

PHARMA MAR, S.A.

Annual General Shareholders Meeting

The Board of Directors of PHARMA MAR, S.A. (the “**Company**”) has resolved to call the Annual General Shareholders Meeting, to be held at Instituto Ferial de Vigo (IFEVI) located at Avda. del Aeropuerto, 772, Cotogrande – 36318- Vigo, (Pontevedra), on 29 June 2017, at 12:00 p.m., in second call, as it is foreseen that quorum will not be met in first call, which is also convened in this meeting notice at the same place and time, on 28 June 2017. The venue for the aforementioned General Meeting has been selected by the Board of Directors in accordance with the provisions of Article 22 of the Company's Corporate Bylaws.

The General Meeting will discuss and approve, as the case may be, the following resolutions:

AGENDA

I. ITEMS SUBMITTED FOR VOTING

One.- To review and, as the case may be, approve the Annual Financial Statements and Management Report of Pharma Mar, S.A. and its Consolidated Group for fiscal year 2016; the proposed allocation of earnings; and management by the Board of Directors during said period.

Two.- To reappoint the Company's Statutory Auditors.

Three.- To authorize the Board of Directors, in accordance with the provisions of Article 297.1.b) of the Spanish Capital Corporations Law (*Ley de Sociedades de Capital*), to increase share capital, within a maximum period of five years, if deemed convenient, by an amount equal to half of the current share capital, on a one-time basis or several times, in the manner and amount deemed appropriate, granting the power to exclude preemptive subscription rights, provided in all cases said right of exclusion shall be subject to a limit of 20% of the Company's share capital under the terms laid out in the proposed resolutions. To revoke and invalidate any unimplemented portions of Resolution Eleven of the General Shareholders Meeting held on 30 June 2015.

Four.- To delegate to the Board of Directors the authority to: issue debentures, bonds, notes and other fixed income securities, both simple as well as exchangeable and/or convertible, as well as to issue warrants or other analogous securities; establish the criteria for determining the basis and methods of conversion and/or exchange and, in the latter case, to increase share capital by the necessary amount and exclude the preemptive subscription rights of shareholders (although this power to exclude preemptive rights shall be limited to 20% of the Company's share capital as set forth in the proposed resolutions); guarantee the issues of subsidiaries, revoking and invalidating any unimplemented portions of Resolution Twelve, passed by the General Shareholders Meeting held on 30 June 2015.

Five.- To authorize the Board of Directors, with express power of substitution, to buyback treasury stock either directly or through Group companies.

Six.- To approve a Free of Charge Stock Ownership Plan for fiscal year 2018 aimed at officers and employees of the Group who, having an indefinite contract and receiving variable compensation, meet more than half of their targets set for fiscal year 2017, up to a total maximum limit of 500,000 shares in Pharma Mar, S.A., to be delivered in implementation of this Plan.

Seven.- To submit the Annual Report on Compensation of Directors of Pharma Mar, S.A. for fiscal year 2016 to an advisory vote (Art. 541.4 of the Spanish Capital Corporations Law).

Eight.- To authorize the Board of Directors to interpret, remedy, supplement, implement, execute and develop the resolutions adopted by the General Meeting, both to record such resolutions in a public deed and to substitute the powers entrusted thereto by the General Meeting.

II. INFORMATIONAL ITEMS

Nine.- To report to the General Meeting, in accordance with the provisions of Article 528 of the Spanish Capital Corporations Law, regarding any amendments to the Board of Directors Regulations.

Ten.- To report on any capital increases agreed to by the Board of Directors at its meeting on 17 May 2017 in exercise of the powers granted thereto by virtue of Resolution Eleven of the General Shareholders Meeting held on 30 June 2015 (To authorize the Board of Directors, in accordance with the provisions of Article 297.1.b) of the Spanish Capital Corporations Law, to increase share capital, within a maximum period of five years, if deemed convenient, by an amount equal to half of the current share capital, on a one-time basis or several times, in the manner and amount deemed appropriate, granting the power to exclude preemptive subscription rights).

