

CNMV
Markets Directorate General
C/ Edison núm. 4
28006 Madrid

Madrid, October 28, 2020

In accordance with article 227 of the recast Spanish Securities Market Act (*texto refundido de la Ley del Mercado de Valores*), approved by Royal Legislative Decree 4/2015, of 23 October, and related provisions, is hereby reported the following:

OTHER RELEVANT INFORMATION

In connection with the Buy-back Program announced by way of a communication of privileged information dated 25 March 2020 (registration number 113) and as a continuation of our communication of other relevant information dated 29 September 2020 (registration number 4,737), the Board of Directors of Pharma Mar, S.A. (the "Company") has agreed, at its meeting held today, to implement the capital reduction through the redemption of treasury shares agreed by the Company's General Shareholders' Meeting held on 18 June 2020, at second call, under the third resolution on the agenda.

The Company's share capital has been reduced by 119,520 euros, through the redemption of 199,200 own shares held by the Company as treasury stock, with a nominal value of 0.60 euros each. The share capital resulting from this reduction has been set at Euros 11,012,944.20, divided into 18,354,907 shares with a nominal value of Euros 0.60 each.

The purpose of the capital reduction is to redeem the Company's treasury shares, thereby improving the profit per share and contributing to shareholder remuneration. The capital reduction has not involved the return of contributions to shareholders, as the Company itself is the owner of the redeemed shares.

The capital reduction has been carried out with a charge to free reserves, through the provision of a reserve for an amount equal to the nominal value of the redeemed shares (i.e. 119,520 euros), which can only be used with the same requirements as those demanded for the reduction of share capital, pursuant to article 335.c) of the Spanish Capital Corporations Law. Consequently, the Company's creditors do not have the right of opposition referred to in Article 334 of the Spanish Capital Corporations Law in relation to the capital reduction.

The mandatory announcements of capital reduction will be published on the Company's corporate website (www.pharmamar.com) and in the Official Mercantile Registry Bulletin on 30 October 2020.



The Company will proceed to execute the corresponding public deed of capital reduction and amendment of the Company's Bylaws and to register it in the Madrid Mercantile Registry, and once it has been recorded in the Company's register sheet opened in the Mercantile Registry, the Company will determine the date on which the aforementioned capital reduction will take effect.

Likewise, the Company shall proceed to request the delisting of the shares that have been redeemed from the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, on which the stock is listed, through the Spanish Stock Exchange Interconnection System (Continuous Market).