Press Release

PharmaMar Group announces financial results for fiscal year 2024

- **PharmaMar Group's total revenue as of December 31st, 2024, grew by 11% over 2023 to €174.9 million.**
- **Royalties from sales increased by 18% to €61.3 million.**
- **Revenue from license agreements rose by 38% to €46.5 million.**
- **R&D investment amounted to €103.5 million.**
- **EBITDA reached €13.0 million, compared to €2.1 million recorded in 2023.**
- **PharmaMar Group closed 2024 with a net profit of €26.1 million.**

Madrid, February 28th, 2025.- PharmaMar Group (MSE: PHM) closed fiscal year 2024 with a total revenue of €174.9 million, representing an 11% increase compared to the previous year. Recurring revenue, which includes net sales plus royalties received from partners, grew 3% year-over-year, reaching €127.9 million as of year-end 2024.

As of December 31st, 2024, total oncology sales amounted to €66.5 million, compared to €70.7 million in the previous year. This difference is due to fluctuations in Yondelis® (trabectedin) sales and the reversal of the provision recorded in 2023 on Zepzelca® (lurbinectedin) revenue from the compassionate use program in France.

Total lurbinectedin sales in 2024 reached €35.3 million, including revenue from the compassionate use program—mainly in France—of €22.2 million, commercial sales in Europe of €6.4 million, and active ingredient sales of €6.7 million. In comparison, in 2023, total lurbinectedin sales amounted to €36.7 million, a figure that included an accounting adjustment of €10.4 million due to the reversal of a provision for unapplied discounts. Excluding this adjustment, total lurbinectedin sales in 2024 would have shown an approximate 34% growth.

Total Yondelis® revenue in 2024 grew 15%, reaching €54.4 million. This figure includes Yondelis® sales, which totaled €31.3 million in 2024 compared to €34.1 million in the previous year, as well as royalties and license agreement revenue, detailed below.

Trabectedin sales include commercial sales in Europe, which reached €18.0 million in 2024, compared to €26.1 million the previous year, and active ingredient sales to partners, which amounted to €13.3 million in 2024, up from €7.9 million in 2023. The increase in active ingredient sales to partners has offset the pricing impact caused by the entry of generics in Europe.

As of December 31st, 2024, PharmaMar Group's oncology royalty revenue reached €61.3 million, representing an 18% increase compared to the previous year. This growth was driven by royalties received from Jazz Pharmaceuticals for lurbinectedin sales in the U.S., which grew 15% to €55.8 million.

In addition to the royalties received from Jazz Pharmaceuticals through December 31st, 2024, trabectedin royalties from partners in the U.S. and Japan amounted to €5.2 million, representing a 36.4% increase over total trabectedin royalties received in 2023.

Regarding non-recurring revenue from license agreements, as of the end of 2024, this totaled €46.5 million, reflecting a 38.5% increase compared to the previous year. Of this total, €23 million corresponds to deferred revenue recognition from the 2019 agreement with Jazz Pharmaceuticals for lurbinectedin, a similar figure to the previous year. Additionally, €17.9 million came from payments related to the trabectedin license agreement with Janssen (compared to €9.4 million as of December 2023), and €4.4 million corresponded to revenue from the lurbinectedin license agreement with Luye.

PharmaMar Group’s R&D investment in 2024 grew 4% compared to the previous year, reaching €103.5 million.

Of the total R&D investment, the oncology segment saw a 13% increase, reaching €94.4 million. This growth was mainly driven by the advancement of ongoing clinical trials during 2024, such as LAGOON (a Phase III trial for second-line small cell lung cancer treatment) and SaLuDo (a Phase IIb/III trial for leiomyosarcoma treatment). The LAGOON trial completed patient enrolment in the last quarter of 2024.

Additionally, the Company continues investing in the clinical development of early-stage molecules. In this regard, two Phase II clinical trials are ongoing with ecubectedin, along with Phase I trials with PM534 and PM54, all focused on solid tumor treatment.

Thanks to revenue growth in 2024, PharmaMar Group reached an EBITDA of €13.0 million, compared to €2.1 million in 2023.

The Company's net profit increased to €26.1 million at the end of 2024, compared to €1.1 million in 2023.

