



AL MERCADO ALTERNATIVO BURSÁTIL (MAB)

Zaragoza, 27 de junio de 2018

Pangaea Oncology, S.A. (en adelante, “Pangaea” o la “Sociedad”), en cumplimiento de lo dispuesto en el artículo 17 del Reglamento (UE) nº 596/2014 sobre abuso de mercado y el artículo 228 del texto refundido de la Ley del Mercado de Valores, aprobado por el Real Decreto Legislativo 4/2015, de 23 de octubre, y disposiciones concordantes, así como en la Circular 15/2016 del Mercado Alternativo Bursátil (MAB), pone a disposición del mercado la siguiente información:

Hecho Relevante

Con motivo de la participación de la Sociedad en la 14 edición del Spring European MidCap Event (<http://new.midcapevents.com/>), se adjunta la presentación corporativa que será utilizada en dicho evento que se celebrará en los días 27 y 28 de junio de 2018.

Quedamos a su disposición para cuantas aclaraciones consideren oportunas.

Pangaea Oncology, S.A.

D. Javier Rivela
Consejero Delegado



CORPORATE PRESENTATION

EUROPEAN MID CAP EVENT - SPRING

JUNE 2018

www.panoncology.com

This document has been prepared by Pangaea Oncology, S.A. ("Pangaea" or the "Company") solely for information purposes. Consequently, it must not be disclosed or used by any person for any purpose other than the one previously mentioned, without the prior express and written consent of the Company.

This document is based on public information available and / or on data provided by the Company. This document does not constitute a public offer or invitation to purchase, sell or subscribe shares or any other type of securities, in accordance with the provisions of the Royal Decree 4/2015, of 23rd October, approving the Consolidated Text of the Spanish Securities Market Act the Royal Decree 5/2005, of March 11 and / or the Royal Decree 1310/2005, of November 4, with their respective amendments, and related regulations. This communication does not constitute an offer of securities or a solicitation of an offer to sell or buy securities, nor will any sale of securities take place in any jurisdiction in which such offer, request or sale could be illegal prior to registration or qualification under the securities laws of any of those jurisdictions. No offer of securities will be made except through documentation that meets the requirements laid down in applicable regulations.

This document may contain projections, forecasts or future estimates based on expectations, forecasts and current hypotheses about future events that, given their nature, do not imply a guarantee of future performance and carry implicit assumptions, risks and uncertainties, known and unknown, regarding Pangaea's business group and its investments, including, among other things, the development of its business, its growth plan, trends in its operations sector and its capital expenditures and future acquisitions. In view of these risks, uncertainties and hypotheses, projections, forecasts or future estimates may not be met, with the possibility that the actual results, performance or achievements differ significantly from the results, performance or future achievements exposed or implied, when applicable, in this document. These risks and uncertainties include those identified in the documents sent by the Company to the Spanish Alternative Stock Market (MAB). Except insofar as applicable laws or regulations require so, the Company does not undertake to make public, update or revise such forecasts, projections, estimates or future circumstances, even if the experience of future events or circumstances, including without limitation any change in the business of the Company or in its acquisition strategy, clearly reveal that the projected evolution of the businesses, conditions or events expressed or implicitly mentioned in this document will not materialize..

This document may contain summarized information neither reviewed nor audited or verified by independent third parties, including the auditors of the Company's accounts. In this sense, said information is subject to negotiation, changes and modifications and must be read as a whole, considering also the rest of the information available to the public, including, if necessary, any other document published by the Company in the future.

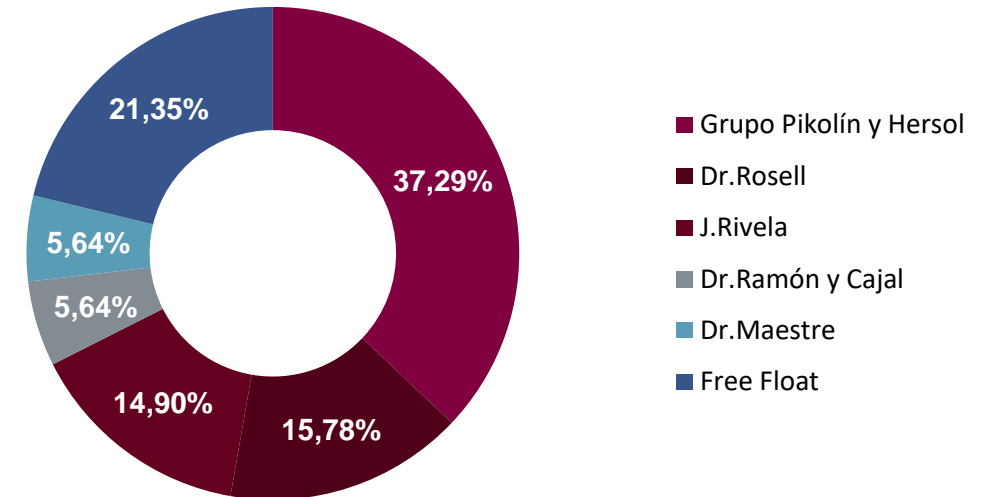
As a consequence of the foregoing, neither the Company nor the companies of its group nor their respective directors, executives, staff, consultants or advisers (together, their representatives) formulate or grant any express or implied representation or guarantee about the accuracy, specification or completeness of the information or statements included in this document and, in particular, about the future realization of the forecasts, projections, estimates or future circumstances contemplated in this document. Neither the Company nor any of its representatives will be responsible for any damage that may arise from the use of this document or the information contained therein.

