the end of the year in relation to the maximum legal payment periods envisaged in Law 18/2022 is as follows:

	2025	2024
Average time taken to pay suppliers (days)	47	59
Proportion of transactions paid (days)	49	61
Proportion of transactions outstanding (days)	33	43
Total payments made (thousand euro)	110,054	113,728
Total payments outstanding (thousand euro)	11,370	13,350
Total invoices received (number)	10,419	10,839
Total invoices received (thousand euro)	121,425	127,078
Total invoices paid in less than 60 days (number)	9,044	5,987
Total invoices paid in less than 60 days (thousand euro)	99,063	60,950
Percentage of total number of invoices paid	95.84%	60.43%
Percentage of total amount of invoices paid	90.01%	53.59%
Total invoices paid (number)	9,437	9,907

21. Short-term provisions

The provision recognized in 2025 in the amount of €16,827 thousand (€13,713 thousand in 2024) under this heading relates mainly to outstanding clawbacks in connection with the distribution of products under the "Autorisation d'accès compassionnel (AAC)" compassionate use system in France. Those clawbacks are applied on a sliding scale based on the amounts invoiced under the AAC system. Of the €13,713 thousand in provisions recognized in 2024, €13,693 thousand were utilized in 2025. In 2025, €16,807 in provisions were recognized.

Zepzelca is currently covered by this system, under the very early access compassionate use system ("Autorisation d'accès compassionnel très précoce"), and is therefore subject to this new regulation. Once the product is approved by the European Commission and, therefore authorized for marketing in France, that regulation will no longer apply.

22. DEFERRED TAXES

The detail of this caption as of 31 December 2025 and 2024 is as follows:

(thousand euro)	31/12/2025	31/12/2024
Deferred tax assets	47,144	36,058
Temporary differences (Note 24)	142	132
Tax credits (Note 24)	36,439	25,808
Tax withholdings receivable	10,563	10,118
Deferred tax liabilities	329	428
Temporary differences	329	428
DEFERRED TAXES (NET)	46,815	35,630

The "Tax withholdings receivable" account as of 31 December 2025 and 2024 included taxes withheld from royalties and payments received from Pharma Mar partners with tax domiciles in other countries.

The changes in deferred tax assets and liabilities during the year were as follows:

Deferred tax assets				
(thousand euro)	Tax losses and tax credits	Temporary differences	Withholdings	TOTAL
Balance as of 31 December 2023	18,742	591	10,118	29,450
Monetization receipts	(9,345)			(9,345)
Charge (credit) to profit or loss	16,411	(459)	-	15,952
Balance as of 31 December 2024	25,808	132	10,118	36,058
Charge (credit) to profit or loss	15,312	10	-	15,322
Other movements	(4,681)	-	445	(4,236)
Balance as of 31 December 2025	36,439	142	10,563	47,144

Deferred tax liabilities (thousand euro)	Subsidies, donations and legacies received	Capitalized financial expenses	TOTAL
Balance as of 31 December 2023	522	185	707
Charge (credit) to profit or loss	-	(181)	(181)
Charge to equity	(98)	-	(98)
Balance as of 31 December 2024	424	4	428
Charge (credit) to profit or loss	-	-	-
Charge to equity	(100)	1	(99)
Balance as of 31 December 2025	324	5	329

Deferred taxes charged to equity in the year are as follows:

(thousand euro)	31/12/2025	31/12/2024
Subsidies, donations and legacies received	(100)	(98)
TOTAL	(100)	(98)

Deferred tax assets due to tax losses carried forward and unused tax credits are recognized to the extent that the Company is likely to obtain future taxable income enabling them to be offset, in accordance with the five-year budget presented to the Board of Directors.

23. REVENUES AND EXPENSES

23.1 Net revenues

The net amount of revenues is broken down as follows:

(thousand euro)	31/12/2025	31/12/2024
Product sales	135,095	125,553
Product sales discount	(57,628)	(59,164)
	77,467	66,389
Royalty revenues	63,828	61,347
Licensing agreement revenues	77,784	46,518
Services provided	636	727
TOTAL	219,715	174,981

Point of recognition of revenues	31/12/2025	31/12/2024
At a point in time	214,730	151,055
Over a period of time	4,985	23,926
Total revenues from contracts with customers	219,715	174,981

23.1.1 Revenue from the sale of products

The "Revenue from the sale of products" caption includes:

- Commercial sales of Yondelis for treating soft tissue sarcoma and relapsed ovarian cancer, made by Pharma Mar in the European Union (€12,727 thousand in 2025 and €16,913 thousand in 2024).
- Sales of intermediates or raw materials of Yondelis and Zepzelca to partners (€27,456 thousand in 2025 compared with €20,028 thousand in 2024).
- Commercial sales of Zepzelca in Switzerland amounted to €11,224 thousand (2024: €7,286 thousand).
- Distribution of Zepzelca, mainly in France under the AAC compassionate use program (Autorisation d'Accès Compassionnel), amounting to €26,060 thousand (€22,162 thousand in 2024).

23.1.2 Royalties

Royalties on sales of Yondelis:

As of 31 December 2025, royalties for Yondelis sales by Janssen Products Lp. ("Janssen") in the US amounted to €11,565 thousand (€4,476 thousand in 2024).

As of 31 December 2025, royalties for Yondelis sales in Japan by Taiho Pharmaceutical, Ltd. amounted to €657 thousand (€719 thousand in 2024).

Royalties on Zepzelca sales:

Royalties for Zepzelca sales by Jazz Pharmaceuticals ("Jazz") in the United States amounted to €48,838 thousand in 2025 (€55,789 thousand in 2024).

As of 31 December 2025, royalties for Zepzelca sales in China by Luye amounted to €2,768 thousand (363 thousand in 2024).

23.1.3 Licensing revenues

The Company has licensing and development agreements with a number of pharmaceutical companies. Revenues from these agreements amounted to €77,784 thousand in 2025, compared with €46,518 thousand in 2024.

Revenues under licensing agreements in 2025 and 2024 are as follows:

(thousand euro)	31/12/2025	31/12/2024
Jazz Pharmaceuticals (Zepzelca)	46,559	22,962
Janssen Products LP (Yondelis)	8,561	17,934
Luye Pharma (Zepzelca)	87	4,409
Lotus (Zepzelca)	-	407
Adium (Zepzelca)	1,250	250
STA (Zepzelca)	-	116
Boryung (Zepzelca)	-	440
Merck (Zepzelca)	21,327	-
TOTAL	77,784	46,518

Yondelis (trabectedin)

Janssen Products LP

Pharma Mar received a payment of USD 10,000 thousand (€8,561 thousand) from Janssen on attaining a commercial milestone under the licensing agreement.

In 2024 Pharma Mar, S. A. received two payments from Janssen—USD 9,442 thousand (€8,715 thousand) in August, and USD 10,000 thousand (€9,219 thousand) in November—on attaining a commercial milestone under the licensing agreement for Yondelis in the United States.

Zepzelca (lurbinectedin)

As of 31 December 2025 and 2024, the Company received the following revenues from licensing, development and marketing agreements with a number of partners:

Jazz Pharmaceuticals

On 19 December 2019, Pharma Mar and Jazz Pharmaceuticals signed an exclusive licensing agreement for marketing anti-tumor compound Zepzelca (lurbinectedin) in the US for treating relapsed small cell lung cancer. In October 2020, they signed an update to this agreement to include Canada.

The commitments assumed by the Company as a result of the agreement include the following:

- R&D activities: The Company undertook to complete and conduct certain trials of the licensed molecule that will be required by the FDA. These trials may be carried out by a third party and, hence, are classified as a distinct service and, therefore, as a performance obligation.
- Manufacturing: The Company retains the exclusive right to manufacture the medicine, which will be supplied to Jazz Pharmaceuticals.
- Pharmacovigilance activities: The Company assumes this function on behalf of Jazz Pharmaceuticals.
- Granting of a license to the compound Zepzelca, which entails assignment of the rights to market it in the licensed territory.

These commitments are implemented over a period of time, so part of the up-front payments received in the first year of the contract have been deferred based on the fulfilment of the commitments made and are recognized in the income statement when they are met. Accordingly, as of December 2025, €3,973 thousand in deferred income were recognized (€22,962 thousand in 2024).

Additionally, in October 2025 a regulatory milestone stipulated in the license agreement was achieved, which was accrued with the granting of full approval for Zepzelca (lurbinectedin) in combination with atezolizumab as a first-line maintenance therapy for adults with small cell lung cancer by the US Food and Drug Administration (FDA). For this reason, Pharma Mar received a payment of \$50 million (€42,586 thousand).

Merck Healthcare

In April 2025, Pharma Mar and German company Merck Healthcare KGaA entered into an exclusive license agreement for the development and marketing of Zepzelca (lurbinectedin) in Japan. Pursuant to this agreement, Pharma Mar collected an upfront payment of €22,000 thousand. The agreement also provides for a series of regulatory and commercial milestones which, if achieved, would generate revenue for Pharma Mar, as well as certain percentages of royalties on sales, when these occur.

The commitments assumed by the Group under this agreement are as follows:

- Granting of a license to the compound lurbinectedin in Japan. With the marketing rights for that territory.
- The performance of certain R&D activities consisting of Pharma Mar completing, at its own expense, the clinical study currently underway (Lagoon), including Japanese patients.

As of 31 December 2025, €21,327 thousand were recognized as revenues.

Luye Pharma Group

In December 2024, Luye Pharma Group, Pharma Mar partner in the territories of China, Hong Kong and Macao, received conditional approval from the National Medical Products Administration (NMPA) of the People's Republic of China to market Zepzelca to treat adult patients with metastatic small-cell lung cancer. Pharma Mar received USD 5,000 thousand (€4,409 thousand) in connection with this approval.

Other lurbinectedin licensing agreements

The Company received the following amounts in 2025 and 2024 due to achieving various milestones set out in the respective license agreements:

Adium Pharma, S. A., licensee for more than 20 countries in Central and South America: €1,250 thousand in 2025 (€250 thousand in 2024).

Boryung Corporation, licensee for South Korea: €440 thousand in 2024.

STA Therapeutics, licensee for Australia and Singapore: €116 thousand in 2024.

Lotus Pharmaceutical Co., Ltd., licensee for Taiwan: €407 thousand in 2024.

23.2 Breakdown of revenues by geography

The amount of net revenues is broken down by geography as follows:

(thousand euro)	31/12/2025	31/12/2024
Spain	2,536	3,708
European Union	161,920	116,032
United States	19,826	22,410
Japan	672	2,214
Other OECD countries	18,721	15,367
Other countries	16,040	15,250
TOTAL	219,715	174,981

Revenues in the European Union include milestone and royalty payments from Jazz Pharmaceuticals that are billed through a company domiciled in Ireland.

In Other OECD countries, the largest increase corresponds to Switzerland, which presented revenues of €13,069 thousand in 2025 (€9,743 thousand in 2024).

In 2025, the caption "European Union" increased mainly due to revenues from Germany and Ireland.