As of December 31st, 2024, PharmaMar Group reported a cash and cash equivalents balance of €157 million, with a total financial debt of €47.8 million, reflecting an increase of nearly €8 million compared to the previous year, due to the acquisition of a €15 million long-term bank loan. As a result, the net cash position at the year-end stood at €109 million.

PharmaMar will host a conference call with analysts and investors on February 28th, 2025, at 1:30 PM (CET). To join the conference call, it is recommended to register at this link to receive access numbers and a personalized PIN.

To access the call without prior registration, use the following numbers: +34 919 01 16 44 (Spain), +1 646 233 4753 (USA) o +44 20 3936 2999 (UK). Conference number: 883194. Additionally, the presentation will be available for live streaming at this link.

About PharmaMar

PharmaMar is a biopharmaceutical company focused on the research and development of new oncology treatments, whose mission is to improve the healthcare outcomes of patients afflicted by serious diseases with our innovative medicines. The Company is inspired by the sea, driven by science, and motivated by patients with serious diseases to improve their lives by delivering novel medicines to them. PharmaMar intends to continue to be the world leader in marine medicinal discovery, development and innovation.

PharmaMar has developed and now commercializes Yondelis® in Europe by itself, as well as Zepzelca® (lurbinectedin), in the US; and Aplidin® (plitidepsin), in Australia, with different partners. In addition, it has a pipeline of drug candidates and a robust R&D oncology program. PharmaMar has other clinical-stage programs under development for several types of solid cancers: lurbinectedin, ecubectedin, PM534 and PM54. Headquartered in Madrid (Spain), PharmaMar has subsidiaries in Germany, France, Italy, Belgium, Austria, Switzerland and The United States. PharmaMar also wholly owns

Sylentis, a company dedicated to researching therapeutic applications of gene silencing (RNAi). To learn more about PharmaMar, please visit us at www.pharmamar.com.

About Yondelis®

Yondelis® (trabectedin) is a novel, synthetically produced antitumor agent originally isolated from *Ecteinascidia turbinata*, a type of sea squirt. Yondelis® exerts its anticancer effects primarily by inhibiting active transcription, a type of gene expression on which proliferating cancer cells are particularly dependent.

About Zepzelca®

Zepzelca® (lurbinectedin), also known as PM1183, is an analog of the marine compound ET-736 isolated from the sea squirt *Ecteinascidia turbinata* in which a hydrogen atom has been replaced by a methoxy group. It is a selective inhibitor of the oncogenic transcription programs on which many tumors are particularly dependent. Together with its effect on cancer cells, lurbinectedin inhibits oncogenic transcription in tumor-associated macrophages, downregulating the production of cytokines that are essential for the growth of the tumor. Transcriptional addiction is an acknowledged target in those diseases, many of them lacking other actionable targets.

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REPORT AS OF 31 DECEMBER 2024

28 February 2025

MILESTONES

Corporate

- Group revenue increased by 11% in 2024 to €174.9 million (€158.2 million in 2023).
- Royalties from sales of Yondelis (trabectedin) and Zepzelca (lurbinectedin) by our partners in their respective territories increased by 18% to €61.3 million (€52.2 million in 2023).
- Revenues under licensing agreements increased by 38% to €46.5 million (€33.6 million in 2023).
- Group EBITDA totaled €13.0 million (€2.1 million euro in 2023).
- Group R&D expenditure amounted to €103.5 million, 4% more than in 2023 (€99.3 million).

Oncology

- Pharma Mar, S.A. and its partner Jazz Pharmaceuticals plc have announced positive, statistically significant overall survival and progression-free survival results for lurbinectedin in combination with atezolizumab for first-line maintenance treatment of small cell lung cancer.
- PharmaMar plans to submit a marketing authorization application (MAA) to the European Medicines Agency (EMA) in the first half of 2025 to secure approval in the European Union.
- Results from the trial using PharmaMar's lurbinectedin in combination with irinotecan were presented at the ASCO Meeting, showing that 52.7% of patients with relapsed small cell lung cancer and a chemotherapy-free interval greater than 30 days achieved an objective response to treatment (tumor shrinkage ≥30%).
- Aplidin (plitidepsin) will be re-evaluated by the EMA, since, on the grounds of a conflict of interest, the European Commission revoked the decision that initially denied PharmaMar's authorization to market it for multiple myeloma.