SUPPLEMENT TO THE MEETING NOTICE AND PROPOSED RESOLUTIONS

In accordance with the provisions of Article 519 of the Spanish Capital Corporations Law, shareholders representing at least 3% of share capital may: (i) request that a supplement to this General Meeting notice be published, including one or more Agenda items, provided that the new items are accompanied by a justification or, as the case may be, a justified proposed resolution; and (ii) submit justified proposed resolutions on topics included or to be included on the Agenda.

These rights may be exercised through attestable notice (which shall include the relevant documentation evidencing their status as a shareholder), which must be received at the registered offices of the Company (Avda. de los Reyes, 1, 28770 Colmenar Viejo, Madrid), addressed to the General and Board Secretary, within five days following publication of this meeting notice. The supplement referred to in section (i) above shall be published at least fifteen days before the date set for the General Meeting. The Company shall also ensure that all such proposed resolutions as referred to in paragraph (ii) above, as well as any accompanying documentation, if any, are sent to the remaining shareholders in accordance with Article 518 d) of the Spanish Capital Corporations Law.

RIGHT TO ATTEND, RIGHT OF REPRESENTATION AND PUBLIC REQUEST FOR PROXY

The shareholders are hereby informed that shareholders who, individually or collectively, hold at least 100 shares, may attend the General Meeting, provided their shares have been registered in their name in the appropriate book entry record five days before the General Meeting is set to be held and provided this is evidenced via the relevant attendance card or certificate issued by any of the entities participating in Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (IBERCLEAR), or in any other manner permitted by the regulations in force.

Every shareholder with a right to attend the General Meeting in accordance with the provisions of the Corporate Bylaws may exercise such right by granting a proxy to any person, who does not necessarily have to be a shareholder. Proxies shall be granted in writing or, as the case may be, through long-distance communication, in accordance with the provisions of the Company's Bylaws and Board of Directors Regulations and shall be granted specifically for each Meeting, notwithstanding provisions of law applicable in the case of family representation or granting of general powers of attorney. In any case, for both voluntary and legal proxies, as well as for public proxy requests, only one proxyholder may be present at the General Meeting.

A proxy is always revocable. Personal attendance at the General Meeting shall have the effect of revocation.

If the represented shareholder issued instructions, the proxy shall cast their vote in accordance therewith and shall be required to save said instructions for a period of one year from the date the General Meeting was held.

Proxies may represent more than one shareholder, subject to no restriction on the number of shareholders represented. When a proxy represents various shareholders, the proxy may cast votes in a different direction when so required based on the instructions provided by each of the shareholders.

In any case, the number of shares represented shall be included for the purposes of establishing the valid quorum of the General Meeting.

In the case of public proxy requests, the document granting the proxy shall include or attach a copy of the agenda, as well as the request for instructions on exercising the voting right and an indication of the direction that the proxy shall vote in the event that specific instructions are not provided. A public request shall be deemed to exist when one single person holds a proxy for more than three shareholders.

Such delegation may also include items that, although not included on the agenda in the meeting notice, may be addressed at the meeting as permitted by law.

If no voting instructions are available due to the fact that the General Meeting is resolving on matters that by law do not have to be included on the agenda, the proxy shall cast the vote in the direction deemed most favorable to the interests of the shareholder represented thereby.

If the represented shareholder provided instructions, the proxy may vote in a different direction in the event of circumstances that were ignored at the time the instructions were sent and if voting with the instructions could harm the interests of the represented party.

In the last two cases, the proxy shall immediately notify the represented shareholder in writing, explaining the reasons for his/her vote.

If the proxy document received by the Company does not identify a proxy, the shareholder shall be deemed to have granted the proxy to the Chairman of the Board of Directors, to its Vice Chairman (or to its Deputy Vice Chairman, if any) or to the Board Secretary, in this order, in the event of absence or, if no instructions were provided in the proxy, of conflict of interest.