23.3 Foreign currency transactions

The detail of foreign currency transactions, mainly in US dollar, is as follows:

(thousand euro)	31/12/2025	31/12/2024
Licensing revenues	115,610	105,685
Sales	13,517	9,962
Purchases and services received	7,245	5,723
TOTAL	136,372	121,371

23.4 Merchandise, raw materials and other consumables consumed

(thousand euro)	31/12/2025	31/12/2024
Purchased in Spain	2,931	2,916
Purchased in other EU countries	884	1,584
Imports	115	-
Change in inventories	(166)	363
TOTAL	3,764	4,863

23.5 Personnel expenses

(thousand euro)	31/12/2025	31/12/2024
Wages, salaries and similar	40,407	38,359
Indemnities	201	1,145
Employee welfare expenses		
Employer social security	6,556	6,155
Other welfare expenses	1,755	1,660
TOTAL	48,919	47,319

The average number of employees by category and gender is as follows:

NUMBER IN CATEGORY	31/12/2025		31/12/2024	
	MEN	WOMEN	MEN	WOMEN
Executive directors	2	-	2	-
Senior managers	4	4	4	4
Management	7	8	6	8
Middle management	35	36	36	38
Technical staff	93	133	92	131
Clerical and similar staff	6	49	6	49
Other	9	5	11	6
TOTAL	156	235	157	236
	391		393	

The breakdown of the Company's workforce by category and gender at year-end was as follows:

NUMBER IN CATEGORY	31/12/2025		31/12/2024	
	MEN	WOMEN	MEN	WOMEN
Executive directors	2	-	2	-
Senior managers	4	4	4	4
Management	7	8	6	8
Middle management	34	37	35	36
Technical staff	94	139	90	129
Clerical and similar staff	6	52	6	47
Other	9	5	10	5
TOTAL	156	245	153	229
	401		382	

There were an average of 4 employees during the year with disability of 33% or greater: 1 clerical assistant and 3 technicians (4 in 2023: 1 clerical assistant and 3 technicians).

23.6 Outside services

The detail of this caption as of 31 December 2025 and 2024 is as follows:

(thousand euro)	31/12/2025	31/12/2024
Research & Development expenses	50,536	53,052
Leases and fees	2,494	2,440
Repairs and upkeep	3,043	2,832
Independent professional services	10,688	8,478
Transport	1,258	1,243
Insurance premiums	1,400	1,484
Advertising and public relations	20,883	15,081
Utilities	884	808
Other services	7,974	7,218
Other taxes	1,513	363
Losses, impairment and changes in trade provisions	(183)	183
TOTAL	100,490	93,182

23.7 Impairment losses and income from disposal of assets. etc.

As indicated in Note 7.1, in 2025 the Company reversed impairment of a plot of land in Colmenar Viejo in the amount of €843 thousand (reversal of €284 thousand in 2024), upon incorporating it into the Company's facilities.

24. INCOME TAX AND TAX SITUATION

The balances with public authorities as of 31 December 2025 and 2024 are as follows:

(thousand euro)	2025		2024	
	Payable	Receivable	Payable	Receivable
Income tax	6,733	-	3,025	-
Merck withholdings	3,482	-	-	-
Advance tax revenues under audit	-	-	536	-
Total current tax revenues	10,215	-	3,560	-
Personal income tax	-	763	-	1,016
Other receivables from public authorities	4,897	680	-	685
VAT	4,543	-	2,370	-
Other receivables from public authorities	9,440	1,443	2,370	1,701

In 2025, the Company filed corporate income tax returns on a consolidated basis. The following companies are included in the group's consolidated tax return: Pharma Mar, S. A. and Sylentis, S. A.U.

Because certain transactions are treated differently for corporate income tax purposes and in the preparation of these financial statements, the taxable base for the year differs from the book result. The deferred or prepaid taxes arise from the recognition of revenues and expenses in different periods under current tax regulations and for the purpose of preparing the financial statements.

The reconciliation of net revenues and expenses in 2025 and 2024 to the income tax base is as follows:

2025		
Income Statements		
(thousand euro)		
BALANCE OF REVENUES AND EXPENSES IN THE YEAR	65,767	-
	Increase	Decrease
Corporate income tax	-	(15,212)
Permanent differences	12,896	(92,572)
Temporary differences:		
Arising in the year	302	-
Arising in prior years	-	(258)
TAX BASE	-	(29,077)
TAXABLE INCOME	-	(29,077)

2024		
Income Statements		
(thousand euro)		
BALANCE OF REVENUES AND EXPENSES IN THE YEAR	40,225	-
	Increase	Decrease
Corporate income tax	-	(16,649)
Permanent differences	7,238	(65,164)
Temporary differences:		
Arising in the year	243	-
Arising in prior years	723	(2,079)
TAX BASE	-	(35,463)
TAXABLE INCOME	-	(35,463)

The corporate income tax expense at year-end is as follows:

(thousand euro)	31/12/2025	31/12/2024
Current tax	-	-
Deferred taxes due to capitalized tax losses	5,054	4,084
Deferred tax assets due to capitalized tax credits	5,555	7,370
Other	(99)	515
Monetization	4,702	4,680
TOTAL TAX (REVENUE)/EXPENSE	15,212	16,649

In 2025, the Company recognized €4,702 thousand in revenue (€4,680 thousand in 2024) as a result of monetizing eligible research and development tax credits.

Since 2009, the Company has availed itself of article 23 of the Corporate Income Tax Act, which provides an exemption for revenues from the assignment of rights to use or exploit patents, drawings, models, plans, or secret formulas or procedures, and rights on information relating to industrial, commercial or scientific experience.

The decrease in permanent differences in 2025 relates mainly to the application of Article 23 of the Consolidated Text of the Corporate Income Tax Act in connection with revenue from the assignment of certain intangible assets created by the company, amounting to €66,399 thousand (€47,250 thousand in 2024).

The increase in permanent differences in 2024 relates mainly to the impairment of the company's interest in Sylentis, S. A.U. in the amount of €4,436 thousand (€5,910 thousand in 2024).

In 2024, the temporary differences were due mainly to reversal of amortization taken in previous years that was not tax deductible, in the amount of €1,781 thousand.

As of 31 December 2025, the tax credits earned by the Company that are available for use in future years, after deducting the tax losses used by other group undertakings, are as follows:

(thousand euro)				
Years	Taxable income as of 31/12/24	Used in 2025	Earned in 2025	Unused as of 31/12/25
2007	9,465	-	-	9,465
2008	7,317	-	-	7,317
2010	2,245	-	-	2,245
2011	3,691	-	-	3,691
2012	24,835	-	-	24,835
2015	39,798	-	-	39,798
2016	6,193	-	-	6,193
2017	39,723	-	-	39,723
2018	112,777	-	-	112,777
2019	11,000	-	-	11,000
2020	44,452	-	-	44,452
2023	30,011	-	-	30,011
2024	18,976	-	-	18,976
2025	-	-	29,077	29,077
TOTAL	350,484	-	29,077	379,561

As of 31 December 2025, the Company recognized a tax credit for the amount of €18,812 thousand (€13,758 thousand in 2024) corresponding to tax losses that had not been capitalized.

As of 31 December 2025, the unused tax credits earned by the Company, mainly for R&D, were as follows:

(thousand euro)						
Year earned	Amount of credit as of 31/12/24	Used in previous years	Used in 2025	Earned in 2025	Unused as of 31/12/25	Expiring in
2007	9,477	-	-	-	9,477	2,025
2008	10,059	-	-	-	10,059	2,026
2009	8,625	-	-	-	8,625	2,027
2010	8,211	-	-	-	8,211	2,028
2011	7,980	-	-	-	7,980	2,029
2012	6,915	-	-	-	6,915	2,030
2013	9,076	-	-	-	9,076	2,031
2014	11,403	(3,866)	-	-	7,537	2,032
2015	13,827	(4,247)	-	-	9,580	2,033
2016	19,213	(6,250)	-	-	12,963	2,034
2017	16,559	(6,042)	-	-	10,517	2,035
2018	14,197	(5,839)	-	-	8,358	2,036
2019	10,800	(4,129)	-	-	6,671	2,037
2020	12,288	(4,974)	-	-	7,314	2,038
2021	12,892	(5,684)	-	-	7,208	2,039
2022	16,874	(5,997)	-	-	10,877	2,040
2023	21,435	(5,850)	-	-	15,584	2,041
2024	24,049	-	(5,878)	-	18,171	2,042
2025	-	-	-	19,828	19,828	2,043
TOTAL	233,879	(52,879)	(5,878)	19,828	194,951	

As of 31 December 2025, the Company recognized €12,925 thousand of unused tax credits (€7,370 thousand in 2024), and monetization of tax credits for the amount of €9,382 thousand (€4,680 thousand in 2024).

The "Used in previous years" and "Used in 2025" columns relate entirely to the amounts used to secure monetization of the research and development tax credits.

The Company's balances with the other companies in the tax group in respect of corporate income tax and VAT as a result of tax consolidation are as follows:

(thousand euro)	Corporate income tax
Sylentis	1,558
TOTAL PAYABLE	1,558

(thousand euro)	VAT
Sylentis	342
TOTAL PAYABLE	342

In 2015, Pharma Mar applied to the Spanish tax authorities for inclusion in the special tax regime for Value Added Tax Groups as the leading company.

As of 31 December 2025, that VAT tax group was comprised of Pharma Mar, S. A., as leading company, together with Sylentis, S. A.U., since the Company considered that both controlling company and controlled company met the requirements of articles 163 quinquies and 163 sexies of the Value Added Tax Act and their Boards of Directors or equivalent governing bodies had approved the proposal to create a group under the Special VAT Group regime provided by Act 38/2006, using the "simple aggregation system".

Under current law, tax returns cannot be deemed definitive until they have been inspected by the tax authorities or the statute of limitations period has elapsed. The Group has the last four years open for review for the main taxes applicable to it (five years in the case of corporate income tax).

As a result, inter alia, of possible differing interpretations of the current tax legislation, additional liabilities might arise as a result of a tax audit. However, the Company's directors consider that such liabilities, if any, would not materially affect the financial statements.

On 6 January 2015, the Spanish tax authorities notified the company of plans to commence a partial tax audit of corporate income tax for the years 2010 to 2012, which would be confined to examining revenues from certain intangible assets reported by Pharma Mar. On 20 January 2015, the Company applied to the tax authorities for the partial tax audit to be converted into a general tax audit covering the taxes and periods in question.

As a result, notification of the initiation of the tax audit was received in June 2015. It refers to the following periods and Group entities.

	Corporate income tax	VAT	Personal income tax - Spanish residents	Personal income tax - Non-residents	Income from capital
Zeltia, S. A.	2010-2013	2011-2013	2Q 2011 - 4Q 2013	2Q 2011 - 4Q 2013	2Q 2011 - 4Q 2013
Genómica, S. A.U.	2010-2013	2011-2013	2Q 2011 - 4Q 2013	2Q 2011 - 4Q 2013	2Q 2011 - 4Q 2013
Pharma Mar, S. A.U.	2010-2013	2011-2013	2Q 2011 - 4Q 2013	2Q 2011 - 4Q 2013	-
Zelnova Zeltia, S. A.	2010-2013	06/2011-2013	1Q 2012 - 4Q 2013	-	-
Xylazel, S. A.	2010-2013	06/2011-2013	1Q 2012 - 4Q 2013	-	-

The tax audit concluded in September 2016. The company accepted an assessment that resulted in a reduction in the tax base, and it disputed assessments for corporate income tax, personal income tax withholdings and prepayments, value added tax and non-residents' personal income tax. There is currently one appeal pending before the National Court and one appeal before the High Court.

The net amount of corporate income tax payable by the companies in the Spanish tax group in each of the years referred to in the disputed tax assessments is zero in all cases, since the companies in the Spanish tax group have tax losses and international double taxation tax credits which were applied in the tax authorities' proposal, in accordance with the regulations in force in each year. Consequently, in the worst-case scenario, in which all of the tax group's appeals were to fail, the tax payable would be zero and no late payment interest would accrue.