MARKET DATA

PANGAEA ONCOLOGY S.A.

Listing MAB	29-December-2016
TICKER	PANG
Market Cap (31/Dec./17)	24.828 thousand €
Shares	10.610.357
Free float	21,4%
Volume (2017)	1.532 thousand €
Registered advisor	Impulsa Capital
Auditor	Deloitte
Liquidity Provider	Bankinter Securities
Research	Bankinter Securities

SHAREHOLDER STRUCTURE



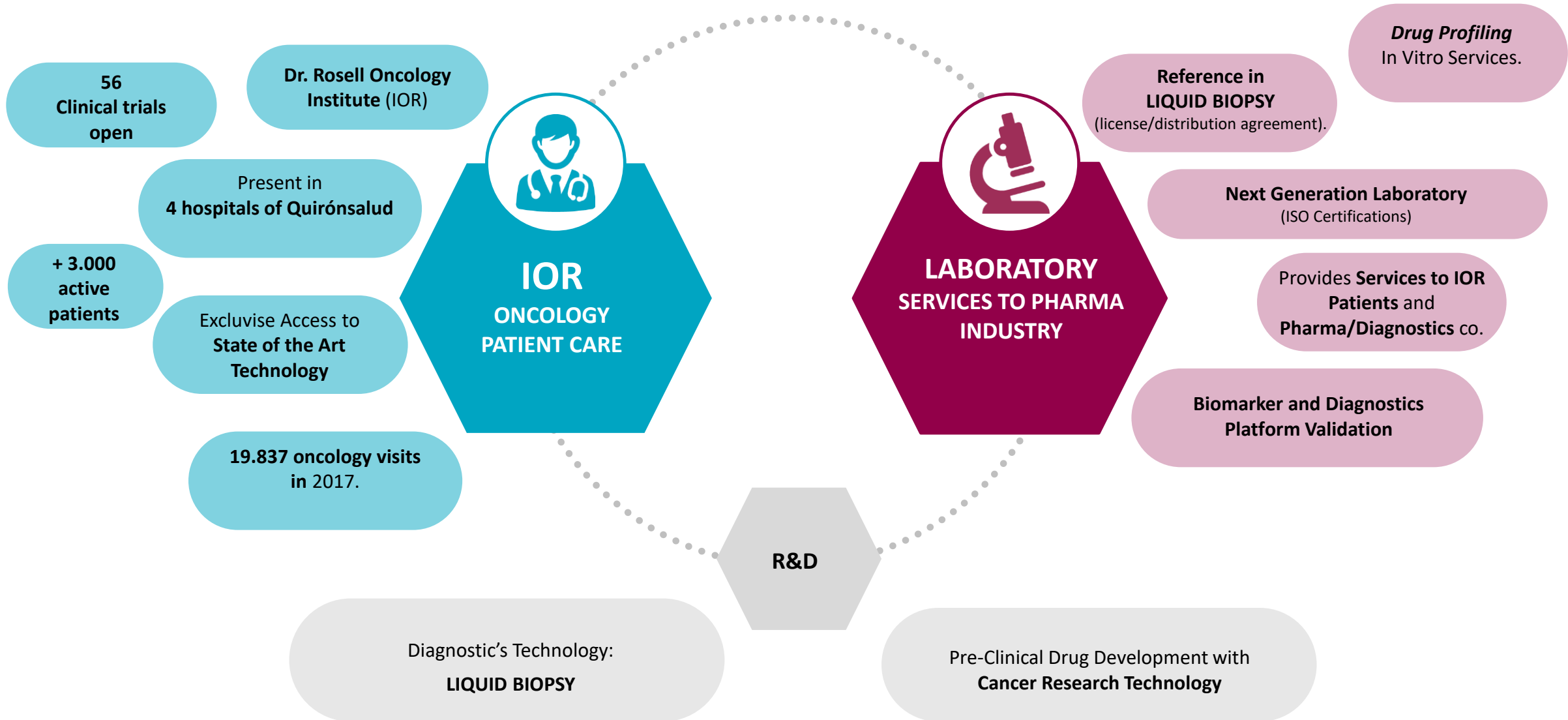
MANAGEMENT

Lock up: 36 months

REFERENCE INVESTORS

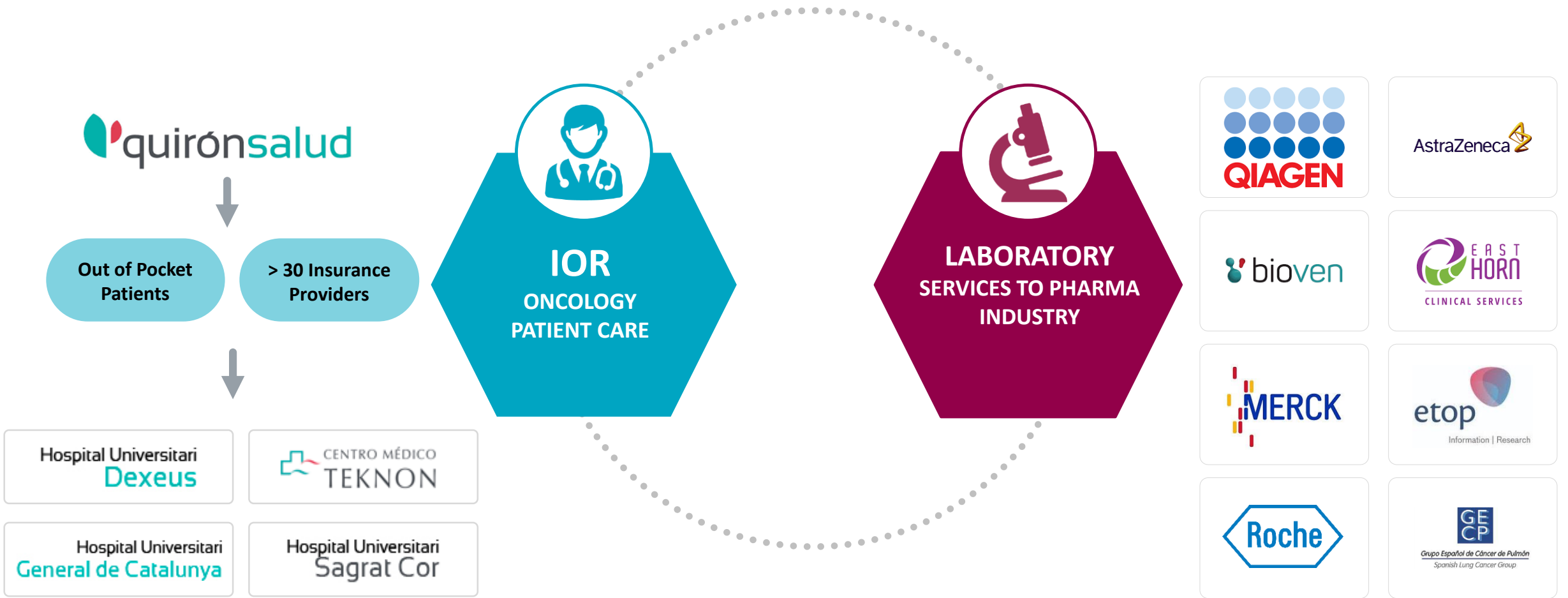
36 months of lock-up unless share price exceeds 2,5x IPO (18 months apply).

HEALTHCARE model based on GENETIC KNOW-HOW across all business units



SELECTED CLIENTS

Pangaea provides Precision Oncology Services to Patients and Industry



1

Solid evolution of the main activity indicators (KPIs), among others, increase in the **number of oncology visits (+14%) to 19,837**, total number of **patients included in clinical trials (+129% to 291)**, reflecting the gradual contribution of the hospitals incorporated in 2016. Solid evolution of the contracted portfolio, and positive evolution of **Liquid Biopsy (6,460 genes analyzed)**, accelerating growth due to the incorporation of multiplexing technology (analysis of several genes) of Qiagen.