Likewise, in the event the proxy received, without voting instructions, was granted to any individual referred to in the preceding paragraph or to any other Director and said individual was subject to a conflict of interest, the proxy shall be understood granted to the relevant party of the remaining individuals mentioned in said paragraph (also following, in the event of absence or if any such individuals have a conflict of interest, the order in which they were listed), unless instructions to the contrary are provided by the represented shareholder. The documents granting the proxies to the Company's directors or Board Secretary shall include instructions on the direction of the vote and, if no such instructions are provided, the shareholder shall be deemed to have issued specific instructions to the proxyholder to vote in favor of the proposals made by the Board of Directors on the Agenda items listed in the meeting notice and against all proposed resolutions not made by the Board of Directors. Furthermore, the proxy granted to the directors or to the Board Secretary shall extend to those matters which, even if not appearing on the meeting Agenda, may be submitted to voting at the General Meeting, unless the represented shareholder instructed otherwise.

In any case, if there are no voting instructions, the new proxy shall vote in the direction deemed most favorable to the interests of the Company and the represented shareholder.

For the purposes of Articles 523 and 526 of the Spanish Capital Corporations Law, it is hereby stated that the Chairman and all other Directors have a conflict of interest with Agenda Item Seven (To submit the Annual Report on Compensation of Directors of Pharma Mar, S.A. for fiscal year 2016 to an advisory vote (Art. 541.4 of the Spanish Capital Corporations Law). Furthermore, the Directors may have a conflict of interest in the event that, as permitted by law, any of the proposals referred to in sections b) (removal, resignation or termination) or c) (exercise of socially responsible corporate actions) of Article 526.1 of the Spanish Capital Corporations Law are submitted to the General Meeting. In the event of a conflict of interest and where the situation has not been resolved by the represented shareholder via specific instructions, the relevant provisions set forth in the preceding paragraphs of this meeting notice shall apply.

RIGHT TO INFORMATION

From the time the meeting notice is published up until the General Meeting is held, the following texts and documents will be available to the shareholders and bondholders at the registered offices (Avda. de los Reyes, 1, 28770 Colmenar Viejo, Madrid), at the Company's offices in Madrid, (Plaza del Descubridor Diego de Ordás, núm. 3, planta 5ª, (CP 28003)) and on the Company's website (www.pharmamar.com), and they may otherwise request that the following be immediately delivered thereto, free of charge:

- (i) Annual Financial Statements and Management Reports of Pharma Mar, S.A. and its consolidated group for fiscal year ending 31 December 2016, together with the relevant audit reports.
- (ii) Full text of the meeting notice and proposed resolutions in relation to all items on the Agenda for the General Meeting which are being submitted to a vote. Proposed resolutions presented by shareholders, if any, in accordance with the provisions of Article 519 of the Spanish Capital Corporations Law shall also be included when received.
- (iii) Director's report on Agenda Item Three.
- (iv) Director's report on Agenda Item Four.

- (v) Annual Corporate Governance Report for fiscal year 2016, which shall be included in a dedicated section of the management report.
- (vi) Annual Report on Directors' Compensation for fiscal year 2016, as provided in Article 541 of the Spanish Capital Corporations Law.
- (vii) The Audit Committee's Report on independence of the external auditor.
- (viii) Report on the Audit Committee's operations.
- (ix) 2016 corporate social responsibility report for the Pharma Mar Group.
- (x) Amendments made to the Board of Directors Regulations of Pharma Mar, S.A. since the last General Meeting was held.
- (xi) Directors' reports and audit report, issued by a statutory auditor other than the Company's auditor and designated by the Mercantile Registry, in relation to the capital increases with exclusion of preemptive subscription rights agreed to by the Board of Directors on 17 May 2017, in exercise of the powers granted thereto, by virtue of Agenda Resolution Eleven of the Company's General Meeting held on 30 June 2015, to increase share capital.
- (xii) The total number of shares and voting rights of the Company as of the publication date of this General Meeting notice.
- (xiii) Form of attendance, proxy, and distance voting card.
- (xiv) Rules on distance voting and proxies.

