The PharmaMar Group presents financial results for the first quarter of 2024

- **Total group revenues increased by 12% during 1Q24 to €38.0 million (vs. €34.0 million in 1Q23), driven by commercial sales of Zepzelca.**
- **Royalty revenues grew by 14% in the first quarter, reaching €12.7 million (vs. €11.1 million in 1Q23).**
- **Investment in R&D stands at €27.2 million, representing a 29% increase compared to the same period of the previous year.**
- **The Group recorded a net profit of €2.3 million during the first quarter of 2024.**
- **Debt decreased by €3.0 million to €36.8 million. The cash and cash equivalents position at the end of the first quarter is €164.4 million**

Madrid, April 23, 2024 - PharmaMar Group (MSE: PHM) has reported total revenues of €38.0 million, representing a 12% increase compared to the €34.0 million reported in the first quarter of 2023. Recurring revenues, resulting from net sales plus royalties received from our partners, have increased by 15% to €31.7 million, compared to €27.4 million in the same period of the previous year.

Sales in oncology have increased by 25% to €19.0 million. This increase is primarily due to commercial sales of Zepzelca in Europe amounting to €4.2 million, as well as raw material sales to our partners, both for Yondelis and Zepzelca, totaling €3.3 million, and revenue from the "early access" program, which increased by 12% to €6.3 million. These latter revenues mainly come from France, although there are also ongoing "early access" programs in countries such as Spain and Austria.

Yondelis sales in the European market, after the entry of generics, total €5.2 million (compared to €8.1 million in 1Q23).

As of March 31, 2024, royalty revenues amounted to €12.7 million, representing a 14% increase compared to the same period of the previous fiscal year. These revenues include royalties received from our partner Jazz Pharmaceuticals for lurbinectedin sales in the U.S., which have increased by 13% to €11.6 million. Royalties for the first quarter of 2024 are an estimate, as information on sales made by Jazz was not available as of the publication date of this report. Any discrepancies will be corrected in the following quarter.

In addition to royalties received from Jazz Pharmaceuticals, royalties for Yondelis sales from our partners in the U.S. and Japan amounted to €1.1 million in the first quarter of 2024, compared to €0.9 million in the same period of the previous fiscal year.

Regarding non-recurring revenues from licensing agreements, as of the end of the first quarter of 2024, these amounted to €6.0 million, of which €5.7 million correspond to the deferred revenue portion of the 2019 agreement with Jazz Pharmaceuticals regarding Zepzelca.

Investment in R&D reached €27.2 million in the first quarter of 2024, representing a 29% increase compared to the previous fiscal year.

Of the total R&D investment in this first quarter of 2024, the amount allocated to the oncology segment increased by 39% to €24.6 million, compared to €17.8 million in the first quarter of 2023. This increase is directly related to the significant increase in activity related to ongoing lurbinectedin clinical trials, primarily the LAGOON (phase III clinical development in small cell lung cancer indication) and SaLuDo (phase IIb/III clinical development in leiomyosarcoma indication) trials. Additionally, the company continues to invest in the clinical development of other molecules in earlier stages. In this regard, a phase II clinical trial with ecubectedin is underway in solid tumors, and phase I clinical trials are also underway, with ecubectedin, PM534 and PM54 for the treatment of solid tumors.

With all this, the PharmaMar Group reports a net profit of €2.3 million at the end of the first quarter of 2024.

As of March 31, 2024, PharmaMar Group has a cash and equivalents position of €164.5 million and reduced total debt by 8% since December 2023, to €36.8 million. Thus, the net cash position stands at €127.7 million

Legal warning

This press release does not constitute an offer to sell or the solicitation of an offer to buy securities, and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of that jurisdiction.

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. It also has a preclinical and clinical program in virology. 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 AT 31 MARCH 2024

23 April 2024

MILESTONES

Corporate

- Group revenue increased by 12% year-on-year in the first quarter of 2024 to €38.0 million (€34.0 million in the year-ago quarter), driven by commercial sales of Zepzelca.

- Royalties from sales of Yondelis and Zepzelca by our partners in their respective territories increased by 14% to €12.7 million (€11.1 in the year-ago quarter).

- As of March 31, 2024, the Group had €164.5 million in cash and €36.8 million in interest-bearing debt (€168.6 million and €39.9 million, respectively, as of December 31, 2023). Debt has been reduced by 8% since December 2023.

- Rating agency EthiFinance maintains the group's BB+ rating, with stable outlook.

Oncology

- Recruitment of patients for the IMforte trial of Zepzelca in combination with atezolizumab for first-line maintenance treatment of small cell lung cancer has concluded.

RNAi: Sylentis

- On February 9, 2024, it was announced that the Phase III trial with tivanisiran for treating dry eye disease associated with Sjögren's syndrome had not attained its primary endpoint.