The amount of tax due plus late payment interest and penalties that would be payable in the event that none of the appeals succeeded would not result in a material reduction in the assets recognized by the Group.

25. FINANCIAL INCOME

Financial income is detailed in the following table:

(thousand euro)	31/12/2025	31/12/2024
Financial revenues	3,299	6,843
Marketable securities and other equity instruments	3,299	6,843
Group and associated undertakings (Note 30.2)	201	1,178
Third parties (Note 15)	3,098	5,665
Financial expenses	(2,214)	(2,153)
On debts to third parties	(2,214)	(2,153)
Variation in fair value of financial instruments	334	-
Exchange differences	(1,969)	2,456
IMPAIRMENT AND INCOME FROM DISPOSAL OF FINANCIAL INSTRUMENTS	(4,275)	(5,536)
Impairment of group undertakings	(4,275)	(5,886)
Income from disposals and other	-	350
FINANCIAL INCOME	(4,825)	1,610

Financial revenues from marketable securities and other equity instruments arise basically from interest received from third parties on financial assets (Note 15) and loans granted to Group undertakings (Note 30.2).

In 2025 and 2025, most of the exchange differences were due to marking the Company's deposit in dollars to market at year-end.

Impairment of group undertakings: shows the impairment of Sylentis to adjust the value of the investment to the recoverable value of the investee (€4,436 thousand recognized in 2025 and €5,910 thousand in 2024). The valuation method used is described in Note 11.3.1.

INCOME FROM DISPOSALS AND OTHER: in 2024 reflected the recovered portion of the total impaired investment in Genómica, S. A.U. after the latter's liquidation was formally registered in December 2024. This transaction amounted to €350 thousand.

26. SHARE-BASED PAYMENTS

At the end of 2025, Pharma Mar and the Group companies had three share ownership plans in place for Group executives and employees (excluding directors of Pharma Mar, S. A.). Those plans were implemented in 2023, 2024 and 2025 and were offered in the same conditions to all employees and executives of Group companies (excluding directors of Pharma Mar, S. A.) who had at least six months' seniority as of 31 December 2022, 2023 and 2024, respectively, and were liable for personal income tax.

Below are details of the essential terms and conditions of those share ownership plans. At the start of each year, each Group company that has decided to apply the Share Ownership Plans provides the Board of Directors of Pharma Mar with a list of plan beneficiaries (i. e. employees who meet the conditions established in the relevant decision by the Shareholders' Meeting). Additionally, given that participation in such plans has been voluntary, the lists for the Plan include only employees and executives who decided to participate and to allocate part of their salary to the Plan; each beneficiary is assigned the same percentage for the purposes of calculating the number of shares to be allocated. Based on that information, the Board of Directors resolved that these beneficiaries should be given, by their respective employers, shares for the amount detailed in the aforementioned lists (not exceeding €12,000 per beneficiary and year in any event).

The number of shares delivered to each beneficiary under the Share Ownership Plans is the result of dividing the amount of salary allocated to the Plan in question by the value attributed to the shares, and applying the percentage of 100% (i. e. delivering an amount of shares equivalent to the shares acquired by the beneficiary). In all the Plans, the value attributed to the shares was the lower of: a) the weighted average price of the Pharma Mar share in the electronic market on the Plan's execution date; or b) the arithmetic mean of the weighted average price of the Pharma Mar share in the electronic market in the month prior to the execution date.

Beneficiaries hold the voting and dividend rights to the shares delivered to them from the date of effective delivery, although those shares are subject to lock-up for three years from that date (lock-up period); nevertheless, some of the shares will be released from lock-up 18 months after delivery: specifically, the number of shares resulting from dividing the total number of shares that were delivered by two. The delivery of those shares, which must remain locked up for the above-mentioned lock-up period, is subject to a condition subsequent which is understood to be met in the

event of voluntary severance or fair dismissal of the beneficiary. In the event of cessation of employment due to a cause other than those two, the lock-up is lifted.

Year 2022 (Share Ownership Plan approved by the Ordinary Shareholders' Meeting on 15 April 2021)

On 15 April 2021, the Shareholders' Meeting of Pharma Mar, S. A. approved a new Share Ownership Plan that was executed in May 2022. The Company allocated 41,000 own shares from treasury stock to execute this plan.

In executing this plan, a total of 8,244 shares were allocated in 2022 to 167 beneficiaries at a value of €71.5923 per share.

In 2023, a total of 3,694 shares were released.

In relation to this Plan, a total of 1,096 shares were canceled in 2025: 428 shares purchased by employees and executives and 668 shares contributed by the Company.

This Plan concluded in May 2025 since the three-year lock-up period had expired, and the shares that were under lock-up were released. A total of 3,454 shares were released.

Year 2023 (Share Ownership Plan approved by the Ordinary Shareholders' Meeting on 29 June 2022)

On 29 June 2022, the Shareholders' Meeting of Pharma Mar, S. A. approved a new Share Ownership Plan that was executed in April 2023. The Company allocated 41,000 own shares from treasury stock to execute this plan.

In executing this plan, a total of 15,634 shares were allocated to 177 beneficiaries at a value of €42.2623 per share.

In 2024, 6,784 shares were released under this plan.

In relation to this Plan, a total of 2,121 shares were canceled in 2025: 1,033 shares purchased by employees and executives and 1,088 shares contributed by the Company.

As of 31 December 2025, there were 6,729 shares that had not accrued.

Year 2024 (Share Ownership Plan approved by the Ordinary Shareholders' Meeting on 31 May 2023)

On 31 May 2023, the Shareholders' Meeting of Pharma Mar, S. A. approved a new Share Ownership Plan that was executed in April 2024. The Company allocated 41,000 own shares from treasury stock to execute this plan.

In executing this plan, a total of 18,510 shares were allocated in 2024 to 157 beneficiaries at a value of €28.3616 per share.

In 2025, a total of 8,685 shares were released.

In relation to this Plan, a total of 1,140 shares were canceled in 2025: 570 shares purchased by employees and executives and 570 shares contributed by the Company.

As of 31 December 2025, there were 8,685 shares that had not accrued.

Year 2025 (Share Ownership Plan approved by the Ordinary Shareholders' Meeting on 29 May 2024)

On 29 May 2024, the Shareholders' Meeting of Pharma Mar, S. A. approved a new Share Ownership Plan that was executed in April 2025. The Company allocated 41,000 own shares from treasury stock to execute this plan.

In executing this plan, a total of 10,562 shares were allocated in 2025 to 193 beneficiaries at a value of €78.8254 per share.

As of 31 December 2025, there were 10,562 shares that had not accrued.

Year 2026 (Share Ownership Plan approved by the Ordinary Shareholders' Meeting on 18 June 2025)

On 18 June 2025, the Shareholders' Meeting of Pharma Mar, S. A. approved a new Share Ownership Plan to encourage employees and executives of Group companies to own capital in Pharma Mar, S. A. and to remain in the Group, under the same conditions for all of them. The maximum number of shares that can be allocated for the execution of this plan was set by the Shareholders' Meeting at 41,000, which will be taken from treasury stock held by the Company at the time the plan is implemented. The Shareholders' Meeting determined that the beneficiaries of this Plan would be the Group's employees and executives (excluding directors of Pharma Mar, S. A.) who are in active service at the time the plan is implemented and have at least six months' seniority as of 31 December 2025.

The Shareholders' Meeting empowered the Board of Directors to determine the other terms and conditions of the Plan. At the date of authorizing these financial statements, the Plan was pending execution, and the Board of Directors of Pharma Mar had yet to establish the conditions of same under the powers granted specifically for this purpose by the Shareholders' Meeting.

The following table shows the number of shares under each plan as of 31 December 2025, adjusted for the stock merge:

(thousand euro)	Shares awarded under plan	Shares purchased by employees - canceled	Shares purchased by employees - accrued	Shares purchased by employees - not yet accrued	Shares contributed by employer - canceled	Shares contributed by employer - accrued	Shares contributed by employer - not yet accrued	Total number of shares not yet accrued	Fair value per share	Accrual period
	(1)+(2)+(3)+(4)+(5)+(6)	(1)	(2)	(3)	(4)	(5)	(6)	(3)+(6)		
Plan / Grant date										
Plan 20 April 2021 (Granted May 2022)	8,244	428	3,694	-	668	3,454	-	-	71.59	May 25
Plan 21 June 2022 (Granted April 2023)	15,634	1,033	6,784	-	1,088	-	6,729	6,729	42.26	May 26
Plan 22 May 2023 (Granted April 2024)	18,510	570	8,685	-	570	-	8,685	8,685	28.36	April 27
Plan 23 May 2024 (Granted April 2025)	10,562	-	-	5,281	-	-	5,281	10,562	78.83	April 28
	52,950	2,031	19,163	5,281	2,326	3,454	20,695	25,976		

A total of €295 thousand were recognized as reserves for the amortization of the share ownership plans in 2025 (€273 thousand in 2024). Additionally, the amount recognized in the period was €394 thousand (€246 thousand in 2024), and €7 thousand were derecognized (€21 thousand in 2024).

27. CONTINGENCIES

Under current law, tax returns cannot be deemed definitive until they have been inspected by the tax authorities or the statute of limitations period has elapsed. The Group has the last four years open for review for the main taxes applicable to it (five years in the case of corporate income tax).

A tax inspection of the Spanish Group for the years 2010, 2011, 2012 and 2013 concluded in September 2016 for the following taxes: corporate income tax, VAT, personal income tax (withholdings), non-residents' personal income tax, and withholdings from income from capital. Pharma Mar's management has made its best estimates of the tax risk represented by the tax assessments that are in dispute (Note 24). This tax risk is not material in relation to the financial statements.

For the rest of the years open to inspection, the Company's directors do not anticipate that additional liabilities would arise or that the amount of recognized assets might be reduced such as to have a material effect on these consolidated financial statements.

28. COMMITMENTS

28.1 Purchase and sale commitments

The Company does not have any purchase or sale commitments.

28.2 Operating lease commitments

The minimum future payments for non-cancelable operating leases as of 31 December 2025 and 2024 are detailed in Note 9.

28.3 Share-based incentive plans

- Under the twenty-first plan (June 2022) for delivery of shares free of charge, of the shares delivered and under lock-up as of 31 December 2025, 6,729 shares will be released in May 2026.
- Under the twenty-second plan (May 2023) for delivery of shares free of charge, of the shares delivered and under lock-up as of 31 December 2025, 8,685 shares will be released in April 2027.
- Under the twenty-third plan (May 2024) for delivery of shares free of charge, of the shares delivered and under lock-up as of 31 December 2025, 10,562 shares will be released in two tranches: 5,281 shares in October 2026 and 5,281 shares in April 2028.

28.4 Other commitments

The Company has arranged a credit line for the amount of €500 thousand in which, in addition to the Company, Pharma Mar USA also appears as borrower. Under that credit line, Pharma Mar is jointly and severally liable for the full amounts drawn down by them, including those drawn by Pharma Mar USA.

29. DIRECTOR AND SENIOR MANAGEMENT REMUNERATION

29.1 Director remuneration

The following table shows the remuneration paid in 2025 and 2024 to directors of Pharma Mar:

(thousand euro)	31/12/2025	31/12/2024
Fixed remuneration for executive directors	1,690	1,642
Variable remuneration for executive directors	1,372	1,295
Fixed remuneration for belonging to the Board of Directors	888	852
Board and Board committee meeting attendance fees	527	425
Fixed remuneration for belonging to Board committees	769	743
Remuneration for Lead Independent Director	19	19
Other remuneration	402	387
TOTAL	5,667	5,363

The "Other remuneration" item in 2025 and 2024 refers to certain benefits paid in kind to the Company's Chairman and Vice-Chairman, such as casualty and health insurance (both under the group policy for Company employees), and a group life insurance for which the Company pays an annual premium of €12 thousand for each of the two executive directors. The Chairman also has support, surveillance and security personnel, as well as a high-end vehicle that is in keeping with his status.