RNAi

- The first phase of an oligonucleotide production plant, which began construction in 2023, was completed in 2024. This phase includes offices, the quality control department, and the development and manufacturing facilities.

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FIGURES TO DECEMBER 2024

	12/31/24	12/31/23	Var.
RECURRING REVENUE	**127,889**	**124,051**	**3%**
Oncology sales	66,542	70,681	-6%
Other sales	0	1,192	-100%
Royalties	61,347	52,178	18%
NON RECURRING REVENUE	**46,966**	**34,102**	**38%**
License Agreements	46,518	33,590	38%
Other	448	512	-13%
TOTAL REVENUES	**174,855**	**158,153**	**11%**

(Thousand euro)

Group revenue:

As of 31 December 2024, Group revenue totaled €174,9 million, 11% more than in 2023 (€158.2 million). The breakdown of that figure is as follows:

Recurring revenue, i.e. net sales plus royalties from sales by partners, amounted to €127.9 million as of 31 December 2024, i.e., an increase of 3% from the €124.0 million reported in 2023. Sales and royalties are broken down below.

Net revenue in the oncology segment amounted to €66.5 million as of 31 December 2024, down 6% on 2023 (€70.7 million). The breakdown of net sales is as follows:

i) Net sales of Yondelis in the European market: Yondelis sales in Europe amounted to €18.0 million as of 31 December 2024 (€26.1 million in the same period of 2023).

ii) Lurbinectedin revenue in Europe as of 31 December 2024:

   a. This item amounted to €22.2 million (€28.9 million in 2023), mostly from the French compassionate use program. The difference between periods is due to reversal, in the first half of 2023, of overprovisions for deductions applicable under that program. Adjusting for that effect, this item increased by 23%.
   b. Additionally, commercial sales of Zepzelca amounted to €6.4 million (2023: €0.7 million).

iii) Sales of raw materials, both Yondelis and Zepzelca, to our partners. This item amounted to €20.0 million as of 31 December 2024, compared with €14.9 million in 2023. The increase reflects our partners' preparations for commercial sales.

Royalties revenue amounted to €61.3 million in 2024, an 18% increase on the €52.2 million recognized in 2023. That figure includes royalties from Zepzelca sales by our US partner, Jazz Pharmaceuticals, which increased by 15% year-on-year to €55.8 million in 2024 (€48.4 million in 2023).

In addition, royalties were also received for sales of Yondelis by our partners in the United States and Japan in the amount of €5.2 million in 2024 (€3.8 million in 2023).

Non-recurring revenue, mainly from out-licensing agreements, amounted to €46.5 million as of 31 December 2024, compared with €39.6 million in 2023, a 38% increase. Of the €46.5 million recognized as non-recurring revenue during this period: (a) €23.0 million is deferred revenue from the 2019 agreement with Jazz Pharmaceuticals related to Zepzelca (€23.0 million as of 31 December 2023); (b) €17.9 million relates to receipts under the license agreement with Janssen for Yondelis (€9.4 million as of 31 December 2023); and (c) €4.4 million comes from revenues under the license agreement with Luye for Zepzelca.

R&D

R&D expenditure increased by 4%, from €99.3 million in 2023 to €103.5 million in 2024.

This increase is directly related to the significant increase in activity in ongoing clinical trials, mainly the LAGOON Phase III clinical trial in small cell lung cancer, which has already recruited the planned number of patients, and the SaLuDo Phase IIb/III clinical trial in leiomyosarcoma, both with Zepzelca. The company is also investing in early-stage clinical development of other molecules. There are two Phase II trials under way with ecubectedin in solid tumors, as well as Phase I trials with PM534 and PM54 in solid tumors. Progress continues to be made in preparing new candidates for clinical development and in preclinical trials to bring new molecules to the clinical pipeline. Of the total amount allocated to R&D, €4.9 million (€10.8 million in 2023) were spent on the clinical development of plitidepsin as an antiviral; this expenditure is recognized in the oncology segment.

The main R&D expenditure item in the RNA interference segment relates to the Phase II clinical trial of compound SYL1801 for the treatment and/or prevention of choroidal neovascularization, a common cause of retinal diseases such as age-related macular degeneration (AMD) and diabetic retinopathy, as well as the completion of the Phase III clinical trial with tivanisiran in dry eye associated with Sjögren's syndrome, which did not reach its end-points.

