Press Release

PharmaMar Group presents financial results for first half 2026

- **Recurring revenue increased by 18% to €85.1 million, driven by Zepzelca® (lurbinectedin) revenue in Europe, which rose 39.6% during the period.**
- **Royalty income from our partners for Zepzelca® grew by 50.5% in the first half of the year, reaching €31.6 million.**
- **Net profit amounted to €0.6 million as of June 2026. When comparing periods, it is important to note that the profit as of June 2025 included €35 million in non-recurring revenue and grants.**
- **At the end of the first half, financial debt decreased by €3.5 million, while total net cash increased by €5.2 million to €126.4 million.**
- **On June 1st, the European Commission approved the marketing of Zepzelca® in the European Union (EU) for first-line maintenance treatment of extensive-stage small cell lung cancer (ES-SCLC) in combination with atezolizumab.**

Madrid, July 29th, 2026.- PharmaMar Group (MSE: PHM) closed the first half of the year with an 18% increase in recurring revenue, defined as the sum of net sales and royalties received from our partners, reaching €85.1 million, despite the fact that the commercial launch of Zepzelca® (lurbinectedin) in Europe had not yet commenced as of the end of the period.

As of June 30th, 2026, net sales increased by 1.3% to €46.4 million. This growth was driven by lurbinectedin revenue in Europe, particularly through compassionate use programs, mainly in France, where revenue increased by 39.5% to €21.6 million. Sales of active pharmaceutical ingredients to our partners, for both lurbinectedin and Yondelis® (trabectedin), rose 16.2% to €15.9 million.

At the end of the first half of 2026, oncology royalty income increased by 46.3% year-on-year to €38.7 million. This growth was primarily driven by a 50.5% increase in royalties

received from our partners' sales of lurbinectedin, which reached €31.6 million[1]. Meanwhile, royalties received from trabectedin sales in the United States increased by 30.1% to €7.1 million during the first six months of the year.

Non-recurring revenue totaled €7.4 million as of June 30th, 2026, compared with €23.0 million in the same period of the previous year. This difference is mainly explained by the fact that non-recurring revenue in the first half of 2025 included a €22 million upfront payment from Merck related to the licensing of lurbinectedin in Japan.

As a result, PharmaMar Group's total revenue reached €92.5 million at the end of the first half of 2026, compared with €95.3 million as of June 30th, 2025. Consequently, the strong growth of the recurring business during the period largely offset the impact of the upfront payment recognized in the first half of the previous year.

During the first six months of 2026, PharmaMar Group's R&D investment amounted to €47.3 million, compared with €47.5 million recorded as of June 30th, 2025.

Of the total R&D investment, the oncology segment accounted for €45.3 million, compared with €44.8 million in June 2025. Investment increased by 1% year-on-year, mainly due to spending on the Phase III SaLuDo trial evaluating lurbinectedin in combination with doxorubicin as a first-line treatment for leiomyosarcoma, for which patient recruitment was completed during the period, as well as increased investment in the early-stage compounds PM54 and PM534.

As of June 30th, 2026, PharmaMar Group's EBITDA amounted to €3.6 million, compared with €25.1 million in the same period of the previous year. The difference between the two periods is attributable both to the income generated by the lurbinectedin licensing agreement in Japan and to the recognition in 2025 of €14.7 million in grants awarded to Sylentis under the European IPCEI program.

As a result of the above, PharmaMar Group reported net profit of €0.6 million, compared with €19.4 million in the first half of the previous year.

[1] The reported royalties for Zepzelca (U.S.) for this first half are an estimate, as sales data from Jazz Pharmaceuticals is not available as of the date of this report. Any discrepancies will be corrected in the following quarter.

As of June 30th, 2026, PharmaMar Group's cash and cash equivalents increased by €1.7 million to €169.5 million. At the same time, total financial debt decreased by €3.5 million to €43.0 million. As a result, the Group's net cash position increased by €5.2 million to €126.4 million at the end of the period.

PharmaMar will host a conference call for analysts and investors on July 30th, 2026, at 13:00 CET. To join the conference call, participants are encouraged to register via the following link to receive dial-in details and a personalized PIN:

To access the call without prior registration, please use one of the following numbers:

- Spain: +34 91 901 16 44
- United States/Canada: +1 646 664 1960
- Other countries: +44 20 3936 2999

Participant access code: 442855

In addition, the presentation can be followed live through the following webcast 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. In addition, Zepzelca® (lurbinectedin), in the US and other countries; and Aplidin® (plitidepsin), in Australia, each 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: 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) and contract-manufacturing (CDMO) of oligonucleotides. For more information, please visit: 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. 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.