With respect to the executive director's variable remuneration, €1,372 thousand accrued as a result of the evaluation of objectives approved by the Board of Directors at a meeting on 26 February 2026, based on a proposal by the Appointments and Remuneration Committee.

29.2 Senior management remuneration and loans

Company senior management received aggregate total remuneration of €3,521 thousand (€3,311 thousand in 2024).

29.3 Companies related to the directors and executives and their close relatives

In 2025, a company related to one member of the Board of Directors provided services to the Company amounting to €20 thousand (€13 thousand in 2024).

29.4 Directors' duty of loyalty

Based on the disclosures submitted by each of the Company's directors, both they and, to the best of their knowledge, their related parties have refrained from engaging in the conflicts of interest stipulated in article 229 of the Consolidated Text of the Capital Companies Act, except where they were duly authorized by the Company's Board of Directors at the proposal of the Audit Committee (see Note 29.3 Companies related to the directors and executives and their close relatives).

30. OTHER TRANSACTIONS WITH RELATED PARTIES

30.1 Balances with group companies

The detail of accounts payable to and receivable from group undertakings as of 31 December 2025 and 2024 is as follows:

(thousand euro) 2025	Current assets	Current liabilities
Loans and other financial assets/liabilities	-	1,901
Sylentis, S. A.U.	-	1,901
Trade accounts receivable/payable	780	8,364
Pharma Mar, USA	-	119
Pharma Mar, Srl	7	2,450
Pharma Mar, GmbH	333	1,923
Pharma Mar, Sarl	264	1,967
Pharma Mar, Srl (Belgium)	61	294
Pharma Mar, Ges. m.b. H.	85	374
PharmaMar, AG	-	1,237
Sylentis, S. A.U.	30	-
TOTAL	780	10,265

(thousand euro) 2024	Non-current assets	Current assets	Current liabilities
Loans and other financial assets/liabilities	4,314	96	2,762
Sylentis, S. A.U.	4,314	96	2,762
Trade accounts receivable/payable	-	1,202	5,493
Pharma Mar, USA	-	-	119
Pharma Mar, Srl	-	6	1,721
Pharma Mar, GmbH	-	231	1,175
Pharma Mar, Sarl	-	182	1,594
Pharma Mar, Srl (Belgium)	-	65	211
Pharma Mar, Ges. m.b. H.	-	245	354
PharmaMar, AG	-	473	319
TOTAL	4,314	1,298	8,255

In 2024, non-current assets, loans and other financial assets refer to loans granted by the Company to its subsidiary Sylentis. This loan was cancelled in 2025.

Current assets consist principally of accounts receivable (€780 thousand as of 31 December 2025 and €1,202 thousand as of 31 December 2024), i. e. the amount yet to be received for the sale of Pharma Mar products to subsidiaries operating under the distribution model.

Current liabilities with Group undertakings in 2025 are broken down in the table:

(thousand euro)		Services delivered	TOTAL
2025	Taxes		
Sylentis, S. A.U.	1,901	-	1,901
Pharma Mar USA	-	119	119
PharmaMar, AG	-	1,237	1,237
Pharma Mar, Srl	-	2,450	2,450
Pharma Mar, GmbH	-	1,923	1,923
Pharma Mar, Sarl	-	1,967	1,967
Pharma Mar, Srl (Belgium)	-	294	294
Pharma Mar, Ges. m.b. H.	-	374	374
TOTAL	1,901	8,364	10,265

Taxes due are debts owed by the parent company to its subsidiaries as a result of tax consolidation of both corporate income tax and value added tax. In both cases, the amounts outstanding with the tax administration are recognized at Pharma Mar, the head of the group, which also recognizes the account payable to its subsidiaries. Specifically, (€1,559 thousand) relate to corporate income tax and €342 thousand to VAT pending recovery in connection with 2025.

30.2 Transactions with Group undertakings

The amounts of the Company's transactions with Group undertakings as of 31 December 2025 and 2024 are as follows:

TRANSACTIONS WITH GROUP UNDERTAKINGS		
EXPENSES	2025	2024
(thousand euro)		
Services received		
Pharma Mar, GmbH	4,570	3,087
Pharma Mar, USA	504	483
PharmaMar, AG	601	467
Pharma Mar, Sarl	3,296	2,557
Pharma Mar, Srl	2,935	2,751
Pharma Mar, Srl (Belgium)	908	822
Pharma Mar, Ges. m.b. H.	1,263	1,027
Total expenses	14,077	11,194

TRANSACTIONS WITH GROUP UNDERTAKINGS		
REVENUES (thousand euro)	2025	2024
Sales		
PharmaMar, AG	13,516	9,962
Pharma Mar, Srl	1,153	1,441
Pharma Mar, GmbH	1,466	2,041
Pharma Mar, Sarl	1,059	1,181
Pharma Mar, Srl (Belgium)	226	273
Pharma Mar, GesmbH	370	699
Services provided		
Sylentis, S. A.U.	105	77
Pharma Mar, Srl	111	106
Pharma Mar, GmbH	475	277
PharmaMar, AG	-	3
Pharma Mar, Srl (Belgium)	151	115
Pharma Mar, Sarl	174	171
Pharma Mar, GesmbH	120	110
Financing		
Sylentis, S. A.U.	201	1,178
Total revenues	19,127	17,635

The transactions with Group undertakings were conducted on an arm's-length basis.

31. SURETIES AND GUARANTEES

The sureties and guarantees provided by banks for subsidies and advances received by the Company from public authorities amounted to €2,530 thousand as of 31 December 2025 (€3,026 thousand in 2024). €103 thousand (€224 thousand in 2024) relate to guarantees that had to be presented for Yondelis distribution tenders.

32. ENVIRONMENT

In 2025, with the aim of reducing greenhouse gas emissions, promoting the self-supply of electricity and fostering sustainable mobility among employees, the Company invested €284 thousand to install and commission 630kWp solar photovoltaic panels which, together with the existing ones, will be able to supply up to 35% of the electricity consumed by the Colmenar Viejo laboratory. In addition, the company invested €36,000 in installing 12 electric vehicle charging points in the new staff car park.

Environmental protection and improvement expenses amounted to €320 thousand in 2025 (€88 thousand in 2024).

The Company is not aware of any contingencies relating to environmental protection and there are no risks that could have been transferred to other companies; consequently, it was not necessary to recognize any provisions for environmental actions in the year.

33. AUDITORS' FEES

The fees accrued by KPMG AUDITORES, S. L. and other firms in its network amounted to €370 thousand in 2025 for the statutory audit of Pharma Mar, S. A. and dependent companies (€370 thousand as of 31 December 2024). Fees for other non-audit services amounted to €16 thousand in 2025 (€16 thousand in 2024). Fees for other non-audit services amounted to €90 thousand in 2025 (€65 thousand in 2024).

34. SUBSEQUENT EVENTS

Between year-end and the authorization of these financial statements, no significant events occurred that affect the content of these financial statements and there were no other events requiring disclosure.

1. COMPANY SITUATION

1.1 Organizational structure

The main activity of Pharma Mar, S. A. (the "Company" or "Pharma Mar") is research, development and commercialization of bio-active principles, particularly those of marine origin, for application in human medicine, especially in the anti-tumor field, as well as management, support and development of its investee, Sylentis, S. A.U., in the RNA interference field.

The Board of Directors of the Pharma Mar, S. A. defines the general strategy. It has the following sub-committees: Executive Committee, Audit Committee, and Appointments, Remuneration and Sustainability Committee.

1.2 Operations: Business model, strategy

Pharma Mar's main business is the development and marketing of anti-tumor drugs of marine origin.

The oncology business model focuses on discovering new marine-based anti-tumor molecules and developing them in preclinical and clinical trials with a view to producing new drugs with therapeutic advantages for oncology patients. Pharma Mar's strategy also includes the search for strategic alliances with partners, preferably in the same industry, that will invest and collaborate in advancing the compounds through the various research phases and in subsequent marketing.

One of the distinguishing factors of the oncology business model is the capacity to discover new molecules for the pipeline, thereby generating opportunities to develop new drugs for the Company. The Company has several anti-tumor molecules in its pipeline at various stages of development, the goal being to bring new compounds to market. Pharma Mar's business model includes having its own sales network covering Europe. This network not only enables the Company to sell its products directly in the EU, but also provides scope to leverage future opportunities to sell third-party products.

Pharma Mar invests heavily in R&D and innovation in oncology and it is firmly committed to R&D to bring new drugs to market.

Pharma Mar sees its strengths as being:

- A unique, integrated technology platform based on marine organisms which has led to approval to market three of its molecules in many markets around the world — trabectedin, lurbinectedin and plitidepsin — and provides it with new candidates in earlier stages of clinical development with the objective of obtaining future approvals.
- Compounds already approved for certain anti-tumor indications have the potential to be approved for other indications.
- A well-established commercial structure in Europe that is focused on oncology and has the capacity to expand its portfolio with new products.
- Generation of revenues in the oncology business from direct sales of proprietary products.
- Out-licensing agreements in advantageous conditions for several of its compounds that have been signed and are in force, producing sizeable revenues.
- A library of samples of marine organisms that can be tested for therapeutic applications other than oncology, as has been shown in the case of virology.
- A robust financial position to fund its projects.

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- The Company's strategy also includes the search for strategic alliances with partners, preferably in the same industry, that will invest and collaborate in advancing the compounds through the various research phases and in subsequent marketing.

The key components of Pharma Mar's strategy are:

- Continue the clinical development of lurbinectedin in both small cell lung cancer and new indications to expand its application.
- Continue the clinical development of molecules currently in the pipeline to advance them along the clinical development track.
- Use its unique, marine-based technological platform to continue feeding its pipeline of compounds. Two new molecules have recently been added to the oncology pipeline.
- In-license one or more third-party products for marketing through the Pharma Mar sales network: these would be products in the commercial or regulatory phase that would contribute to increasing the Company's revenues.
- Maximize the commercial value of lurbinectedin in markets outside the US and Europe through partnerships with third parties.

2. Business performance and results

2.1. Total revenues

Net sales amounted to €77,467 thousand, consisting of sales of Yondelis (€12,727 thousand) and in 2025 also included sales of the active ingredients of Yondelis and Zepzelca to our partners in the amount of €27,456 thousand, as well as sales of Zepzelca in certain European countries, mainly under the Compassionate Use program (AAC) in France, for a total amount of €37,284 thousand. Net sales amounted to €66,389 thousand in 2024.

Royalties relate mainly to sales of Zepzelca by our partner Jazz Pharmaceuticals in the United States (€48,838 thousand in 2025 and €55,789 thousand in 2024). Luye generated €2,768 thousand in royalty revenues as of December 31 2025 (€363 thousand in 2024). Pharma Mar also collected royalties for Yondelis sales amounting to €11,565 thousand from Janssen Products (€4,476 thousand in 2024) and €657 thousand from Taiho Pharmaceutical Co. (€719 thousand in December 2024).