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FIGURES TO MARCH 2024

	3/31/24	3/31/23	Var.
RECURRING REVENUE	**31.680**	**27.444**	**15%**
Oncology sales	19.014	15.218	25%
Other sales	0	1.152	-100%
Royalties	12.666	11.074	14%
NON RECURRING REVENUE	**6.286**	**6.534**	**-4%**
License Agreements	5.981	6.515	-8%
Other	305	19	1505%
TOTAL REVENUES	**37.966**	**33.978**	**12%**

(Thousand euro)

Group revenue:

Group revenue totaled €38.0 million in 1Q24, 12% more than in the first quarter of 2023 (€34.0 million). The breakdown of that figure is as follows:

Recurring revenue, i.e. net sales plus royalties from sales by partners, increased to €31.7 million in the first quarter of 2024, from €27.4 million in the year-ago quarter, i.e. an increase of 15%, as detailed below.

Net revenue in the oncology segment amounted to €19.0 million in the first quarter of 2024, up 25% on the year-ago quarter (€15.2 million). The breakdown of net sales is as follows:

i) Net sales of Yondelis in the European market. Yondelis sales in Europe amounted to €5.2 million in the first quarter of 2024 (€8.1 million in the year-ago quarter). This difference reflects the impact of the release of generic trabectedin on the market. Yondelis received its first marketing authorization in 2007, so it has been on the market for more than fifteen years.

ii) Lurbinectedin revenue in Europe. This item amounted to €6.3 million in the first quarter of 2024 (€5.6 million in the year-ago quarter), mostly from the French compassionate use program. Additionally, commercial sales of Zepzelca amounted to €4.2 million.

iii) Sales of raw materials, both Yondelis and Zepzelca, to our partners. This item amounted to €3.3 million in the first quarter of 2024, compared with €1.5 million in the year-ago quarter. The increase reflects our partners' preparations for commercial sales.

Royalties revenue amounted to €12.7 million in the first quarter of 2024, a 14% increase on the €11.1 million recognized in the year-ago quarter. That figure includes royalties from Zepzelca sales by our US partner, Jazz Pharmaceuticals, which increased by 13% year-on-year to €11.6 million in the first quarter (€10.2 million in the year-ago quarter). Royalties in the quarter are an estimate since Jazz's sales figures in that period were not available at the date of publishing this report; deviations are corrected in the subsequent quarter.

In addition, royalties in the amount of €1.1 million were received in 1Q24 for sales of Yondelis by our partners in the United States and Japan (€0.9 million in the year-ago quarter).

Non-recurring revenue, mainly from out-licensing agreements, amounted to €6.0 million in 1Q24, of which €5.7 million relate to deferred revenue under the 2019 licensing agreement with Jazz Pharmaceuticals in connection with Zepzelca. (€6.5 million and €6.0 million, respectively, in the same period of the previous year).

R&D

R&D expenditure increased from €21.1 million in the first quarter of 2023 to €27.2 million in the first quarter of 2024.

Of the total R&D spending in the first quarter of 2024, €24.6 million were allocated to oncology (€17.8 million in the year-ago quarter). This increase is directly related to the significant increase in activity in ongoing clinical trials, mainly the LAGOON (Phase III clinical development in small cell lung cancer) and SaLuDo (Phase IIb/III clinical development in leiomyosarcoma) trials, both with Zepzelca. The company is also investing in early-stage clinical development of other molecules. A Phase II trial is under way with ecubectedin in solid tumors, as well as Phase I trials with ecubectedin, PM534 and PM54 for treating 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.

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-point.

	3/31/2024	3/31/2023
R&D expenses	**27.196**	**21.056**
Oncology	24.627	17.751
RNAi	2.569	3.305

(Thousand euro)

Other operating expenses

The Group's other operating expenses, i.e. marketing and commercial expenses, administrative and general expenses and other operating expenses, amounted to €13.9 million in the first quarter of 2024, compared with €13.3 million in the same period of the previous year, and remained stable overall.

EBITDA

In the first quarter of 2024, the Group recognized -€2.8 million in EBITDA, compared with -€1.3 million in the year-ago quarter, calculated as follows:

	3/31/2024	3/31/2023
Net result	**2.300**	**1.411**
Income tax	(5.070)	(4.628)
Net financial income	(1.529)	645
Depreciation and amortization	1.543	1.314
EBITDA	**(2.756)**	**(1.258)**

(Thousand euro)

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

The variation in EBITDA is due mainly to the €6.1 million increase in R&D spending between periods, which offset the €4.0 million increase in revenue.