	Dec - 2024	Dec - 2023	Var.
R&D expenses	**103,502**	**99,302**	**4%**
Oncology	94,428	83,633	13%
RNAi	9,074	15,669	-42%

(Thousand euro)

Other operating expenses

Operating expenses: the Group spent €60.6 million on marketing, commercial, general, administrative and other expenses in 2024, an 11% increase on the €54.6 million recognized in 2023, mainly as a result of the administrative and general expenses related to commissioning the Sylentis nucleotide production plant.

	Dec - 2024	Dec - 2023	Var.
Other operating expense	**60,606**	**54,588**	**11%**
Marketing expenses	22,809	23,542	-3%
General and Administrative	24,372	18,263	33%
Other operating expense (Corporate)	13,425	12,783	5%

(Thousand euro)

EBITDA

In 2024, the Group recognized €13.0 million in EBITDA, compared with €2.1 million in 2023, calculated as follows:

	12/31/2024	12/31/2023
Net result	**26,125**	**1,137**
Income tax	(14,140)	(4,760)
Net financial income	(5,517)	(204)
Depreciation and amortization	6,550	5,911
EBITDA	**13,018**	**2,084**

(Thousand euro)

(EBITDA: earnings before interest, taxes, depreciation and amortization).

The change in EBITDA reflects the effect of the 11% year-on-year increase in revenues in 2024, while total operating expenses, including R&D and cost of sales, increased by 5%.

Net income for the period

EBIT in 2024 amounted to €6.5 million, contrasting with a negative figure in 2023 (-€3.8 million).

Net profit amounted to €26.1 million in 2024 (€1.1 million in 2023) as a result of a positive financial result of €5.5 million (€0.2 million in 2023), and a positive income tax effect of €14.1 million (€4.8 million in 2023) following the receipt of part of R&D investment tax credits that had been monetized.

Cash and Debt

As of 31 December 2024, total interest-bearing debt had increased by €8.0 million compared with 2023 year-end as a result of arranging a €15.0 million five-year bank loan, with a one-year grace period, to finance the new oligonucleotide manufacturing plant. Loans from banks and government agencies were repaid during the period in the amount of €5.7 million.

As of 31 December 2024, the Group had a positive net cash position of €109.2 million (€128.8 as of 2023 year-end). The reduction in the cash balance was due to investment in the oligonucleotide production plant and other associated expenses.

A total of €11.4 million in dividends were distributed in the period.

This level of net cash will enable the Group to undertake the planned development and R&D expenditure without cash stresses.

For the purpose of comparing balance sheet figures, the Group's cash and total interest-bearing debt at amortized cost are detailed below:

	12/31/2024	12/31/2023	Var.
Non current debt	**39,865**	**27,036**	**12,829**
Obligations and bonds	16,831	16,769	62
Govt. Agencies: R&D funding	8,918	10,267	-1,349
Current debt	**7,966**	**12,825**	**-4,859**
Credit facilities	4,718	6,458	-1,740
Bank loan	884	3,226	-2,342
Govt. Agencies: R&D funding	1,753	2,435	-682
Interest and others	611	706	-95
Total financial debt	**47,831**	**39,861**	**7,970**
Cash&cash equivalents + non current and current financial investment	**156,985**	**168,625**	**-11,640**
TOTAL NET CASH / (DEBT)	**109,154**	**128,764**	**-19,610**

(Thousand euro)

RESEARCH AND DEVELOPMENT

Below is an overview of research and development activities.

1.- Oncology segment: PharmaMar. Compounds:

A) Lurbinectedin (ZEPZELCA)

Small-cell lung cancer

Positive preliminary results have been announced from the IMforte Phase III trial evaluating Zepzelca® in combination with atezolizumab, a PD-L1 inhibitor, versus atezolizumab alone, as first-line maintenance treatment for adults with advanced small cell lung cancer following induction therapy with carboplatin, etoposide and atezolizumab. The combination demonstrated a statistically significant improvement in the primary endpoints of overall survival (OS) and progression-free survival (PFS), compared with atezolizumab monotherapy, as assessed by the independent review facility (IRF). These results demonstrate the potential of this combination to delay disease progression and prolong patient survival.

