PharmaMar continues to execute commercially in 2016, adds new partner for pipeline asset, and sees pipeline progress

- **Commercial sales of Yondelis® continued to grow and increased by 7% in 2016**

- **The company's financial position funded an increase in R&D expenditure by 30% to €78 million, focused particularly in the Oncology Business Unit, to fund ongoing clinical research of the molecules at various stages of development**

- **Marketing-authorization application to EMA. Aplidin® (plitidepsin)'s marketing-authorization application is currently being reviewed by the European Medicines Agency (EMA) for treating multiple myeloma. It is also undergoing trials in angioimmunoblastic T-cell lymphoma**

- **Lurbinectedin in platinum-resistant ovarian cancer (PM1183): the data from the Phase III registration trial is expected to be available in the 2nd half of 2017.**

- **Lurbinectedin in small-cell lung cancer (PM1183): the Phase III registration trial is under way. Recruitment is expected to conclude in 2018.**

- **Lurbinectedin in BRCA 1/2 metastatic breast cancer (PM1183): positive results from the Phase II trial were presented in 2016, and a pivotal trial is being prepared**

- **PM184 is undergoing clinical development for solid tumours, including a Phase II trial in HER2 locally advanced and/or metastatic breast cancer**

- **The improved commercial revenues when combined with the increased R&D expenditure and the revenue recognition rules for the Chugai partnership that saw recognition of €6 million of the €30 million upfront payment, contributed to negative EBITDA at the Group level (-€11 million)**

- **PharmaMar is hosting an investment-community conference call at 8:00 a.m. ET today Friday February 24, 2017 to discuss the financial results and to provide a corporate update. Investors who wish to participate in the conference call may do so by dialing 877-407-3102 for U.S. and Canadian callers or 201-493-6790 for international callers. Those interested in listening to the conference**

call live via the internet may do so by visiting the Events Calendar page of the company's website at www.pharmamar.com and clicking on the webcast link. A webcast replay will be available on the PharmaMar website for 30 days following the call by visiting the Events Calendar page of the company's website at www.pharmamar.com

Madrid, 24 February 2017 – Pharma Mar (MSE:PHM) reported 2016 results with total revenues of €181 million vs. €194 million in 2015. Total revenues were impacted positively by improving sales trends in most areas, however when comparing to 2015, the payment of milestones for regulatory approvals in 2015 from our commercial partners for Yondelis® ($25 million in total) as well as the application of the new revenue recognition standards to the licensing, development and commercialization agreement for Lurbinectedin that was signed with Chugai Pharmaceutical in December 2016 should be remembered. Under those standards, the €30 million upfront payment (collected in full in early January) must be recognised in revenues in line with the progress with the clinical trials specified in the agreement. PharmaMar recognised €6 million of the €30 million in its accounts at 2016 year-end.

Net commercial sales of Yondelis®, excluding raw material sales, increased by 7% with respect to 2015. Raw material revenues from our partners in 2015 were during a pre-launch inventory build, and therefore these revenues declined in 2016 by about $6 million. Net sales in the Biopharmaceutical area, including GENOMICA, amounted to €94.4 million (€94.6 million in 2015). In addition, royalties from sales of this product by our partners, Janssen Products, LP and Taiho Pharmaceutical Co, Ltd., amounted to around $6 million.

The companies in the consumer chemicals area — Zelnova Zeltia and Xylazel — also increased net sales, to €69.9 million in 2016 (€67.3 million in 2015).

Net R&D expenditure increased by 30% to €78 million (€60 million in 2015). The Oncology area invested €72.3 million in R&D in 2016, compared with €55.6 million in 2015, mainly for clinical trials of lurbinectedin (PM1183).

Revenues from milestones and licensing in the Oncology segment, amounted to €11.1 million in 2016 (€29 million in 2015).

Note: Please refer to our financial filings with the CNMV and also on our website https://www.pharmamar.com/investors/financial-information/annual-reports/

PharmaMar stepped up its commitment to R&D in 2016

In 2016, PharmaMar's Oncology Business Unit continued with post –marketing studies for Yondelis® and advanced the development of other pipeline molecules; Aplidin (plitidepsin), PM1183, and PM184. In addition, R&D continued with other compounds at the pre-clinical phase.

- **Yondelis®**

Yondelis® is approved in over 80 countries, including the US and Japan.

During 2016, post-authorisation trials of Yondelis® continued in the two indications for which it is authorised: soft tissue sarcoma and platinum-sensitive ovarian cancer. At year-end, there were 26 trials under way, 17 in sarcoma and 9 in ovarian cancer, including the Phase III trial being conducted by Janssen Products, L.P. to obtain approval in ovarian cancer in the USA and other territories.