Tecentriq (atezolizumab) is a registered trademark of Genentech, a member of the Roche Group.

Media Contact:
Lara Vadillo – Communications director lvadillo@pharmamar.com
Phone: +34 918466000

Capital Markets & Investor Relations:
José Luis Moreno– VP Capital Markets & Investor Relations
Natalia Amo – Capital Markets & Investor Relations
investorrelations@pharmamar.com
Phone: +34 914444500

Or please visit our website at **www.pharmamar.com**

Pharma Mar

Inspired by the sea, driven by science, motivated by people.

Financial information
June 30, 2026

01 Pharma Mar milestones in 1H26 1/2

Main figures

In the first half of 2026, **the Group's recurring revenue** (sales plus royalties) increased by 18% **to €85.1 million with respect to the same period in 2025** (€72.2 million).

Non-recurring revenue (from out-licensing agreements) amounted to **€7.4 million** (€23.0 million in the same period of 2025). In 2025, non-recurring revenue included the upfront payment received from Merck under the Zepzelca licensing agreement in Japan.

Group EBITDA amounted to **€3.6 million** (€25.1 million in the same period last year). This change was due to the aforementioned difference in non-recurring revenue, as well as the impact of the grant awarded to Sylentis from the NextGeneration EU funds in June 2025.

Group R&D investment in the first half of 2026 amounted to **€47.6 million, €47.3 net,** after capitalizing €0.3 million (€47.5 million in 2025).

92.5M€
Total revenue

85.1M€
Recurring revenue

7.4M€
Non-recurring revenue

3.6M€
EBITDA

47.3M€
Net R&D expenditure

0.6M€
Net income for the period

169.5M€
Cash and financial assets

Pharma Mar milestones in 1H26 2/2

Oncology milestones

- **The European Commission has approved the use of Zepzelca® (lurbinectedin) in combination with atezolizumab (Tecentriq®)** as a **first-line maintenance treatment** for adult patients with small cell lung cancer (SCLC).

- The top-line results of the **Phase III LAGOON trial**, which assessed Zepzelca® (lurbinectedin) in patients with relapsed metastatic small cell lung cancer (second-line treatment), **did not meet its primary overall survival (OS) endpoint** when used as monotherapy or in combination with irinotecan, as compared with the control arm. In any event, **lurbinectedin as monotherapy had a better safety profile** as compared with the control arm.

- The **Phase III SaLuDo** clinical trial (Sarcoma patients treated with lurbinectedin and doxorubicin), which is evaluating lurbinectedin in combination with doxorubicin as a first-line treatment for patients with metastatic leiomyosarcoma (LMS), has met its patient enrollment target and data is expected in 1H2027.

- **Merck**, Pharma Mar's partner in Japan, has submitted in June a registration dossier to the **Japanese Ministry of Health**, Labour and Welfare (MHLW) to market **Zepzelca®** (lurbinectedin) as a first-line maintenance treatment for small cell lung cancer (SCLC).

- **Germany and Austria** are the first European Union countries **to commercially launch Zepzelca®** (lurbinectedin), in combination with Tecentriq® (atezolizumab), for first-line maintenance treatment of small cell lung cancer.

- Pharma Mar **has enrolled the first patient in its Phase 1/2 clinical trial assessing PM54 in combination with pembrolizumab** for treating patients with advanced-stage solid tumors.

02 Revenue as at 30 June 2026

Revenue breakdown

Recurring revenue

46.43M€
Sales

38.65M€
Royalties

Non-recurring revenue

7.16M€
Out-licensing

0.26M€
Other revenue

Total revenues

30/06/2025	30/06/2026	With respect to the previous year
95.25M€	92.50M€	-3%

Recurring revenue*

30/06/2025	30/06/2026	With respect to the previous year
72.25M€	85.08M€	+18%

Non-recurring revenue**

30/06/2025	30/06/2026	With respect to the previous year
23.00M€	7.42M€	-68%

* **Recurring revenue increased by 18%** in the first half of the year, despite the fact that commercial sales of Zepzelca had not yet got underway in Europe.