In view of these results, our partner Jazz Pharmaceuticals plans to submit a New Drug Application (NDA) to the US Food and Drug Administration (FDA) in the first half of 2025. PharmaMar plans to file a marketing authorization application (MAA) with the European Medicines Agency (EMA) in the first half of 2025.

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 as planned. This is a three-arm trial comparing lurbinectedin as monotherapy or in combination with irinotecan against investigator's choice of irinotecan or topotecan.

If the outcome is positive, the trial could confirm the benefits of lurbinectedin for treating small cell lung cancer when patients have experienced progression after first-line treatment with platinum in the USA, and would serve as a registration trial for territories outside the USA.

Leiomyosarcoma

Recruitment for the SaLuDo Phase IIb/III trial with lurbinectedin in combination with doxorubicin vs. doxorubicin in patients with metastatic leiomyosarcoma is advancing ahead of schedule. The trial is being conducted in Europe and the United States; its primary endpoint is to assess progression free survival (PFS), while its secondary endpoint is overall survival (OS).

Other combination trials

The combination trial with irinotecan completed enrolment of the small cell lung cancer, synovial sarcoma, and neuroendocrine tumor cohorts of patients, and the patients are currently in the monitoring phase.

The results in the small cell lung cancer cohort with a chemotherapy-free interval of more than 30 days were presented at the ASCO (American Society of Clinical Oncology) international meeting, which was held in Chicago from 30 May to 3 June 2024. Median overall survival of this subgroup was 12.7 months. This subgroup of patients is the same type of population as is being enrolled in one of the arms of the LAGOON trial.

Enrolment for the Phase II trial in combination with atezolizumab in small cell lung cancer has concluded and the patients are currently being monitored.

B) Ecubectedin (PM14)

The first Phase I/II trial with ecubectedin attained the optimal dose in patients with advanced solid tumors. An expansion Phase II basket trial with a number of tumor types completed enrolment.

Combination trials with ecubectedin

The first Phase I/II trial of this compound in combination with irinotecan identified the recommended dose in patients with advanced solid tumors. Enrolment in the Phase II expansion has now concluded and the patients are being monitored. Data from the dose escalation and expansion cohort of non-small cell lung cancer patients were presented at the ESMO meeting in Barcelona in September.

Additionally, the Phase Ib trial with ecubectedin in combination with atezolizumab identified the recommended dose in patients with advanced solid tumors. The Phase II expansion trial is currently enrolling.

C) PM54

Enrolment for the Phase I clinical trial for the treatment of patients with different types of solid tumors is continuing. The trial is being conducted in Europe and the United States with the goal of determining the recommended dose.

D) PM534

Enrolment continues on schedule in the Phase I clinical trial for the treatment of patients with different types of solid tumors. The endpoints of this first trial are to find the recommended dose and assess the safety and efficacy profile. The trial is being conducted in Spain in patients with advanced solid tumors.

2.- RNA interference: Sylentis

Sylentis continues using its proprietary SirFINDER 3.0 software to find new RNAi-based candidates for topical treatment of rare retinal diseases. During 2024, enrolment continued for the clinical trial with the compound SYL1801 for the treatment and/or prevention of choroid neovascularization, a common cause of retinal pathologies such as age-related macular degeneration (AMD) and diabetic retinopathy. The Phase II trial was conducted in four European countries. This is a multicenter, randomized, double-masked trial to measure the safety and tolerability and the effect of different doses of SYL1801 in previously untreated patients with AMD; the results will be released in the first half of 2025. Sylentis continues to assess efficacy using preclinical models of a number of retinal pathologies under the Oligofastx consortium.

During 2024, Sylentis started work on the Syoligo project within the framework of Med4Cure, an IPCEI (Important Projects of Common European Interest) program. These funds come from Spain's share of the NextGeneration EU funds for the Ministry of Science, Innovation and Universities through the CDTI. The Syoligo project is the first industrial deployment in Spain for the sustainable manufacture of RNA-based drugs and the development of RNA interference drugs targeting rare retinal diseases.