2

Revenues €2,622 thousand (+4.1%). Figures for 2016 include €335 thousand of a milestone in a contract in the molecular diagnostics area. Not including this item, **revenue growth stands at 20.08%**. By business areas: **Patient Care: + 19.11%; Molecular diagnosis: -9.23% (+ 21.37% comparable)**

3

The gross margin stands at €1,859 thousand (70.9%, 8.7 percentage points lower than 2016), a difference that is mainly explained because the milestone of 2016 had practically no relative cost associated.

4

Investment in R&D increased by + 37% (to €3,680 thousand). The project portfolio consists of a high degree of diversification between short-medium term viability (in-vitro and diagnostic models) and long-term viability (molecular development with special importance to the agreement with CRT).

5

Significant investment in resources to provide a scientific, medical and corporate work structure **(+35.73% of FTEs, 57)** that allows for sustained growth in healthcare activity, pharmaceutical services and R & D.

6

EBITDA -727 thousand euros (vs. -283 thousand euros in 2016) partly reflecting the amount of the 2016 milestone, but mainly due to the greater investment effort in reinforcement of staff, general corporate structure and systems, to face growth.

7

The net profit stands at **-€1,647 thousand (vs. -€595 thousand in 2016)**, figures that reflect higher amortizations associated with the higher level of R&D investments and financial expenses.

8

Net Equity is 16.5% below that reported in 2016, but maintains a solid position in the **€5,048 thousand**

9

Cash and short term equivalents stood at **€1,562 thousand (€4,204 thousand at the end of 2016)**, a variation that is mainly explained by the payment in early 2017 of MAB listing costs and the increase in investments in R&D and general corporate structure to face future growth.

10

Increase in gross debt (1) by 35% to €12,239 thousand mainly due to soft grant / credit programs associated with R&D from government institutions (MINECO and CDTI), which, among others, finance the multiplexed liquid biopsy project, strategic asset of the company.

11

Adequate debt structure as a growing company: **15% of debt** is covered by **collection rights**, **59%** of gross debt **expires after 2020**, and **reference investor 2021 bullet** represents **38%** of the total debt.

12

Pangaea has **5 active programs in Liquid Biopsy and Biomarker Discovery** and **3 requests for public financing programs** (grant-only EU programs) in non invasive diagnostic tools.

(1) Gross debt Includes €1,850 thousand (15% of total) of it is covered by clients accounts receivable, subsidies and tax returns, therefore neutral in cash flow

SUMMARY OF KEY PERFORMANCE INDICATORS (KPI)

('000 Euros)

REVENUE	2016	% OF TOTAL	2017	% OF TOTAL	% CHANGE
Patient Care (IOR)	1.189	47,2%	1.416	54,0%	19,1%
Molecular Diagnostics (Dx)	1.329	52,8%	1.206	46,0%	-9,2%
TOTAL REVENUE	2.518		2.622		4,1%

- **Consolidated revenues increased by 4.1%**, among others, due to the impact on the 2016 revenues of €335 thousand derived from the Molecular Diagnostic contract milestone.
- **Comparable revenue for 2017 stood at €2,183 thousand (+ 20.1% 2017 vs. 2016)**
- **Positive performance of the Care Management (IOR) + 19.1%**, reflecting the continuous contribution of new hospitals.
- **Molecular diagnosis: -9.23% (+21.37% comparable).**
- **Stable number of pharmaceutical clients (47).**

ACTIVITY'S KPIS	2016	2017	% CHANGE
Patient Visits	17.361	19.837	14%
Surgeries	55	53	-4%
Clinical Trials	42	56	33%
Total Patients in Clinical Trials	127	291	129%
Genes analyzed	1.938	6.460	n/a
Pharma Clients	48	47	-2%
Employees (FTE)	42	57	36%

- **Significant increase in visits (+ 14%) and clinical trials (+ 33%).**
- Relatively stable number of surgical acts.
- Strong evolution of genes analyzed by Liquid Biopsy. The figures are not comparable due to the implementation of *Multiplexing* in 2017.
- Number of pharma clients remain stable, but with a **significant increase in portfolio pending execution and dealflow.**
- Increase in medical, scientific and corporate labor investment (**FTEs + 36% to 57**) derived from investments in R&D and corporate structure