Revenues from licensing and other development agreements amounted to €77,784 thousand in 2025 (€46,518 thousand in 2024). This revenue in 2025 was principally from the recognition of €3,973 thousand in revenue (€22,962 thousand in 2024) out of the USD 300,000 thousand collected in 2020 under the Zepzelca licensing agreement with Jazz Pharmaceuticals, which is being recognized in the income statement as a function of the fulfilment of contractual commitments. Additionally, in October 2025 a regulatory milestone stipulated in the license agreement was achieved, which was accrued with the granting of full approval for Zepzelca (lurbinectedin) in combination with atezolizumab as a first-line maintenance therapy for adults with small cell lung cancer by the US Food and Drug Administration (FDA). For this reason, Pharma Mar received a payment of \$50 million (€42,586 thousand).

Pharma Mar received a payment of USD 10,000 thousand (€8,561 thousand) from Janssen on attaining a commercial milestone under the licensing agreement.

In 2024 Pharma Mar, S. A. received two payments from Janssen—USD 9,442 thousand (€8,715 thousand) in August, and USD 10,000 thousand (€9,219 thousand) in November—on attaining a commercial milestone under the licensing agreement for Yondelis in the United States.

2.2. International revenues

Out of total 2025 revenues, 99%, i. e. €217,179 thousand, came from sales and transactions in other countries (98%, €171,275 thousand in 2024).

2.3. Gross margin

The gross margin was 81% of total revenues as of 31 December 2025 (66% in 2024) (*).

(*) Calculated with respect to sales only, not including royalties or licensing revenues.

2.4. R&D expenditure

R&D expenditure decreased from €94,428 thousand in December 2024 to €92,396 thousand as of 31 December 2025. The company capitalized €2,190 thousand of R&D expenses incurred in connection with the Zepzelca registration dossier submitted to European authorities.

2.5. Operating expenses

The breakdown of operating expenses is shown in the next table:

(thousand euro)	31/12/2025	31/12/2024	Change
Staff expenses	48,919	47,319	3.4%
Outside services	99,160	92,636	7.0%
Purchases	14,802	22,942	-35.5%
Taxes other than income tax	1,513	363	316.8%
Depreciation	3,175	3,599	-11.8%
Bad debts	(183)	183	
Fixed asset impairment	(843)	(284)	
Fixed asset derecognition	83	(720)	
	166,626	166,038	

Outside services and Taxes rose as a result of increased activity, mainly in preparation for the prospective launch of Zepzelca in Europe.

2.6. Profit or loss for the year

In 2025, the company logged profit after tax of €65,767 (profit after tax of €40,225 in 2024). This year-on-year increase is a result of higher income from licensing agreements and royalties.

2.7. Other events that impacted the 2025 financial statements

As for **lurbinectedin (Zepzelca)**, the events of 2025 can be grouped under the following headings:

- The U. S. Food and Drug Administration (FDA) approved Zepzelca (lurbinectedin) in combination with atezolizumab (Tecentriq®) as first-line maintenance treatment for adults with advanced-stage small cell lung cancer (SCLC). The approval heralds the first combined therapy for first-line maintenance treatment of extensive-stage small cell lung cancer, an aggressive, fast-growing cancer for which there are limited therapeutic options.

The National Comprehensive Cancer Network (NCCN) has recently updated its Clinical Practice Guidelines in Oncology (NCCN Guidelines) for small cell lung cancer to include

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the combination as the preferred regimen for patients whose disease has not progressed following four cycles of platinum-based chemotherapy and atezolizumab induction.

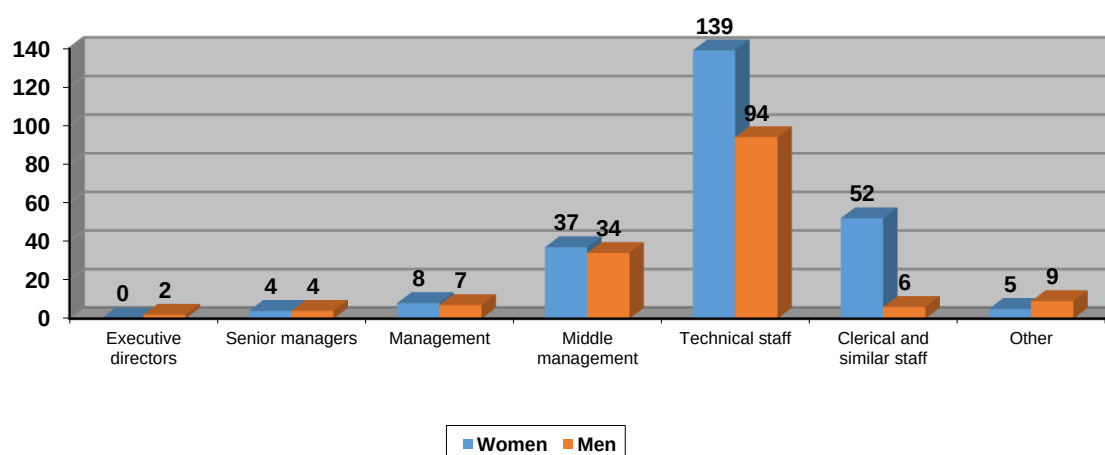
- Pharma Mar submitted an application to the European Medicines Agency (EMA) to market lurbinectedin in combination with atezolizumab as first-line maintenance therapy in the treatment of small cell lung cancer.
- Pharma Mar and Merck (Darmstadt, MRK. BE) entered into an exclusive license agreement for the development and marketing of Zepzelca (lurbinectedin) in Japan.
- The Swiss Agency for Therapeutic Products (Swissmedic) has granted approval for Zepzelca (lurbinectedin) in combination with atezolizumab (Tecentriq) as maintenance therapy for adults with extensive-stage small cell lung cancer.
- The regulators of Argentina and the Dominican Republic have approved the commercialization of Zepzelca for small cell lung cancer.

2.8. Personnel

Pharma Mar had 401 employees as of 31 December 2025 (382 in 2024).

Women account for 61% of the workforce (60% in 2024).

The graph below illustrates segmentation by gender and category:



2.9. Environmental issues

The Company did not need to incur material investments to protect and improve the environment during the year.

Since there were no contingencies relating to environmental protection and improvement and there are no risks that could have been transferred to other companies, it was not necessary to recognize any provisions for environmental actions in the year.

Through two committees, the Audit Committee and the Remuneration, Appointments and Sustainability Committee, Pharma Mar's Board of Directors oversees and monitors the sustainability and non-financial information provided by the company.

Pharma Mar's environmental objectives are to reduce greenhouse gas emissions, improve the energy efficiency of its facilities and production processes, promote the use of clean energy, use resources rationally, encourage recycling, and promote actions to protect marine biodiversity, since the marine environment is the basis of our business.

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Pharma Mar calculates the carbon footprint of its operations, including scope 1, 2 and 3 sources of GHG emissions. Pharma Mar Group's carbon footprint was calculated in accordance with the methodological guidelines set out in the GHG Protocol, the most widely recognized international standard that establishes standardized frameworks for measuring, managing and reporting companies' GHG emissions.

Pharma Mar has submitted its carbon footprint calculations and targets to the Science Based Targets Initiative (SBTI). The objectives are as follows:

- Short-term decarbonization target: 42% reduction in Scope 1 and 2 emissions by 2030 with respect to the baseline year (2021).
- Long-term net-zero target: 90% reduction of Scope 1, 2 and 3 emissions by 2050 and neutralization of residual emissions (remaining 10%).

Pharma Mar has produced a "Climate-Related Risks and Opportunities Report" in accordance with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and the EU Taxonomy. This analysis examines the physical and energy transition risks that the Company will have to face in the medium and long term, as well as the opportunities that mitigating climate change will bring.

The report is divided into several sections:

- Governance: describes the governance framework for managing climate-related risks and opportunities.
- Risk identification and management: an analysis of the physical risks (climate events such as temperature, wind, water) and energy transition risks (relating to government policy, technology, markets and reputation), in order of priority according to probability, severity, fragility and adaptive capacity.
- Description of risks and opportunities: the climate impacts on the Colmenar Viejo and Getafe laboratories and on our main suppliers are evaluated qualitatively and quantitatively, taking into account varying climate patterns up to 2050.
- Impacts and opportunities: we analyze the financial impact of physical and energy transition risks, and quantify any economic opportunities.
- Strategy: a discussion of the Company's approach to climate adaptation and mitigation.
- Metrics and targets: indicators are introduced to monitor and manage climate risk.

Our analysis leads us to conclude that Pharma Mar's facilities are not exposed to high climate risks under any of the scenarios considered. A medium-low risk only exists in the most extreme case (Representative Concentration Pathway 8.5) and in events of water stress and drought. However, some suppliers do pose a medium risk in the event of heavy rain, flooding and fire, which has prompted the Company to diversify its supply sources.

Key energy transition risks include the potential future price of carbon emission allowances, certain regulatory obligations and the cost of adopting cleaner technologies. The financial impact would in any case be limited, given Pharma Mar's low-carbon business model. As for opportunities, we should highlight energy efficiency and the use of clean energy.

Throughout 2025, the Company continued striving to reduce the emissions generated by its production processes. Major actions included:

- We installed an additional 630 kWp of photovoltaic solar panels at our laboratory in Colmenar Viejo, enabling us to meet up to 35% of electricity demand at the facility with

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100% renewable self-produced energy. The company also has 252 kWp of PV solar panels at its plant in Getafe, which covers up to 30% of its power consumption.

- The Colmenar Viejo laboratory was supplied with 100% certified renewable electricity throughout 2025.
- We are gradually electrifying the fleet, in which more than 75% of vehicles had some degree of electrification or hybridization by the end of the year.
- We installed 12 new charging points for electric or plug-in hybrid vehicles to foster sustainable mobility.

2.10. Average period taken to pay suppliers

Information on payments for commercial transactions performed in 2025 and pending payment at the end of the year in relation to the maximum legal payment periods envisaged in Law 18/2022 is as follows:

	2025	2024
Average time taken to pay suppliers (days)	47	59
Proportion of transactions paid (days)	49	61
Proportion of transactions outstanding (days)	33	43
Total payments made (thousand euro)	110,054	113,728
Total payments outstanding (thousand euro)	11,370	13,350
Total invoices received (number)	10,419	10,839
Total invoices received (thousand euro)	121,425	127,078
Total invoices paid in less than 60 days (number)	9,044	5,987
Total invoices paid in less than 60 days (thousand euro)	99,063	60,950
Percentage of total number of invoices paid	95.84%	60.43%
Percentage of total amount of invoices paid	90.01%	53.59%
Total invoices paid (number)	9,437	9,907

The average supplier payment lag in the year between 1 January and 31 December 2025 was 47 days (59 days in 2024).

3. LIQUIDITY AND CAPITAL

The balance of "cash + cash equivalents" amounted to €10,714 thousand as of 31 December 2025 (€57,473 thousand in 2024).

The heading "Current financial investments," which amounts to €146,814 thousand (€90,697 thousand in 2024), includes €134,231 thousand in term deposits maturing between 12 January and 5 May 2026, with yields ranging from 1.85% to 5.60% (€79,831 thousand in 2024 maturing between 22 January and 31 March 2025, with yields ranging from 2.59% to 2.90%), portfolio investments with a number of institutions amounting to €5,219 thousand, which consist of corporate fixed-income securities (€10,866 thousand in 2024) and fixed-income investment funds amounting to €7,334 thousand. This amount includes €30 thousand of deposits provided.

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Current debt amounts to €11,872 thousand (€8,736 thousand in 2024) and non-current debt to €35,407 thousand (€39,469 thousand in 2024).

Pharma Mar had a net cash balance of €110,751 thousand as of 31 December 2025.