** **Non-recurring revenue** in 2025 comprised the upfront payment received from our partner Merck pursuant to the Zepzelca licensing agreement for Japan

(Million euro)

03 Group revenue: Segmentation by revenue type at 30 June 2026

45.83M€
Sales
30 June 2025

26.42M€
Royalties
30 June 2025

23.00M€
Out-licensing and others
30 June 2025

Zepzelca® (lurbinectedin)

23.82M€ › 25.15M€

15.44M€ › 21.55M€ Revenue in Europe*

8.38M€ › 3.60M€ Commercial sales

Yondelis® (trabectedin)

8.32M€ › 5.37M€

Sales in Europe

API

13.69M€ › 15.91M€

4,74M€ › 9,84M€ Lurbinectedina

8,95M€ › 6,07M€ Trabectedina

Sales of raw materials to our partners

Zepzelca® (lurbinectedin)

21.00M€ › 31.60M€**

From U.S. and China

From U.S.

Yondelis® (trabectedin)

5.42M€ › 7.05M€

From U.S. and Japan

Zepzelca® (Lurbinectedina)

22.97M€ › 7.16M€

Other revenue

0.03M€ › 0.26M€

(Million euro)

* Mainly in France as part of the "Accès compassionnel" program

** The royalty payments received from our partner Jazz for Zepzelca sales in the US were up 60% compared with the same period of the previous year. The second-quarter royalties recognized for Zepzelca (US) are an estimate, as information on sales by Jazz Pharmaceuticals is not available at the time of publication of this report. Any deviation is corrected in the subsequent quarter.

04 R&D expenditure

Net R&D investment as of June 30 2026 **amounted to €47.26 million (1H25: €47.47** million).

In **oncology,** R&D investment remains broadly in line with that of the same period of the previous financial year, mainly due to investment in the SaLuDo Phase III trial of lurbinectedin as a treatment for leiomyosarcoma (for which the patient recruitment phase was completed during this half-year) as well as increased investment in the compounds PM54 and PM534, which are at earlier stages of development.

This area capitalizes €0.39 thousand in costs incurred in submitting the registration dossier for lurbinectedin to the European Medicines Agency (EMA).

In the **field of RNA interference,** in the first quarter of 2026 Sylentis continued to implement its R&D programs focused on the development of RNAi to treat eye diseases, leveraging its proprietary SirFINDER™ 3.0 technology platform, a tool for engineering new candidates for the topical treatment of rare retinal diseases.

R&D expenses

30/06/2025	30/06/2026	With respect to the previous year
47.47M€	47.26M€	-0.5%

Oncology

30/06/2025	30/06/2026	With respect to the previous year
44.80M€	45.29M€	+1%
	(0.39)M€ Capitalized	

RNAi

30/06/2025	30/06/2026	With respect to the previous year
2.67M€	2.35M€	-12%

(Million euro)

05 Other operating expenses

Marketing expenses, which rose by 18% year-on-year, reflect the increase in resources and commercial activities in preparation for the scheduled launch of Zepzelca in Europe, which commenced on 1 July 2026 in Germany and Austria.

Administrative and general expenses increased compared with the same period in the previous year, primarily due to the oligonucleotide production plant.

Corporate expenses remained broadly in line with those in the same period of the previous financial year.

The balance of **Other net revenue / (expenses)** is positive in the amount **of €1.6 million** and reflects the **recognition of the proportional part of the €21.1 million granted to Sylentis under EuropeanMed4Cure, an Important Projects of Common European Interest (IPCEI) program**, corresponding to the period from January to June 2026. The figure recorded as at June 2025 was €14.7 million.

Other operating expenses

30/06/2025	30/06/2026	With respect to the previous year
-20.53M€	-37.64M€	+83%
Marketing		
-13.54M€	-16.00M€	+18%
General and administrative		
-14.83M€	-16.43M€	+11%
Parent company expenses		
-7.07M€	-6.82M€	-4%
Other net revenue / (expenses)		
14.91M€	1.61M€	-89%

(Million euro)

06 Operating profit. Income for the period. EBITDA.

	30/06/2026	30/06/2025
Operating profit	**(783)**	**21,066**
Financial income	1,388	(1,618)
Income tax	(44)	(27)
Net income for the period	**561**	**19,421**

Two factors affected both **operating profit and profit for the period:**

- In 2025, **non-recurring revenue** included the proportionate part of the **up-front payment received upon signing the licensing agreement** with Merck (€20.7 million)
- In 2025, €14.7 million were booked under **"Other operating revenue/(expenses)"**, relating to the NextGeneration EU **grant** awarded to Sylentis.

The financial result as at June 2026 gives a net profit of €1.4 million, compared with a net loss of (€1.6) million as at June 2025. This difference was due to the improvement in the euro/dollar exchange rate during the first half of the year, which had a positive impact on the market valuation of dollar-denominated deposits.