The first phase of an oligonucleotide production plant, which began construction in 2023, was completed in 2024. This phase includes offices, the quality control department, and the development and manufacturing facilities. This plant will enable the company to cover its potential production needs and to produce for third parties, expanding production capacity as demand evolves. In September, the new plant's quality control laboratory was inspected by the Spanish Agency for Medicines and Medical Devices, resulting in the issuance of a Good Manufacturing Practices (GMP) certificate for drugs under clinical research. With the completion of this first phase, the new pharmaceutical plant, located in the municipality of Getafe, is now authorized to manufacture active ingredients, conduct quality control analyses, and release any drug based on oligonucleotides.

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Thousand euro)	December,31 2024	December,31 2023
ASSETS		
Non-current assets		
Property, plant and equipment	55.909	43.874
Investment property	845	845
Intangible assets	1.000	1.935
Right-of-use assets	3.171	3.733
Non-current financial assets	2.459	6.062
Deferred tax assets	36.012	31.469
	99.396	**87.918**
Current assets		
Inventories	51.966	39.289
Trade and other receivables	34.677	27.554
Current financial assets	91.288	102.538
Public administrations	7.334	20.280
Prepaid expenses	1.744	2.917
Cash and cash equivalents	63.239	60.024
	250.248	**252.602**
TOTAL ASSETS	**349.644**	**340.520**

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Thousand euro)	December,31 2024	December,31 2023
EQUITY		
Share capital	10.933	11.013
Share premium	59.858	71.278
Treasury shares	(30.827)	(31.091)
Revaluation reserves	16	15
Retained earnings and other reserves	168.379	142.223
Total capital and reserves attributable to equity holders of the parent company	**208.359**	**193.438**
TOTAL EQUITY	**208.359**	**193.438**
LIABILITIES		
Non-current liabilities		
Borrowings	39.865	27.036
Lease liabilities	1.363	1.828
Contract liabilities	15.893	19.866
Grants	1.276	2.271
Other non-current liabilities	194	193
	58.591	**51.194**
Current liabilities		
Trade and other payables	51.578	40.297
Public administrations	3.353	3.402
Financial debt	7.966	12.825
Lease liabilities	1.881	1.980
Contract liabilities	3.973	24.927
Other current liabilities	13.943	12.457
	82.694	**95.888**
TOTAL LIABILITIES	**141.285**	**147.082**
TOTAL EQUITY AND LIABILITIES	**349.644**	**340.520**

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS		
(Thousand euro)	**December 31, 2024**	**December 31, 2023**
Revenue:		
Revenue from contracts with customers	66.542	71.873
Revenue from licensing and development agreements	46.518	33.590
Royalties	61.347	52.178
Other	448	512
	174.855	**158.153**
Cost of sales	(8.183)	(9.613)
Gross Result	**166.672**	**148.540**
Marketing expenses	(22.809)	(23.542)
General and administrative expenses	(24.372)	(18.263)
Research and development expenses	(103.502)	(99.302)
Net impairment on financial assets	217	271
Corporation expenses	(13.425)	(12.783)
Other results	3.687	1.252
Operating Result	**6.468**	**(3.827)**
Finance costs - net	**5.517**	**204**
Result of the period before income taxes	**11.985**	**(3.623)**
Income tax benefit / (expense)	14.140	4.760
Result for the period	**26.125**	**1.137**