In accordance with the provisions of Articles 197 and 520 of the Spanish Capital Corporations Law, up until the fifth day before the date on which the Meeting is to be held, the shareholders may submit, in writing, questions or requests for information or clarifications related to the Agenda items, audit report or publicly available information provided by the Company to the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*) since 23 June 2016, on which date the last General Meeting was held. This right to information may be exercised, in writing, by post to Pharma Mar, S.A.'s address (addressed to the GENERAL SHAREHOLDERS MEETING, JUNE 2017) in Madrid (Plaza del Descubridor Diego de Ordás, núm. 3, planta 5ª, Madrid, 28003) or in Colmenar Viejo (Avda. de los Reyes, 1, 28770 Colmenar Viejo, Madrid), or by delivery to the aforementioned addresses, as well as through long-distance communications through the Company's website (www.pharmamar.com) in the manner described therein.

Any other supplemental information related to the General Meeting notice that has not been expressly provided herein may be found on the Company's website (www.pharmamar.com). From the time of publication of this meeting notice up until the General Meeting is held, all documents and information, as legally required, shall be continually made available on said website.

ELECTRONIC SHAREHOLDER FORUM

In accordance with Article 539.2 of the Spanish Capital Corporations Law, the Company, as from the time of publication of this meeting notice, has opened an Electronic Shareholder Forum on its website (www.pharmamar.com). The regulations for use of this Forum were approved by the Board of Directors at its meeting held on 28 April 2016. Instructions for accessing and using the Electronic Forum are provided on said website.

VOTING AND PROXY BY LONG-DISTANCE COMMUNICATION METHODS

The shareholders may grant a proxy or cast their vote using long-distance communication methods:

1. Vote or proxy by electronic means

Electronic voting and granting of proxies shall be made using the [Electronic Voting and Proxy Platform](#) software, which may be accessed on the website (www.pharmamar.com) by following the relevant instructions provided in the software for each action. For such purpose, the shareholders shall hold a recognized electronic certificate in force and issued by the Spanish Mint (FNMT) or other certifying agency as listed on the Company's website and shall evidence their status as a shareholder as specified in said platform. Only electronic votes and proxies granted in compliance with the conditions set forth on the website and which are received by the Company within the period established for such purposes in section 3.3, *infra*, shall be deemed valid, as soon as the shareholder status of the shareholder casting the vote or granting the proxy has been confirmed.

2. Vote or delegation by delivery or post

2.1 Vote by post. In order to cast a distance vote by postal service, shareholders must complete and sign the "Distance Voting by Post" section on the attendance, proxy or distance voting card issued in paper format by the entity participating in IBERCLEAR in which they have their shares deposited. After having filled out and signed the attendance, proxy and distance voting card in the "Distance Voting by Post" section, the shareholders may send the card via post or an equivalent courier service to the following address: Pharma Mar, S.A. (GENERAL SHAREHOLDERS MEETING JUNE 2017) Plaza del Descubridor Diego de Ordás 3, 5ª Planta, (28003) Madrid. Shareholders may also deliver the filled-out and signed card to the entity participating in IBERCLEAR at which they have deposited their shares, although they must make sure that the entity forwards the card to Pharma Mar, S.A. in due time (within the period established in section 3.3, *infra*) and form.

In the event that the attendance card issued by the entity participating in IBERCLEAR does not include the section dedicated to "Distance Voting by Post," shareholders who wish to cast a distance vote by post must download and print out a hardcopy of the "Distance Attendance, Proxy and Voting Card by Post" from Pharma Mar S.A.'s website www.pharmamar.com, which they must fill out and sign, together with the original attendance card issued by the participating entity in IBERCLEAR. Once both cards have been filled out and signed, the shareholder shall send the cards by post or equivalent courier services to the address and in the manner provided for in the preceding paragraph.