As of 31 December 2025, the limit of the credit lines is €18,000 thousand (€19,000 thousand in 2024), against which the Company had drawn €4,703 thousand (€4,703 thousand in 2024) including credit cards. The credit lines bore average interest of 3.66% in 2025 (5.18% in 2024). In addition, the Company has a foreign trade financing line with a limit of €2,000 thousand, against which no amount was drawn down as of 31 December 2025 and 2024.

As of 31 December 2025, the Company had €13,319 thousand available in credit lines.

Consequently, at the time of authorizing these financial statements, the directors of Pharma Mar consider that Pharma Mar has ample liquidity to cover its research and development projects and honor its future payment obligations.

The directors estimate that R&D expenditure in 2026 will be higher than in 2025 but that the other operating expenses will not increase significantly.

4. MAIN RISKS AND UNCERTAINTIES

4.1. Situation risks

Competition.

The biopharmaceutical market is highly competitive and involves multinationals, small and medium-sized domestic players, and generic producers.

Pharma Mar's results may be affected by the launch of novel or innovative products, technical and technological progress, and the launch of generics by competitors.

Industrial property. Patents.

Industrial property is a key asset for Pharma Mar. Effective protection of industrial property is vital for ensuring a reasonable return on investment in R&D. Industrial property can be protected by registering patents, trademarks, brand names, domains, etc.

Patents run for 20 years in most countries, including the USA and the European Union. The effective period of protection depends on how long drug development takes before launch. To compensate partly for such a long development period and the need to obtain authorization before marketing a drug, a number of markets (including the USA and the European Union) offer patent extensions of up to five years in certain circumstances.

Deficient protection of an invention or excessively long development times that limit the patent's useful life are risks inherent to the pharmaceutical business.

Once the product patent (or other patent families protecting the product on the market) expires, there is a risk that generic products will enter the market to compete, exerting considerable downward pressure on prices.

Pharma Mar has a rigorous patent policy which seeks to protect inventions obtained through its R&D activities. In addition to the protection that can be obtained for newly-discovered active principles, we also actively pursue protection for new formulations, production processes, medical applications and even new methods of drug administration.

Pharma Mar has a system for managing its patents' life cycle, with patent departments that regularly review the patent situation in coordination with the regulatory affairs department. The Company also exercise vigilance to detect breaches of our patents by other companies with a view to taking legal action if necessary.

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The Group is also assisted by external patent specialists, who advise on its own patent filings and keep it informed of regulatory developments and potential issues.

Regulation

The pharmaceutical industry is highly regulated. Regulations cover such aspects as research, clinical trials, drug registration, drug production, technical validation of production standards, and even marketing. Regulatory requirements have become more stringent in recent times and this trend is expected to continue.

In most countries, pharmaceutical prices are controlled and regulated by the government, which has the power to authorize, disallow or even rule out reimbursement for the products. In recent years, prices have been reduced and reference prices have been approved, while the marketing and prescription of generics and biosimilar products have been facilitated.

To offset the risk of a constant flow of new legal and regulatory requirements, Pharma Mar makes its decisions and designs its business processes on the basis of developing innovative products in therapeutic areas where treatment options are very limited. The Group also constantly obtains exhaustive analyses of these issues by our own experts and by prestigious external experts where necessary.

Capital availability

Because the markets are not always open and Pharma Mar makes significant R&D investments each year, the group seeks a range of funding sources, in both the credit and capital markets, to finance its growth, implement its strategy and generate income in the future.

Pharma Mar has spread out its risk considerably among various credit institutions, which provides it with greater flexibility and limits the impact in the event that any of its loans are not rolled over.

It has also issued long-term debt in order to diversify its funding sources.

Shareholders

As in the case of any listed company, there is the risk that a shareholder may consider that a decision by the Company's Board of Directors or executives is detrimental to their interests as a shareholder and file a complaint.

Pharma Mar has director and executive liability insurance which covers the risk of a shareholder filing a complaint on the grounds that a decision by the Company's Board of Directors or executives is detrimental to their interests.

4.2. Operating risks

Commodity prices

Deviations from expected price levels and a strategy of buying and accumulating inventories of raw materials may expose the organization to excessive production costs and to losses on inventories.

Pharma Mar conducts an in-depth analysis of prices at the beginning of the year and tries to obtain a closed price for the year from its suppliers. The products' cost prices are set on this basis. These are monitored monthly in case any modifications are necessary.

Health and safety

Failure to provide a safe workplace for its employees would expose the Company to sizable expenses, loss of reputation and other costs.

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Workplace health and safety is monitored exhaustively in pursuit of continuous improvement.

Exposure of laboratory personnel to new natural or synthetic compounds whose possible adverse effects are unknown creates a theoretical health and safety risk in addition to the standard risk of handling chemicals.

The Company has implemented a workplace health and safety system which is audited regularly to ensure compliance.

The Company has also arranged casualty and third-party liability insurance.

Pharma Mar, S. A. has obtained OHSAS 18001 certification of its workplace health and safety systems. Additionally, in 2020, Pharma Mar's workplace health and safety systems were certified in accordance with ISO 45001, which represents a new approach based on the organization's internal and external context.

Environmental

Environmental risks can generate potentially significant liabilities for companies. The greatest risk lies in third-party claims for harm to persons or property as a result of pollution.

Pharma Mar's production processes generally pose a very low risk in terms of environmental impact (noise, fumes, waste, etc.), and they are reviewed regularly both internally and by external supervisory bodies.

Waste management is outsourced to recycling and waste management companies that are authorized by the pertinent environmental administration. Regular compliance checks are conducted and, where necessary, atmospheric emissions are monitored, water purification systems are installed and the Group has designated points for depositing separated waste.

Pharma Mar is certified to the ISO 14001 standard, a management tool for the systematic oversight of the degree of interaction between the companies' activities and processes and the environment, the goal being to enhance environmental performance and minimize the impact. The environmental management system is audited annually by independent firms.

Product development

Pharma Mar allocates a considerable volume of resources to researching and developing new pharmaceutical products. As a result of the length of this process, the technological challenges involved, the regulatory requirements and the intense competition, it is not possible to be sure that all compounds currently under development and those to be developed in the future will reach the market and attain commercial success.

To maximize the effective and efficient use of our resources, the Company has implemented a horizontal working structure across the various departments, project-specific teams and reporting systems to monitor R&D projects internally.

4.3. Information risk

Malfunction of the Company's internal information flows poses the risk of misalignment with strategy and of erroneous or mistimed decisions.

Market disclosures

Pharma Mar, as an issuer of securities, is obliged to disclose inside information that directly concerns it to the National Securities Market Commission (CNMV) as soon as possible, in compliance with Article 17 of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation), along with other mandatory financial or corporate disclosures relating to the company or its shares pursuant to

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any legal or regulatory provision applicable to it in Spain or which it is considered necessary to disseminate to investors because of its special interest. Failure to comply carries the risk of punishment and of a loss of credibility.

The Company has a system of internal control over financial reporting (ICFR) and over non-financial reporting (ICNFR) to provide reasonable assurance regarding the reliability of financial and non-financial information reported to the markets.

Breach of transparency and market integrity rules is classified as a serious or very serious violation of current law, incurring punishment under the consolidated text of the Securities Market Law, with the possibility of reputational damage to the Company and/or loss of credibility among investors.

Pharma Mar's management and Board of Directors and certain of the company's executives and employees have access to privileged information about the Company's performance.

There are control systems in place in order to be aware of who is in possession of such information at any given time, mainly in order to comply with Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and with Spain's Securities Market Law, in the area of inside information.

The Market Abuse Regulation includes a tool enabling the regulator to investigate potential market abuses relating to inside information (the "insider list"), which the Company must compile and maintain up to date, including all persons with access to inside information. The Rules of Conduct Steering Committee, made up of four members appointed by the Board of Directors, is tasked with ensuring proper application of the Internal Rules of Conduct in matters related to the securities market.

Information systems

If the company's information systems malfunctioned or were not sufficiently robust, this might adversely affect the continuity of the organization's critical processes and operations.

If the computer security and access control systems failed to work properly, this might lead to unauthorized discovery, unauthorized access to data or the untimely delivery of same, and improper use of confidential information.

Pharma Mar is aware of the importance of computer systems to support the main business processes; for that reason, it continuously invests to maintain the infrastructure and information systems, and to keep its physical and legal security policies aligned with technological progress.

Pharma Mar has a strategic plan for Information Systems whose main objective is to align the information technology strategies with the company's strategic objectives, guarantee compliance with the strict regulatory framework, and ensure efficacy, security and robustness of the information systems that support the company's business processes.

The strategic plan for Information Systems addresses key issues for attaining those goals, including:

- Organization, roles and responsibilities within the IT unit
- Corporate computing architecture and infrastructure.
- Catalog of corporate services provided by the Information Systems unit
- Quality assurance and compliance commitments.
- General policies and procedures of the IT unit.
- Information security policies, procedures and infrastructure.

Where third-party technology infrastructures or IT solutions are used, the Group has service level agreements to minimize the impact on its operations of any degradation in those services.

Cybersecurity

Cybersecurity risks are potential external attacks or failures in the digital information system that can cause damage and consequences such as: unauthorized access to confidential information or facilities; theft of data or equipment; disruption of activities and financial losses.

The company has instituted the position of Chief Information Security Officer (CISO), appointed by the Board of Directors. The CISO is responsible for defining the company's security strategy, ensuring the protection of information systems and enforcing the Information Security and Cybersecurity Policy, as well as guaranteeing compliance with applicable laws, regulations and best practices in the field of information security.

Likewise, from a more operational standpoint, the company has an Information Security Committee, whose main purpose is to define, promote and control information security, participating in decision-making and in devising strategies in this area. It is made up of the CISO and all internal managers whose duties are related to cybersecurity and data protection, and ensures a coordinated and effective approach to decision-making in connection with information security and cybersecurity.

Furthermore, the company has a Technical Security Office (TSO) to ensure alignment with NIS2 requirements, creating and implementing strategies to protect information, manage technological risks, ensure regulatory compliance and foster a culture of internal security, all in keeping with its business goals.

4.4. Financial risk

4.4.1. Market risk

Price risk

Pharma Mar is exposed to price risk on available-for-sale equity instruments and on shares in exchange-traded funds at fair value through profit or loss.

Investments in available-for-sale equity instruments (which are securities of foreign biopharmaceutical companies) and units in exchange traded funds are not material in the context of Pharma Mar's operations. Pharma Mar's policy with regard to financial assets is to place cash in low-risk highly-liquid financial assets in order to ensure the availability of funds. For this reason, those financial assets are mainly deposits remunerated at fixed interest rates at banks with good credit quality, government bonds and investments in corporate fixed-income securities, with the result that their value does not fluctuate significantly.

Interest rate risk on cash flows and fair values

The Group's interest rate risk arises from remunerated financial assets that can be converted into cash. The remunerated financial assets consist mainly of deposits remunerated at fixed interest rates.

Floating-rate debt securities expose the Company to interest rate risk on the cash flow. Fixed-rate debt securities expose the Company to interest rate risk on the fair value.

Based on a number of scenarios, at times the Company manages the interest rate risk of its cash flow by means of floating-to-fixed interest rate swaps. The economic impact of these swaps is to convert floating-rate debt into fixed-rate debt. Under interest rate swaps, the Company undertakes to exchange, at regular intervals, the difference between the fixed and floating interest rates on the notional principals that are contracted.

Exchange rate risk

Exchange rate risks arise from future commercial transactions and recognized assets and liabilities in foreign operations. The Company is exposed to exchange rate risk on transactions in foreign currencies, particularly the US dollar.

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Management does not consider it necessary to establish any policy for hedging the foreign currency risk vs. the functional currency.