Net income for the period

Net profit increased by 64% to €2.3 million in the first quarter of 2024 (€1.4 million in the year-ago quarter) as a result of a positive financial result of €1.5 million (1Q23: -€0.6 million), and a positive income tax effect of €5.1 million (1Q23: €4.6 million) following the receipt of part of the R&D investment tax credit for 2022 that had been monetized.

Cash and Debt

As of March 31, 2024, total interest-bearing debt had been reduced by €3.1 million with respect to December 31, 2023.

As of March 31, 2024, the Group had a positive net cash position of €127.7 million (€128.8 at 2023 year-end). 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:

	3/31/2024	12/3/2023	Var.
Non current debt	**25.886**	**27.036**	**-1.150**
Bank debt	0	0	0
Obligations and bonds	16.784	16.769	15
Govt. Agencies: R&D funding	9.102	10.267	-1.165
Current debt	**10.920**	**12.825**	**-1.905**
Credit facilities	5.266	6.458	-1.192
Bank loan	2.859	3.226	-367
Govt. Agencies: R&D funding	1.992	2.435	-443
Interest and others	803	706	97
Total financial debt	**36.806**	**39.861**	**-3.055**
Cash&cash equivalents + non current and current financial investment	**164.464**	**168.625**	**-4.161**
TOTAL NET CASH / (DEBT)	**127.658**	**128.764**	**-1.106**

(Thousand euro)

RESEARCH AND DEVELOPMENT

Below is an overview of research and development activities.

1.- Oncology segment: Pharma Mar. Compounds:

A) Lurbinectedin (ZEPZELCA)

Small-cell lung cancer

The LAGOON pivotal Phase III trial as second-line treatment for small cell lung cancer that has been agreed upon with the FDA continues enrolling patients. 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, this could serve as a confirmatory trial in the United States and as a registration trial in other territories, including the jurisdictions under the European Medicines Agency (EMA).

Recruitment concluded for the Phase III trial using Zepzelca® in combination with atezolizumab, a PD-L1 inhibitor, for first-line maintenance treatment of small cell lung cancer. This trial, which is sponsored by Hoffmann-La Roche and co-financed by Jazz, will measure progression-free survival and overall survival with Zepzelca® in combination with atezolizumab as compared with atezolizumab as sole agent. This research will provide information on a potential new first-line treatment option for small cell lung cancer.

Leiomyosarcoma

The SaLuDo (Sarcoma patients treated with Lurbinectedin and Doxorubicin) Phase IIb/III clinical trial with lurbinectedin in combination with doxorubicin for first-line treatment of patients with metastatic leiomyosarcoma commenced in October. The endpoint is to evaluate the combination as first-line treatment in patients with metastatic leiomyosarcoma.

The trial currently involves 115 centers in the United States and several European countries.

Patient enrolment is advancing as planned.

Combination trials with Zepzelca (lurbinectedin)

The combination trial with irinotecan completed enrolment of the small cell lung cancer and synovial sarcoma cohorts of patients, while enrolment of the neuroendocrine tumor cohorts is continuing as planned.

Data from the neuroendocrine carcinoma (NEC) cohort in the expansion phase of the Phase I/II trial with lurbinectedin in combination with irinotecan were presented in an oral presentation at the ESMO Sarcomas and Rare Cancers Congress held in Lugano on March 13-15 this year.

The results of the cohort of patients with small cell lung cancer will be presented at the ASCO International Oncology Meeting in Chicago in June.

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

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 is currently enrolling patients.

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. The Phase II expansion trial is currently enrolling.

The Phase Ib trial of ecubectedin in combination with atezolizumab identified the recommended dose in patients with advanced solid tumors. The Phase II expansion trial is currently enrolling. Patient enrolment continues at a satisfactory pace.

C) PM54

Enrolment continues on schedule in the Phase I clinical trial for the treatment of patients with various types of solid tumors. 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.

E) Virology: Plitidepsin

COVID-19:

The Nereida Phase II trial designed to determine the efficacy and safety of plitidepsin in immunocompromised adult patients with symptomatic COVID-19 requiring hospitalization was concluded prematurely in February due to difficulties with enrolment. The closure was notified to the relevant authorities and the results are currently being analyzed.

2.- RNA interference: Sylentis

On February 9, 2024, it was announced that the Phase III trial conducted by Sylentis with tivanisiran for treating dry eye disease associated with Sjögren's syndrome had not attained its primary endpoint, related to efficacy.

Additionally, during the first quarter of 2024, progress continued 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. A Phase II trial is under way with this compound, SYL1801, in four European countries in 90 patients with

AMD. 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 company continues using Sylentis's proprietary SirFINDER 2.0 software to find new RNAi-based candidates for topical treatment of rare retinal diseases. Those new candidates' efficacy continues to be assessed using preclinical models of a number of retinal pathologies under the Oligofastx consortium.