2.2. Proxy by post. In order to delegate a proxy by postal service, shareholders must complete and sign the proxy section of the attendance card issued in paper format by the entity participating in Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U (IBERCLEAR). Proxies granted to any director of the Company shall be sent directly to the Company at the following address: Pharma Mar, S.A. (GENERAL SHAREHOLDERS MEETING, JUNE 2017) Plaza del Descubridor Diego de Ordás 3, 5ª Planta, (28003) Madrid, or may be delivered to the entity participating in IBERCLEAR in which the shareholder has his/her shares deposited, ensuring that said entity forwards the card to Pharma Mar, S.A. in due time (within the period established in section 3.3, *infra*) and form.

3. Common rules on exercising the right to vote and grant a proxy by post and electronic means

3.1 Implementing regulations. In addition to the provisions of this meeting notice, the rights to vote and grant a proxy through electronic means or by post shall be exercised in accordance with the rules approved by the Board of Directors at its meeting on 26 May 2017, which are listed on the Company's website (www.pharmamar.com) under the section titled "Distance Voting and Proxies."

3.2 Verification of shareholder identity. The validity of the votes and proxies granted by means of distance communication shall be subject to verification of the information provided by the shareholder against the file provided by IBERCLEAR or by any other means that enable the Company to verify their shareholder status and the number of shares held thereby.

3.3. Deadline for receipt by the Company of long-distance proxies and votes. In order to be valid, votes and proxies granted via either post or electronic means must be received by the Company before midnight (12:00 A.M.) on the day immediately preceding the date on which the General Meeting is to be held in first call. Otherwise, the proxy shall be deemed not to have been granted and the vote not cast.

3.4. Priority rules for attendance, votes and proxies by means of long-distance communication. Personal attendance at the Shareholders Meeting by shareholders who have granted a proxy or already cast their vote via long-distance means will render the proxy or vote cast via long-distance means null and void. Votes cast by any means of distance communication shall invalidate any distance proxy granted by any means, whether prior to receipt of the vote by the Company, in which case the proxy shall be deemed revoked, or after receipt of the vote by the Company, in which case the proxy shall be deemed not to have been granted. If a shareholder casts various votes, the most recent vote cast before the Meeting is held shall prevail, and all prior votes received shall be deemed invalid. If a shareholder has granted several proxies, the most recent proxy granted before the Meeting is held shall prevail, and all other previously granted proxies shall be deemed invalid.

3.5 Distance Proxies. The proxyholder can only exercise the proxy by attending the Shareholders Meeting in person.

PARTICIPATION OF NOTARY PUBLIC AT GENERAL MEETING

The Board of Directors has agreed to require the presence of a Notary Public to draft the minutes for the Meeting, in accordance with the provisions of Article 203 of the Spanish Capital Corporations Law.

PROTECTION OF PERSONAL DATA

The personal data submitted by the shareholders to the Company to exercise their rights of attendance, delegation and voting at the General Meeting or to use the Electronic Shareholder Forum, or which are furnished by banking institutions and stock brokers and dealers with whom said shareholders have their shares deposited, through the entity legally qualified to carry out the book-entry records (IBERCLEAR), shall be processed for the sole purposes of managing, complying and controlling the existing shareholder relationship. The shareholders are further informed that said data will be included in a file held by the Company. This data will be provided to the Notary Public exclusively in relation to drawing up the notarial deed containing the minutes of the General Shareholders Meeting. With a view to ensuring its oversight and adequate dissemination, all or part of the General Shareholders Meeting may be recorded and broadcast and made available to the public on the Company's website (www.pharmamar.com). The shareholders will be able to exercise their rights of access, correction, removal and opposition, in accordance with the provisions of Organic Law 15/1999, of 13 December, on the protection of personal data, by submitting written notice to the Company at the following address: Plaza del Descubridor Diego de Ordás, núm. 3, planta 5ª, Madrid (28003).

THE GENERAL MEETING IS EXPECTED TO BE HELD IN SECOND CALL ON 29 JUNE 2017 AT THE PLACE AND TIME INDICATED HEREIN ABOVE, UNLESS THE SHAREHOLDERS ARE OTHERWISE NOTIFIED IN THE DAILY PRESS.

Colmenar Viejo (Madrid), 26 May 2017
Secretary of the Board of Directors
Mr. Sebastián Cuenca Miranda