4.4.2. Credit risk

Credit risk arises from financial assets arranged with banks, mainly deposits.

The banks and financial institutions with which the Company works generally have independent ratings.

Where the Company acquires other financial assets, it must apply the following policies:

- Acquisition of fixed-income funds that invest in public- or private-sector debt (government bonds, treasury bills and commercial paper), generally secure, which pay periodic coupons.
- Acquisition of money market funds comprising short-term fixed-income securities (18 months maximum) where security is prioritized in exchange for a slightly lower yield than other investments.

4.4.3. Liquidity risk

The risk of not obtaining funds to honor debt obligations when they come due.

Prudent liquidity risk management entails having sufficient cash and marketable securities, financing via sufficient committed credit facilities, and the capacity to settle market positions. The goal of the Company's finance department is to maintain flexibility in funding by having credit lines and sufficient funds in financial assets to cover obligations (Note 3).

4.5. Tax risks

Tax risks are inherent to the Company's activity and are influenced by the unique features of our tax regime, its complexity and the existence of gray areas that might lead to non-compliance or discrepancies with the tax administration in the application of the regulations. The Company must comply with a number of tax obligations, both material (i. e. payments) and formal, consisting of filing returns without having to make any payments. The Company tries to identify risks and then minimize them.

The Company does not use structures outside its own activities for the purpose of reducing its tax burden, nor does it carry out transactions with related undertakings whose sole purpose is to reduce taxable income or transfer profits to low-tax territories.

The Company does not have opaque structures for tax purposes nor does it constitute or acquire companies in countries or territories that Spanish regulations designate as tax havens or that are on the European Union's list of non-cooperative jurisdictions.

The Company has external advisors who help it to constantly analyze new legislation, case law and decisions in the tax area and quantify their impact.

In specific issues such as transfer pricing, it has an external consultant to ensure it has the proper documentation. In one specific case of transfer pricing, a formal valuation agreement was reached with the Administration beforehand.

The Company has not been found guilty of tax evasion.

The Pharma Mar Company Code of Ethics and Code of Conduct expressly prohibit any practice involving the illegal evasion of taxes or other levies to the detriment of the public exchequer or that of the Social Security system or any other local or regional government body; accordingly, such practices must be avoided at all times.

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The Company's Crime Prevention Organization and Management Model contains an exhaustive list of risk actions that are counter to the guidelines of conduct and a catalog of prohibited conduct, which refer to crimes against the Exchequer and Social Security and also to money laundering.

5. SUBSEQUENT EVENTS

Between year-end and the authorization of these financial statements, no significant events occurred that affect the content of these financial statements and there were no other events requiring disclosure.

6. OUTLOOK FOR 2026

Since its U. S. launch in 2020, Zepzelca (lurbinectedin) has gained traction as a standard second-line treatment. However, the real turning point in the treatment of small cell lung cancer is expected to come now that it has been approved in the United States as a first-line maintenance therapy. Approval was secured by our partner Jazz Pharmaceuticals thanks to the positive results of its Phase III IMforte trial. Its authorization as a first-line treatment will transform the current treatment paradigm for this indication.

Based on these same results, a marketing authorization application for Zepzelca as a first-line maintenance treatment for small cell lung cancer in Europe was submitted to the European Medicines Agency (EMA). If secured, this would be Zepzelca's first authorization in the European Union, adding to the approval obtained in Switzerland in 2024.

The approval of Zepzelca in 19 countries as a second-line treatment for small cell lung cancer has been a major milestone for patients with this disease and has also contributed significantly to Pharma Mar's revenue. This revenue comes mainly from royalties on sales made by its partners in their respective territories, milestone payments under license agreements, and the sale of raw materials to commercial partners, as well as from compassionate use programs in countries where the treatment has not yet been approved. Looking ahead, and in the context of the expected approval of Zepzelca as a first-line maintenance treatment, revenue associated with this product is expected to continue growing steadily in the next few years as the relevant pricing and reimbursement agreements are obtained in the various European Union countries where Pharma Mar has its own commercial infrastructure or commercial agreements.

As of the end of 2025, the European Medicines Agency (EMA) was in the process of reviewing the aforementioned dossier. It is estimated that this initial approval in the European Union could be obtained by mid-2026. The approval of Zepzelca for this indication would transform the current treatment paradigm for small cell lung cancer.

Regarding the LAGOON trial — the Phase III study for the second-line treatment of small cell lung cancer with lurbinectedin monotherapy — patient recruitment was completed in the last quarter of 2024 and results are expected in mid-2026.

Likewise, the Phase III SaLuDo trial is underway, evaluating lurbinectedin for a different indication: leiomyosarcoma. This trial is evaluating lurbinectedin in combination with doxorubicin as a first-line treatment for this disease. The trial is expected to complete patient recruitment over the course of 2026, with results scheduled for release in the first half of 2027. If positive, the next step would be the preparation of a new registration dossier, which is expected to be submitted to regulatory authorities in Europe and the United States in the second half of 2027.

In addition, the company continues to make progress in the development of other molecules in earlier phases, such as PM534 and PM54, which are showing very promising data in Phase I studies. A development plan has already been defined for both compounds, which could allow new Phase Ib/II trials to begin in 2026.

In summary, these advances are expected to lead to the approval of Zepzelca as a first-line maintenance treatment for small cell lung cancer in the European Union by 2026, while also further strengthening its position in the United States for the same indication. Additionally, a Phase

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III clinical trial of Zepzelca for the treatment of leiomyosarcoma is scheduled to conclude, which could result in another approval. The company also expects to continue developing its oncology pipeline throughout 2026.

In 2026, the company plans to continue its efforts to license a third-party oncology product in the commercial or regulatory phase. This would allow the product to be distributed through Pharma Mar's commercial network in Europe, contributing to the company's revenue growth.

7. **R&D AND INNOVATION**

R&D and innovation are a key component of Pharma Mar's strategy, and this year it spent €92,396 thousand in this area.

The main progress and results in R&D in 2025 are as follows:

Zepzelca (lurbinectedin)

Small cell lung cancer

In October, the FDA granted approval for Pharma Mar's Zepzelca (lurbinectedin) in combination with Atezolizumab (Tecentriq) for first-line maintenance therapy for extensive-stage small cell lung cancer. The FDA approval is based on results from the Phase 3 IMforte trial (sponsored by Hoffmann-La Roche and co-funded by our partner Jazz Pharmaceuticals) which showed that the lurbinectedin and atezolizumab combination reduced the risk of disease progression or death by 46% and the risk of death by 27%, compared to atezolizumab maintenance therapy alone.

The National Comprehensive Cancer Network (NCCN®) recently updated its Comprehensive Cancer Network® Guidelines to include the combination of lurbinectedin and atezolizumab for the treatment of small cell lung cancer.

In May, Pharma Mar submitted a marketing authorization application (MAA) to the European Medicines Agency (EMA) for Zepzelca® (lurbinectedin) in combination with atezolizumab (Tecentriq®) as first-line maintenance therapy in the treatment of small cell lung cancer. The MAA is based on the statistically significant and clinically relevant results of the IMforte pivotal Phase III trial.

The LAGOON confirmatory Phase III trial as second-line treatment for relapsed small cell lung cancer that had been agreed upon with the FDA completed patient enrolment in December 2024. This is a three-arm trial comparing lurbinectedin as monotherapy or in combination with irinotecan against investigator's choice of irinotecan or topotecan. This trial's results are expected by the first half of 2026.

Leiomyosarcoma

Recruitment is ongoing for the SaLuDo Phase III trial with lurbinectedin in combination with doxorubicin vs. doxorubicin as first-line treatment in patients with metastatic leiomyosarcoma. The trial is being conducted at 93 active centers in Europe and the US. The trial's primary endpoint is to assess progression free survival (PFS), while its secondary endpoint is overall survival (OS).

Other combination trials

The recruitment phase of the lurbinectedin and irinotecan combination trial has concluded. The relevant clinical reports are being prepared, and three papers have been drafted. The first of these comprises the escalation phase of the three cohorts in solid tumors and has already been published in the journal *Investigational New Drugs*. The paper on the first phase of the cohort expansion trial in patients with small cell lung cancer, together with the preclinical data obtained with this combination, has been submitted to a high-impact journal. The third paper, presenting data on SCLC patients included in the recommended dose expansion phase of the lurbinectedin cohort, will be submitted in 2026.

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Work also is also ongoing to publish the results of the Phase II study in combination with atezolizumab (2SMALL trial) as second-line treatment of small cell lung cancer.

PM54

PM54 is a novel transcription inhibitor in the ecteinascidin family. PM54 is currently undergoing Phase I/1b clinical trials as monotherapy in patients with advanced solid tumors with the goal of exploring various dosage regimens to determine the optimal dose and schedule. These trials are initiating expansion phase to include additional arms focused on specific tumor types of interest.

The Food and Drug Administration (FDA) has granted Pharma Mar an investigational new drug (IND) approval to start a Phase 1/2 multicenter clinical trial for the combination of PM54 with immunotherapy for the treatment of advanced stage solid tumors.

PM534

PM534 is a novel tubulin-targeting inhibitor. Two Phase I clinical trials are currently underway for the treatment as a single agent of patients with different types of advanced solid tumors, with recruitment continuing as expected. The endpoints of this first trial are to find the recommended dose and assess the safety and efficacy profile.

8. ACQUISITION AND DISPOSAL OF OWN SHARES

As of 31 December 2025, the Company's capital amounted to €10,800 thousand and was represented by 18,000,000 bearer shares with a par value of €0.60 per share. All the shares were fully subscribed and paid and have the same political and economic rights.

As of 31 December 2025, the Company held 639,762 shares (647,297 shares as of 31 December 2024), representing 3.55% of share capital (3.55% in 2024).

The breakdown of, and changes in, own shares in 2025 are as follows:

2025 (thousand euro)	No. of shares	Amount (euro)
Balance as of 31/12/24	647,297	(30,827,074)
Liquidity contract:		
Own shares purchased	242,908	(20,048,727)
Own shares sold	(188,894)	10,792,715
Buyback programs:		
December 2024 buyback program	50,670	(4,354,162)
March 2025 buyback program	91,111	(7,522,002)
November 2025 buyback program	29,400	(2,195,431)
Share ownership plan:		
Delivery	(10,562)	557,557
Reversal	60	(2,307)
Share redemptions:		
March 2025 buyback program	(222,228)	14,880,681
TOTAL	639,762	(38,718,750)

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2024 (thousand euro)	No. of shares	Amount (euro)
Balance as of 31/12/23	715,187	(31,091,149)
Liquidity contract:		
Own shares purchased	179,670	(10,192,949)
Own shares sold	(308,024)	13,170,363
Buyback programs:		
July 2023 buyback program	69,178	(2,792,122)
May 2024 buyback program	132,679	(4,999,921)
December 2024 buyback program	8,200	(645,442)
Share ownership plan:		
Delivery	(18,510)	783,806
Reversal	1,596	(59,581)
Share redemptions:		
May 2024 buyback program	(132,679)	4,999,921
TOTAL	647,297	(30,827,074)

The share buyback program that launched in December 2024 was completed in February 2025, when the ceiling of €5 million was reached. While in effect in 2025, 50,670 shares were acquired.

In February 2025, the Company's Board of Directors agreed on a share buyback program for the subsequent redemption of the shares acquired under this program, establishing a maximum of €9 million or 91,111 shares, representing approximately 0.5% of the capital stock, whichever occurs first. This Plan ended on 20 June 2025.