(Thousand euro)

	30/06/2026	30/06/2025
Net income for the period	**561**	**19,421**
Financial income	(1,388)	1.618
Income tax	44	27
Depreciation and amortization	4,337	4,015
EBITDA	**3,554**	**25,081**

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

EBITDA as at June 2026 amounted to €3.6 million, compared with €25.1 million in the same period of the previous financial year, and reflects the impact of the two aforementioned factors from 2025 (non-recurring revenue:*up-front payment received from Merck and NextGeneration EU grant).* It is important to highlight the 18% increase in recurring revenue, which partially offset the impact of these.

07 Cash and Debt

	30/06/2026	31/12/2025	Δ ABS.
Non-current financial debt	**32,126**	**35,552**	**(3,426)**
Bonds	16,929	16,896	33
Bank loans	8,665	10,510	(1,845)
Loans from official authorities	6,532	8,146	(1,614)
Current interest-bearing debt	**10,918**	**11,026**	**(108)**
Credit lines	4,056	4,792	(736)
Bank loans	3,662	3,606	56
Loans from official authorities	2,204	2,022	182
Interest, etc.	996	606	390
Total interest-bearing debt	**43,044**	**46,578**	**(3,534)**
Cash and cash equivalents plus current and non-current financial assets	**169,483**	**167,801**	**1,682**
TOTAL NET CASH	**126,439**	**121,223**	**5,216**

(Thousand euro)

Cash and cash equivalents plus current and non-current financial assets amounted to **€169.5 million** (€1.7 million more than at 31 December 2025).

As of June 30, 2026, **total interest-bearing debt had been reduced by €3.5 million with** respect to December 31, 2025. Loans from banks and government agencies were repaid during the period in the amount of €1.9 million and €1.6 million, respectively.

As of 30 June 2026, the Group had a **positive net cash position of €126.4 million** (€121.2 million at 2025 year-end).

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

08 Cash flows

As of 30 June 2026, **the Group had generated positive operating cash flows** amounting to **€11.95 million** (€2.9 million in 2025).

Investments in the period mainly relate to the acquisition and renewal of laboratory and production equipment.

Cash flow from financing activities was negative in the amount of €7.05 million, mainly as a result of **loan repayments** and the **share buy-back program**.

(Million euro)

(*) The opening (1 January) and closing (30 June) balances include cash and cash equivalents plus current and non-current financial assets.

R&D activities
Oncology segment.
09 Compound development

A) Lurbinectedin (Zepzelca)

Small-cell lung cancer:

- On 1 June, the European Commission authorized the marketing of Zepzelca® (lurbinectedin) in combination with atezolizumab (Tecentriq®) as a first-line maintenance treatment for adult patients with extensive-stage small cell lung cancer (SCLC) whose disease has not progressed after standard induction therapy. This approval follows the positive opinion issued on 27 March by the Committee for Medicinal Products for Human Use (CHMP) of the European Medicines Agency (EMA) regarding the authorization of this treatment.
- On 23 June, Merck, our partner in Japan, submitted a registration dossier to the Japanese Ministry of Health, Labour and Welfare (MHLW) to market Zepzelca® (lurbinectedin) as a first-line maintenance treatment for small cell lung cancer (SCLC). Merck's New Drug Application (NDA) has been granted priority review status.
- On 12 June it was announced that the top-line results of the Phase III LAGOON trial, which was evaluating Zepzelca® (lurbinectedin) in patients with relapsed metastatic small cell lung cancer (second-line treatment), had not met their primary overall survival endpoint when used as monotherapy or in combination with irinotecan, as compared with the control arm. However, lurbinectedin as monotherapy had a better safety profile as compared with the control arm. The LAGOON study targeted a different population and was carried out in a different context of small cell lung cancer than the Phase III IMforte trial of first-line maintenance treatment with atezolizumab (Tecentriq®), and does not affect the approval of lurbinectedin as a first-line maintenance treatment.
- At the ASCO Congress in Chicago in June, more data was presented from the Phase III IMforte trial to evaluate Zepzelca® (lurbinectedin) in combination with atezolizumab (Tecentriq®) for first-line maintenance treatment of SMLC, including the quality-adjusted toxicity-free or progression-free survival time. There was also an oral presentation concerning the results across the different SMLC molecular subtypes.
- Also at the ASCO Congress, we unveiled a poster entitled "Sex-Specific Trends and Outcomes in Small Cell Lung Cancer: "Insights From the Spanish CLARISSE Study (2019–2024)", a retrospective study led by ICAPEM (Association for Research into Lung Cancer in Women) which analyses the epidemiology and clinical results of more than 4,400 patients diagnosed with CPCP in Spain between 2019 and 2024."

