

DISCLOSURE OF TRANSFERS OF VALUE TO LUXEMBOURG HEALTHCARE PROFESSIONALS AND HEALTHCARE ORGANISATIONS

METHODOLOGICAL NOTES

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CONTENTS

CONTENTS	2
1. General Summary & Country considerations	3
2. Methodology used	4
3. Abbreviations	5

1. General Summary & Country considerations

This methodological note is referred to any Transfer of Value made in 2019 to any HCP practicing their profession in Luxembourg, as well as to HCO and PO headquartered in Luxembourg. During 2019 Transfers of Value have been made either by Pharma Mar S.P.R.L, or by Pharma Mar S.A. on behalf of their subsidiary. Nevertheless and since most of the Transfers of Value in 2019 were made directly by, or on behalf of Pharma Mar S.P.R.L, it has been decided to disclose all of the Transfers of Value done in Luxembourg under its name.

Transfers of Value to Luxembourg HCPs/HCOs related to Research & Development have been declared as an aggregate amount under the “Research and Development Transfers of Value” category. The amounts disclosed under "Research & Development" caption corresponds to payments made to HCOs and may include as underlying concepts not only Investigators payments and grants, but also administrative fees, concomitant medication, expenses on diagnostics tools and other similar concepts.

However please note that the foresaid amount shall not include those cases in which Pharma Mar cannot ascertain the specific amount which has been transferred to the relevant HCP that acts as an investigator in the conduction of a clinical trial, or which has been transferred to a HCO, whatever the category of the Transfer of Value may be. In this regard, Pharma Mar shall not include under the “Research and Development Transfers of Value” category any payments done to Clinical Research Organizations (CRO) acting on behalf of Pharma Mar in the conduction of a clinical trial where the amount of the Transfer of Value, the category and/ or final recipient of the transfer of value cannot be ascertained in a reliable form under the methodology used by Pharma Mar (e.g. some international trials) and we will disclose those amounts in full in the “Research and Development Transfers of Value” section of Disclosure of Pharma Mar in Spain (i.e. the contracting company) instead..

2. Methodology used

Transfers of Value for a certain event can be committed up to a total amount previously approved by the Pharma Mar Sales Management. Any contribution to HCO or HCP has to be requested on written form; every request is evaluated and approved on a case by case basis by Pharma Mar Management. Records with the details (name, working address, amounts transferred) of the HCP or HCO to whom any Transfer of Value was done are kept on electronic format. For those Events, where the approval is based on a budgeted quantity, reconciliation is done once the invoices arrive, aiming to reflect the real amount spent and not the budgeted amount.

To issue the current Disclosure of Payments to HCPs/HCOs in Luxembourg during 2019, all the electronic records of Transfers of Value have been compiled and reviewed to avoid HCP/HCO duplications.

To the best of Pharma Mar's knowledge, the following criteria have been used to compile and summarize the information.

- Amounts are disclosed in Euros, and do not include VAT.
- All the amounts disclosed correspond to Transfers of Value that took place exclusively during 2019
- Where costs cannot be individually identified but can be applied to a number of individuals, the total cost has being split proportionally among them i.e. An invoice from a hotel, for an accommodation total, has been divided into "nights" and applied proportionally to the HCP hosted.
- If a HCP cancels his/her attendance to a meeting/congress, the expense already incurred by Pharma Mar will be not allocated to him/her - as long as feasible (e.g. very late notifications).

- If a HCP owns a limited liability company, Pharma Mar will disclose the amounts under the HCP's name.

3. Abbreviations

HCO: Healthcare Organization

HCP: Healthcare Professional

PO: Patients organizations