- **Aplidin®**

In October 2016, the European Medicines Agency (EMA) accepted the application for approval of plitidepsin (Aplidin®) in combination with dexamethasone for treating relapsed or refractory multiple myeloma. That acceptance was based on the positive results of the ADMYRE registration trial, which revealed a statistically significant reduction in the risk of progression with respect to dexamethasone as monotherapy.

Also in 2016, PharmaMar signed a licensing agreement with Specialised Therapeutics Asia Pte, Ltd. (STA) for the commercialisation of Aplidin® in 12 Asian countries to treat haematological tumours; it also signed a licensing agreement with Boryung Pharma for South Korea.

- **Lurbinectedin (PM1183):**

    - **Platinum-resistant ovarian cancer**

Lurbinectedin has shown anti-tumour activity against a number of tumour types. The results of the randomised multi-centre Phase IIb trial in platinum-resistant ovarian cancer revealed a PFS benefit 5.7m vs. 1.7m, p=0.005 vs. the comparator,

topotecan. PharmaMar is awaiting data from a Phase III trial in the second half of 2017.

- **Small-cell lung cancer (PM1183)**

The Company commenced a Phase III trial in patients with small-cell lung cancer using lurbinectedin in combination with doxorubicin as second-line treatment following data in the preceding trial (Phase Ib), in which PFS was 4.6 months and 67% of patients evidenced an objective response, complete responses in 10%. Recruitment is expected to conclude in 2018.

- **BRCA-associated metastatic breast cancer**

Phase II trial data of monotherapy with lurbinectedin in patients with BRCA-associated metastatic breast cancer who had previously received at most three rounds of chemotherapy were presented at ESMO in 2016. The trial attained its primary endpoint with a 41% overall response rate. Importantly, the subgroup of patients with the BRCA 2 mutation had a 61% overall response rate. The Company intends to initiate the process of launching a registration trial in patients with BRCA2-associated breast cancer in 2017.

Sylentis. Phase III trial commenced in dry eye syndrome using RNAi technology.

In 2016, Sylentis presented positive results from two clinical trials with research drug SYL1001, to define the dose and assess its efficacy, respectively, in treating eye pain associated with dry eye syndrome.

The Company is working to commence a **Phase III** registration trial in the coming months in the treatment of dry eye syndrome, for which there is no specific treatment.

GENOMICA, 25 years serving molecular diagnostics and genetic identification

GENOMICA reported €6.2 million in net revenues in 2016, the same as in 2015.

The company has three lines of business: molecular diagnostic kits (CLART® technology) with in vitro products for oncology and infectious diseases, and analysis

of human papilloma virus; genetic forensics, including genetic fingerprinting and technology transfer projects; and gene sequencing in oncology.

It is currently pursuing another line of research — **detecting mutations in non-small-cell lung cancer, metastatic colon cancer and melanoma, via liquid biopsies** — which was rated one of the ten most innovative technologies of 2015 by *MIT Technology Review.*

About PharmaMar

Headquartered in Madrid, PharmaMar is a world-leading biopharmaceutical company in the discovery and development of innovative marine-derived anticancer drugs. The company has an important pipeline of drug candidates and a robust R&D oncology program. PharmaMar develops and commercializes YONDELIS® in Europe and has three other clinical-stage programs under development for several types of solid and hematological cancers, PM1183, plitidepsin, and PM184. PharmaMar is a global biopharmaceutical company with subsidiaries in Germany, Italy, France, Switzerland, United Kingdom, Belgium, Austria and the United States. PharmaMar fully owns other companies: GENOMICA, Spain's leading molecular diagnostics company; Sylentis, dedicated to researching therapeutic applications of gene silencing (RNAi); and two other chemical enterprises, Zelnova Zeltia and Xylazel. To learn more about PharmaMar, please visit us at www.pharmamar.com.

Disclaimer

This document is a press release, not a prospectus. This document does not constitute or form part of an offering or invitation to sell or a solicitation to purchase, offer or subscribe shares of the company. Moreover, no reliance should be placed upon this document for any investment decision or contract and it does not constitute a recommendation of any type with regard to the shares of the company.

Media Contact:

Alfonso Ortín – Communications Director aortin@pharmamar.com Mobile: + 34609493127
Paula Fernández – Media Relations Manager pfalarcon@pharmamar.com Mobile: +34 638796215
Phone: +34 918466000

Investor Relations:

Phone: +34 914444500

Or please visit our website at www.pharmamar.com

###