Leiomyosarcoma

The SaLuDo study is a randomized, three-arm Phase III clinical trial. It comprises two experimental arms using two different doses of lurbinectedin in combination with two doses of doxorubicin, compared with doxorubicin alone (control arm), in patients with metastatic leiomyosarcoma in first-line treatment. The trial is being conducted at 93 active centers in Europe and the U.S. The trial's primary endpoint is to assess progression free survival (PFS), while its secondary endpoint is overall survival (OS).

The total number of randomized patients in the SaLuDo study was reached in early May 2026.

Other combination trials

The lurbinectedin and irinotecan combination trial completed enrolment and monitoring of the small cell lung cancer, synovial sarcoma and neuroendocrine tumor cohorts of patients continues. The relevant clinical reports are currently being compiled, as are the publications on the various cohorts taking part in this trial. In this quarter, we published an analysis of the safety profile of this combination across all trial cohorts (Invest New Drugs 2026, vol. In press, pp. 1–10).

The paper, presenting data on SCLC patients included in the recommended dose expansion phase of the lurbinectedin cohort, will be submitted for publication in 2026.

B) PM54

PM54 is a novel oncogenic transcription inhibitor belonging to the ecteinascidia genus.

PM54 is currently being assessed as a monotherapy in two Phase 1/1b trials in patients with advanced solid tumors, with the aim of evaluating its safety, tolerability, pharmacokinetics and preliminary anti-tumor activity. They are both monotherapy trials, now in the expansion phase, and the recommended doses have already been established. Meanwhile, further dosing regimens are being assessed with a view to potentially identifying the optimal protocols for specific tumor types of interest or for specific future combinations.

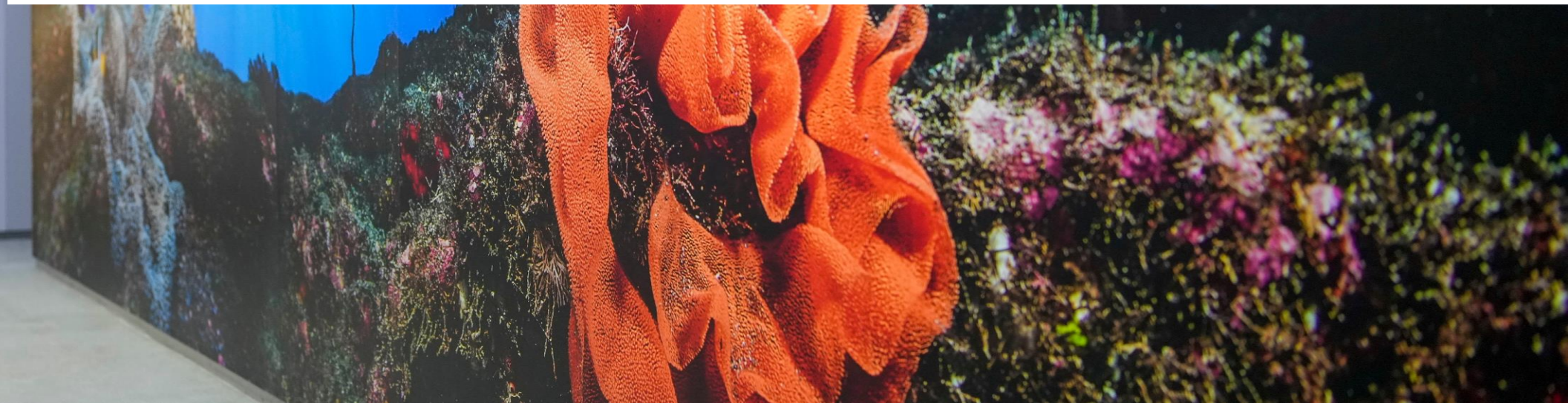
In addition, the multicenter Phase 1/2 clinical trial assessing PM54 in combination with immunotherapy (pembrolizumab) to treat tumors associated with significant unmet medical needs (including advanced melanoma, endometrial cancer and extrapulmonary neuroendocrine tumors) has recently reported that the first patient has now been enrolled in this trial.

Discussions are underway with the regulatory authorities regarding further clinical trials to assess PM54 in combination with various cytotoxic and targeted therapies, and these are scheduled to start in the second half of 2026.