In connection with the construction of an oligonucleotide production plant that began in 2023 and will be developed in phases depending on demand, work continued throughout this first quarter and the first phase is expected to be completed in 2024, so that the new oligonucleotide plant could be operational this year. This plant will enable the company to cover its potential production needs and to produce for third parties, expanding production capacity as demand evolves.

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION *(Thousand euro)*	March 31, 2024	December,31 2023
ASSETS		
Non-current assets		
Property, plant and equipment	50,365	43,874
Investment property	845	845
Intangible assets	1,725	1,935
Right-of-use assets	3,375	3,733
Non-current financial assets	4,744	6,062
Deferred tax assets	31,487	31,469
	92,541	**87,918**
Current assets		
Inventories	43,478	39,289
Trade and other receivables	26,945	27,554
Financial assets at amortised cost	124,010	102,538
Other assets	11,215	23,197
Cash and cash equivalents	35,709	60,024
	241,357	**252,602**
TOTAL ASSETS	**333,898**	**340,520**

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION *(Thousand euro)*	March 31, 2024	December,31 2023
EQUITY		
Share capital	11,013	11,013
Share premium	71,278	71,278
Treasury shares	(33,723)	(31,091)
Revaluation reserves	15	15
Retained earnings and other reserves	144,091	142,223
Total capital and reserves attributable to equity holders of the parent company	**192,674**	**193,438**
TOTAL EQUITY	**192,674**	**193,438**
LIABILITIES		
Non-current liabilities		
Borrowings	25,886	27,036
Lease liabilities	1,580	1,828
Non-current deferred income	21,294	22,137
Other non-current liabilities	194	193
	48,954	**51,194**
Current liabilities		
Trade and other payables	34,631	31,308
Borrowings	10,920	12,825
Lease liabilities	1,874	1,980
Outstanding remunerations	5,320	8,989
Current deferred income	19,954	24,946
Other current liabilities	19,571	15,840
	92,270	**95,888**
TOTAL LIABILITIES	**141,224**	**147,082**
TOTAL EQUITY AND LIABILITIES	**333,898**	**340,520**

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS		
(Thousand euro)	**March 31, 2024**	**March 31, 2023**
Revenue:		
Revenue from contracts with customers	19,014	16,371
Revenue from licensing and development agreements	5,981	6,515
Royalties	12,666	11,074
Other	305	19
	37,966	**33,979**
Cost of sales	(1,765)	(2,129)
Gross Result	**36,201**	**31,850**
Marketing expenses	(5,545)	(6,036)
General and administrative expenses	(5,419)	(3,799)
Research and development expenses	(27,196)	(21,056)
Net impairment on financial assets	31	80
Other operating expenses	(2,977)	(3,440)
Other results	606	(171)
Operating Result	**(4,299)**	**(2,572)**
Finance costs - net	**1,529**	**(645)**
Result of the period before income taxes	**(2,770)**	**(3,217)**
Income tax benefit / (expense)	5,070	4,628
Result for the period	**2,300**	**1,411**

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW (Thousand euro)	March 31, 2024
Result before taxes:	**(2,770)**
Result before taxes from continuing operations	*(2,770)*
Adjustments for:	**279**
Depreciation and amortization	1,544
Variation of provisions	(1)
Finance income	(1,552)
Finance costs	617
Share based payments	80
Deferred income - grants	146
Exchange differences on translation of foreign operations	(554)
Other adjustments to profit or loss	(1)
Changes in working capital:	**(4,142)**
Inventories	(4,191)
Trade and other receivables	610
Other assets and liabilities	5,766
Trade and other accounts payable	(346)
Deferred or accrual items	(5,981)
Other cash flows from operations:	**15,936**
Interest paid	(617)
Interest received	1,552
Income taxes paid	15,001
NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES	**9,303**
Acquisitions:	**(99,327)**
Property, plant and equipment, intangible assets and investment property	(7,287)
Other financial assets	(92,040)
Proceeds from:	**72,347**
Other financial assets	72,347
Other investing cash flow:	**-**
NET CASH INFLOW (OUTFLOW) FROM INVESTING ACTIVITIES	**(26,980)**
Receipts and (payments) in connection with equity instruments:	**(3,139)**
Purchase of treasury shares	(5,071)
Proceeds from shares issued	1,932
Receipts and (payments) in connection with financial liabilities:	**(3,588)**
Proceeds from borrowings	(1,238)
Repayment of borrowings	(2,350)
Dividends paid	**-**
NET CASH INFLOW (OUTFLOW) FROM FINANCING ACTIVITIES	**(6,727)**
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	**89**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(24,315)**
Cash and cash equivalents at beginning of the period	60,024
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	**35,709**

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