In July 2025, the Board of Directors agreed to redeem a block of 131,117 shares from the Company's treasury stock, a transaction that was executed and registered in September, along with the redemption of the 91,111 shares referred to in the previous paragraph.

In October 2025, the Board of Directors approved a new share buyback program, this time with the aim of reserving the shares for corporate transactions, establishing a maximum of 90,000 shares or €8 million, whichever figure is reached first. This plan remains active after 31 December 2025, on which date 29,400 shares had been acquired.

Over the course of 2025, in all periods in which none of the specific share buyback programs described in previous paragraphs were active, the Company had a liquidity contract in place with an external firm to manage purchases and sales of own shares on an independent basis.

9. Share information

Share information

General situation

Although 2025 transpired against a backdrop of macroeconomic normalization, it was still shaped by global geopolitical and structural factors.

In this context, international financial markets remained vigorous, buoyed by measures to curb inflation which allowed central banks to ease their monetary policies and enact further rate cuts, helping to stabilize growth.

Global economic growth stood at around 3.0%, varying widely between regions. Inflation continued to cool, nearing 3.0% in advanced economies and around 5.0% in emerging markets.

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Inflation moderation enabled central banks to gradually reduce interest rates, which helped improve financial conditions and boost investor confidence.

Nevertheless, in 2025 there were episodes of volatility mainly stemming from persistent geopolitical tensions, regional conflicts, and political uncertainty in major economies.

Economic activity in the United States was solid, with growth of around 2.0%, thanks to strong consumer spending and a robust labor market. Inflation continued to cool, hovering around 3.0%. On the political and commercial fronts, 2025 was defined by Donald Trump's return to the presidency and the resurgence of a protectionist economic agenda. Against this backdrop, new targeted tariffs were introduced and trade agreements were revised under the "Most Favored Nation" principle, with the aim of boosting the competitiveness of domestic industry and rebalancing trade relations. These measures unleashed episodes of uncertainty, although their overall macroeconomic impact was limited.

Meanwhile, the Federal Reserve continued with its process of monetary easing, which began in 2024. By the end of the year, the Fed had cut the key interest rate to around 3.75%, fostering favorable financial conditions for businesses and households alike.

As for stock markets, the main U. S. indices continued to perform well, although somewhat more moderately than in the previous year. The S&P 500 (a weighted index of the 500 largest listed companies) rose by 16.4%, while the Nasdaq Composite outpaced with a 20.4% surge. The main biotechnology indices rallied strongly during the period: the Nasdaq Biotech Index gained 32.4% and the S&P Biotech Index returned 35.7%.

In the European Union, economic growth was more subdued, at around 1.5%, heavily influenced by more sluggish domestic demand and the impact of rising energy costs in certain economies. Annual inflation in the European Union was around 2.0% in 2025, which is in line with the annual inflation targets for the euro area. This allowed the European Central Bank to continue easing its monetary policy, ending the year with a benchmark interest rate of between 2.0% and 2.4%.

Additionally, the main European stock markets performed well, led by the IBEX-35, which notched up a record yearly increase of 49.3%, driven mainly by the industrial and banking sectors, the latter having a significant weighting in the index. Germany's DAX also closed higher, gaining 22.3%, and the EURO STOXX 50 rose by a somewhat more moderate 18.3%.

2025 STOCK MARKET INDICATORS

Total number of shares	18,000,000
Par value (euro)	0.6
Average daily trading (no. of shares)	57,114
Average daily trading (euro)	4,772,394
Trading days	255
Year trading low (24 December) (euro)	716,410
Year trading high (3 October)	38,472,440
Total trading in the year (million euro)	1,222
Lowest share price (5 November) (euro)	70.9
Highest share price (18 February) (euro)	101.4
Share price at 31 December (euro)	74.9
Average share price in the year (euro)	82.2
Market capitalization at 31 December (million euro)	1,348.2

Pharma Mar's share performance

Over the course of 2025, Pharma Mar continued to implement its strategy, staying laser-focused on advancing and developing its clinical programs and creating medium- and long-term value. Throughout the year, the company maintained a strong focus on developing and advancing its various clinical trials, cementing its position as a biotechnology company specializing in oncology.

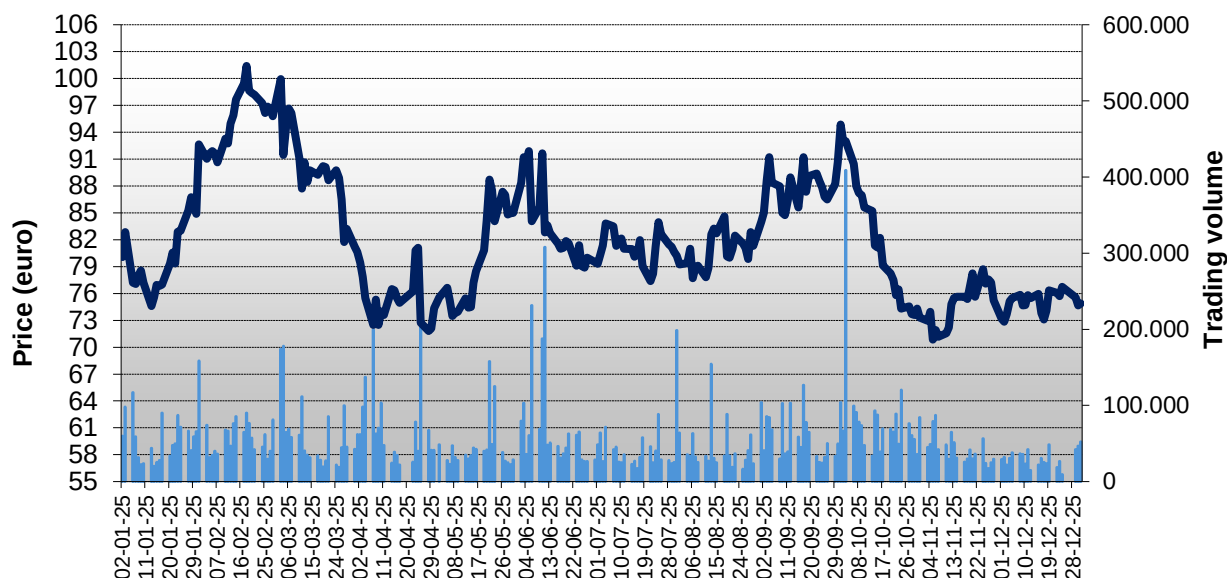
At the 2025 ASCO Congress, positive data were presented from the IMforte trial evaluating lurbinectedin in combination with atezolizumab as first-line maintenance therapy in the treatment of small cell lung cancer. Due to the exceptional results of this trial, approval of this combination will transform the current treatment paradigm for this indication. Based on these findings, in 2025 the U. S. Food and Drug Administration (FDA) approved the combination of lurbinectedin and atezolizumab for the aforementioned indication. Similarly, in May, the dossier was registered with the EMA to obtain approval in the European market.

Meanwhile, recruitment continued of patients for the SaLuDo trial (which is being conducted with lurbinectedin in combination with doxorubicin for the first-line treatment of leiomyosarcoma) and is expected to be completed during the first half of 2026.

Across the rest of the pipeline, Pharma Mar continues to invest in the clinical development of other molecules at earlier stages. Accordingly, Phase I clinical trials are underway with PM534 and PM54 for the treatment of solid tumors.

On the stock market, Pharma Mar's share performance was one of consolidation following a 94% surge in 2024 on the back of strong expectations that were met in 2025. In the first quarter of 2025, the share price topped €101, and this was followed by episodes of correction, mainly driven by profit-taking.

As a result of this consolidation, the share price closed the year 6.1% lower, reflecting a period of stabilization in the wake of the previous year's sharp rally.



Source: Bloomberg

10. NON-FINANCIAL INFORMATION STATEMENT

Although the company is obliged to present a Consolidated Non-Financial Information Statement and Sustainability Report as it had more than 250 employees at 31 December 2025, it has availed itself of the full exemption on the grounds that the company's information is contained in the 2025 Non-Financial Information Statement and Sustainability Report of the consolidated Group comprising Pharma Mar and dependent companies, as it is the controlling company of that Group. The financial statements of Pharma Mar and dependent companies are filed with the Madrid Mercantile Register.

The Annual Corporate Governance Report and the Annual Report on Director Remuneration are an integral part of this Directors' Report and may be viewed at www.cnmv.es

FINANCIAL STATEMENTS AND DIRECTORS' REPORT OF PHARMA MAR, S. A. FOR THE YEAR ENDED 31 DECEMBER 2025

In compliance with the requirements established in article 253 of the Spanish Capital Companies Law, article 37 of the Spanish Commercial Code and other applicable provisions, on 26 February 2026, the Board of Directors of Pharma Mar, S. A. authorized the Financial Statements and the Directors' Report for the year ended 31 December 2025, comprising the attached documents that precede this document.

In accordance with the provisions of article 262.5 of the Consolidated Capital Companies Law, Pharma Mar, S. A., as the parent company of the Pharma Mar Group, includes the Non-Financial Information Statement and Sustainability Report in the Consolidated Directors' Report of Pharma Mar, in accordance with the provisions of Law 11/2018, of 28 December, on non-financial disclosures and diversity.

STATEMENT OF LIABILITY:For the purposes of article 99.2 of Law 6/2023, of 17 March 2007, on Securities Markets and Investment Services, and article 8.1.b) of Royal Decree 1362/2007, of 19 October, the members of the Board of Directors declare that, to the best of their knowledge, the Financial Statements, produced in accordance with the applicable accounting principles, give a true and fair view of the net worth, financial position and results of the Company and that the Directors' Report contains a true and fair analysis of the Company's performance, business results and position, together with a description of the main risks and uncertainties it faces.

The Board of Directors

Mr. José María Fernández Sousa-Faro Chairman	Mr. Pedro Fernández Puentes Vice-Chairman
Ms. Soledad Cuenca Miranda Director	Mr. Eduardo Serra Rexach Director
Ms. Sandra Ortega Mera Director <i>Participated in the Board of Directors meeting by means of an online connection and approved the content of the Consolidated Financial Statements and Directors' Report of the Pharma Mar Group.</i>	Mr. Carlos Solchaga Catalán Director <i>There is no record of his signature because he excused himself from attending the meeting of the Board of Directors due to personal reasons beyond his control, and granted a proxy.</i>
Ms. Rosa María Sánchez-Yebra Alonso Director	Ms. Montserrat Andrade Detrell Director
Mr. Mariano Esteban Rodríguez Director	Mr. Emiliano Calvo Aller Director
Ms. M ^a Blanca Hernández Rodríguez Director	Mr. Fernando Martín-Delgado Santos Director

Certificate issued by the Secretary of the Board of Directors to the effect that the Financial Statements and Directors' Report of Pharma Mar, S. A. for the year ended 31 December 2025 were authorized with the approval of all the members of the Board of Directors at a meeting on 26 February 2026 and were signed by the directors listed above with the exception of (i) Ms. Sandra Ortega Mera, who attended the meeting via an online connection and approved the contents of the Financial Statements and the Directors' Report of Pharma Mar, S. A.; and(ii) Mr. Carlos Solchaga Catalán, who did not sign because he excused himself from attending due to personal reasons beyond his control, and granted a proxy for the matters included in the Agenda of this meeting (including the preparation of the Annual Accounts and Director's Report of Pharma Mar, S. A. for the financial year ended 31 December 2025) to Director Ms. Rosa María Sánchez-Yebra Alonso, with express instructions to vote in favor. Which I certify in Madrid on 26 February 2026.

Secretary of the Board of Directors

Juan Gómez Pulido