C) PM534

PM534 is a novel tubulin-targeting inhibitor.

Two Phase I clinical trials are currently underway for the treatment of patients with different types of advanced solid tumors using monotherapy, with recruitment continuing as expected. The endpoints of this first trial are to determine the recommended dose and schedule and assess the safety and efficacy profile.



10 Consolidated Balance Sheet (thousand euro)

CONSOLIDATED BALANCE SHEET	30/06/2026	31/12/2025
ASSETS		
Non-current assets		
PROPERTY, PLANT AND EQUIPMENT	57,317	57,387
Investment property	845	845
Intangible assets	4,012	3,547
Right-of-use assets	2,730	2,763
Financial assets	607	578
Deferred tax assets	47,137	46,546
	112,648	111,666
Current assets		
Inventories	51,889	54,101
Customer and other accounts receivable	48,081	39,409
Financial assets	149,538	149,406
Balances with public authorities	9,976	21,186
Prepaid expenses	2,127	1,496
Cash and cash equivalents	19,338	17,817
	280,949	283,415
TOTAL ASSETS	393,597	395,081

CONSOLIDATED BALANCE SHEET	30/06/2026	31/12/2025
EQUITY		
Share capital	10,800	10,800
Share premium account	45,909	45,909
Own shares	(45,744)	(38,719)
Revaluation reserves and other reserves	26	18
Retained earnings and other reserves	239,784	233,825
Total capital and reserves attributable to equity-holders of the parent company	250,775	251,833
TOTAL EQUITY	250,775	251,833
LIABILITIES		
Non-current liabilities		
Borrowings	32,126	35,552
Lease liabilities	1,444	1,131
Contractual liabilities	9,933	11,920
Subsidies	846	717
Other non-current liabilities	52	50
	44,401	49,370
Current liabilities		
Supplier and other accounts payable	51,010	54,339
Balances with public authorities	3,222	3,016
Subsidies	696	2,131
Borrowings	10,918	11,026
Lease liabilities	1,351	1,706
Contractual liabilities	3,973	4,647
Other current liabilities	27,251	17,013
	98,421	93,878
TOTAL LIABILITIES	142,822	143,248
TOTAL EQUITY AND LIABILITIES	393,597	395,081

11 Consolidated statement of profit and loss
(thousand euro)

CONSOLIDATED INCOME STATEMENT	30/06/2026	30/06/2025
Revenue from contracts with customers		
Product sales	46,427	45,824
Royalties	38,650	26,422
Licensing and development agreements	7,161	22,975
Services provided	266	29
Cost of sales	(8,392)	(6,182)
Gross profit	**84,112**	**89,068**
Marketing expenses	(16,000)	(13,539)
General and administration expenses	(16,434)	(14,830)
R&D expenses	(47,256)	(47,471)
Parent company expenses	(6,824)	(7,072)
Other gains/(losses), net	1,619	14,910
Operating profit	**(783)**	**21,066**
Net financial income	**1,388**	**(1,618)**
Income before taxes	**605**	**19,448**
Income tax	(44)	(27)
Net income for the period	**561**	**19,421**

12 Consolidated Cash Flow (thousand euro)

CONSOLIDATED CASH FLOW	30/06/2026	30/06/2025
Income before taxes	**605**	**19,448**
Depreciation and amortization	4,190	3,982
Other adjustments to income	4,606	7,286
Change in working capital	2,546	(33,581)
TOTAL NET OPERATING CASH FLOW	**11,947**	**2,865**
Capex	(3,655)	(1,925)
(Payments)/Receipts for financial (Investments)/Divestments	274	(13,569)
TOTAL NET INVESTING CASH FLOW	**(3,381)**	**(15,494)**
Receipts and (payments) in connection with equity instruments	(2,312)	(12,453)
Receipts and (payments) in connection with financial liabilities	(4,796)	(458)
Payment of dividends and remuneration on other equity instruments	-	(13,949)
TOTAL NET FINANCING CASH FLOW	**(7,108)**	**(26,860)**
EFFECT OF EXCHANGE RATE FLUCTUATIONS	63	(2,157)
TOTAL NET CASH FLOW FOR THE PERIOD	**1,521**	**(41,646)**
CASH AND CASH EQUIVALENTS AT JANUARY 1	**17,817**	**63,239**
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	**19,338**	**21,593**

13 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.

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.

Revenues

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 Pharma Mar (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

Avda. De los Reyes, 1
28770 Colmenar Viejo
Madrid – Spain
Tel:+34 91 846 60 00
pharmamar.com