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW (Thousand euro)	December,31 2024	December,31 2023
Result before taxes:	**11.985**	**(3.623)**
Adjustments for:	**(664)**	**6.811**
Depreciation and amortization	6.773	5.756
Variation of provisions	196	(99)
Impairment losses of property, plant and equipment	(284)	(1.747)
Finance income	(5.665)	(4.103)
Finance costs	2.469	2.416
Results on disposals of intangible assets	(837)	1.933
Share based payments	-	297
Grants	(995)	706
Exchange differences on translation of foreign operations	(2.307)	1.684
Other adjustments to profit or loss	(14)	(32)
Changes in working capital:	**(31.746)**	**(34.911)**
Inventories	(12.680)	(11.542)
Trade and other receivables	(7.319)	1.783
Other assets and liabilities	1.948	(5.343)
Trade and other accounts payable	11.232	3.390
Contract liabilities	(24.927)	(23.199)
Other cash flows from operations:	**26.452**	**18.277**
Interest paid	(2.469)	(2.416)
Interest received	5.665	4.103
Income taxes paid	23.256	16.590
NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES	**6.027**	**(13.446)**
Acquisitions:	**(366.985)**	**(330.284)**
Property, plant and equipment, intangible assets and investment property	(15.510)	(15.956)
Financial investments	(351.473)	(311.969)
Other financial assets	(2)	(2.359)
Proceeds from:	**368.018**	**287.236**
Property, plant and equipment, intangible assets and investment property	888	-
Financial investments	364.002	287.236
Other financial assets	3.128	-
NET CASH INFLOW (OUTFLOW) FROM INVESTING ACTIVITIES	**1.033**	**(43.048)**
Receipts and (payments) in connection with equity instruments:	**215**	**(19.295)**
Proceeds from issuance of ordinary shares	(68)	-
Purchase of treasury shares	(18.628)	(37.901)
Proceeds from shares issued	18.911	18.606
Receipts and (payments) in connection with financial liabilities:	**5.855**	**(1.153)**
Proceeds from borrowings	15.414	4.858
Repayment of borrowings	(6.505)	(6.349)
IFRS16 payments	(2.115)	(2.006)
Receipts / (payments) from credit line drawdowns	**(939)**	**2.344**
Dividends paid	**(11.420)**	**(11.689)**
NET CASH INFLOW (OUTFLOW) FROM FINANCING ACTIVITIES	**(5.350)**	**(32.137)**
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	**1.505**	**(1.158)**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**3.215**	**(89.789)**
Cash and cash equivalents at beginning of the period	60.024	149.813
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	**63.239**	**60.024**

ANNEX I: Alternative performance metrics

In preparing the financial information, Pharma Mar's Board of Directors adopted a series of Alternative Performance Metrics ("APM") in order to gain a better understanding of business performance.

The APM are important indicators for users of the information, and for the Company's operational and strategic decision-making. Their purpose is to measure the Company's financial performance, cash flows and/or financial position in comparison with previous periods.

EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization)

EBITDA means earnings before interest, taxes, depreciation and amortization. It is calculated from the balances of each of those items in the income statement.

The components and the basis of calculation of this APM are the following items in the income statement: Profit or loss - Income tax - Net financial income + Depreciation and amortization.

This APM reflects the Company's operating profitability, as it measures operating profit before interest, taxes, impairment and depreciation.

Net cash/(debt) position

Net cash is the amount of cash, both current and non-current, that would be available to the Company after deducting total current and non-current interest-bearing debt.

The components and calculation basis of this APM are the following balance sheet items: Cash and cash equivalents + Financial assets at amortized cost (current) + Financial assets (non-current) - Interest-bearing debt (non-current) - Interest-bearing debt (current); the calculation is based on the balances of each of those items in the balance sheet.

This APM helps to determine:

(i) Net cash position: indicates the Company's liquidity after deducting financial obligations. It reflects the portion of cash available for use in the Company's activities, i.e. the liquidity buffer;

(ii) Net debt position: indicates the Company's level of indebtedness after deducting available cash and cash equivalents; therefore, it reflects the part of the Company's activity that is financed with external funds.

ANNEX II: Glossary

In order to improve reporting quality and ensure better and proper understanding on the part of the user of such information, below we define a number of terms used by the Company.

Revenue

Refers to consolidated net revenue. It is calculated as the sum of:

(i) recurring revenue (net sales by the oncology segment, plus oncology royalties),
(ii) non-recurring revenue (oncology out-licensing agreements, etc.).

Recurring revenue

This item includes:

(i) net sales by the oncology segment, after deducting returns, discounts and sales rebates
(ii) royalties collected on sales by our partners in their respective territories.

Non-recurring revenue

This item includes revenue from licensing agreements, mainly in oncology, which is received or recognized as revenue in the income statement on an irregular basis over time, such as upfront payments and payments for attaining a milestone (clinical, regulatory or commercial), as set out in the agreement.

Sales by the oncology segment

Recurring revenue, which includes:

(i) Net sales of finished products by PharmaMar (both commercial sales and compassionate use/early access sales).
(ii) net sales of raw materials.

Royalties

Recurring revenue includes royalties on the sale of:

(i) Yondelis by our partners outside the territories in which Pharma Mar has its own sales network
(ii) Zepzelca by our partners outside the territories in which Pharma Mar has its own sales network