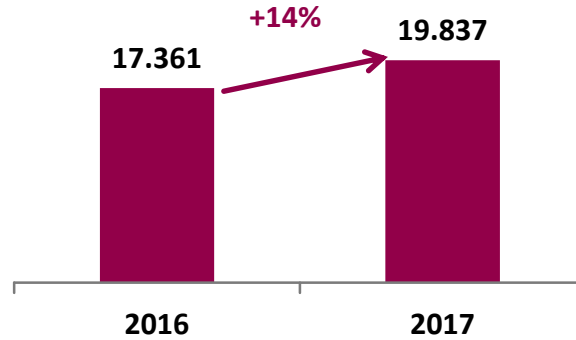
Hospital Universitari **Dexeus**
Grupo **quirónsalud**

 **CENTRO MÉDICO TEKNON**
Grupo **quirónsalud**

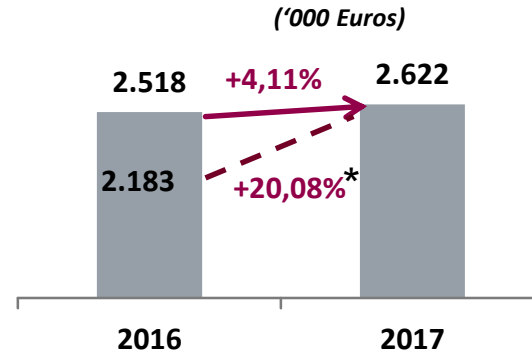
Hospital Universitari **Sagrat Cor**
Grupo **quirónsalud**

Hospital Universitari **General de Catalunya**
Grupo **quirónsalud**

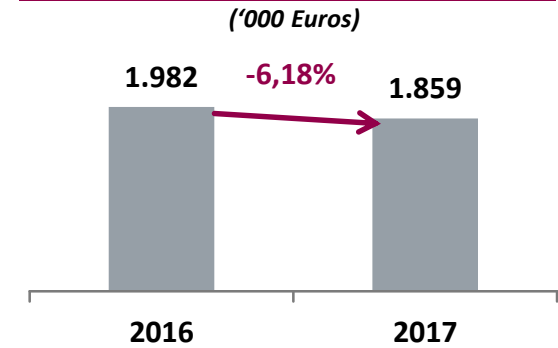
Patient visits



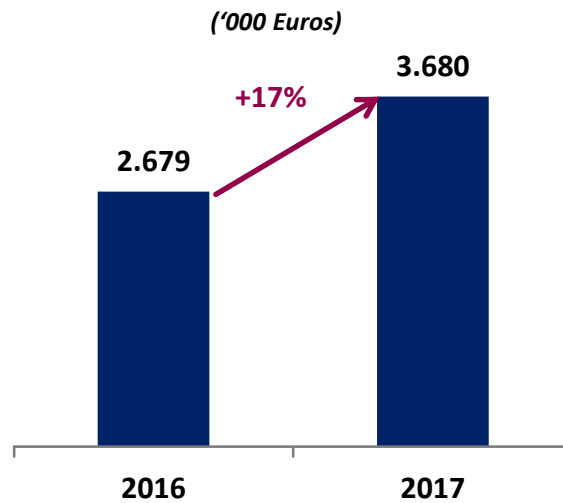
Revenue



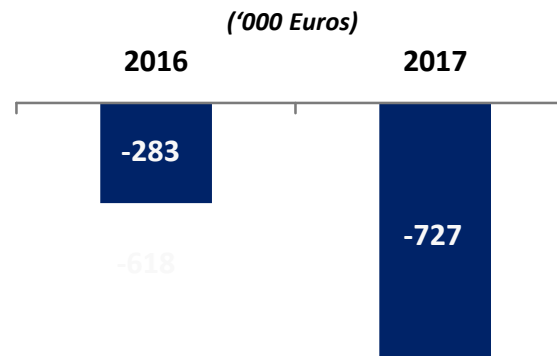
Gross Margin



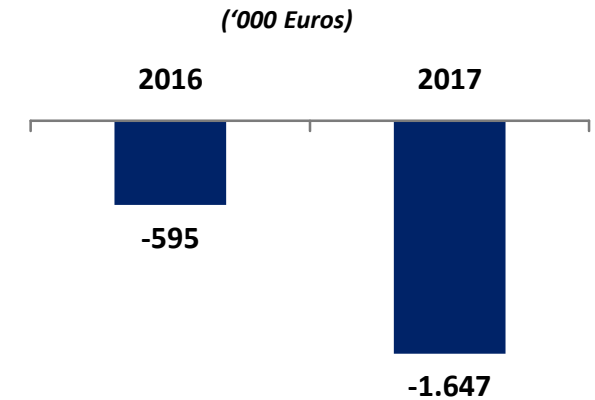
R&D Investment



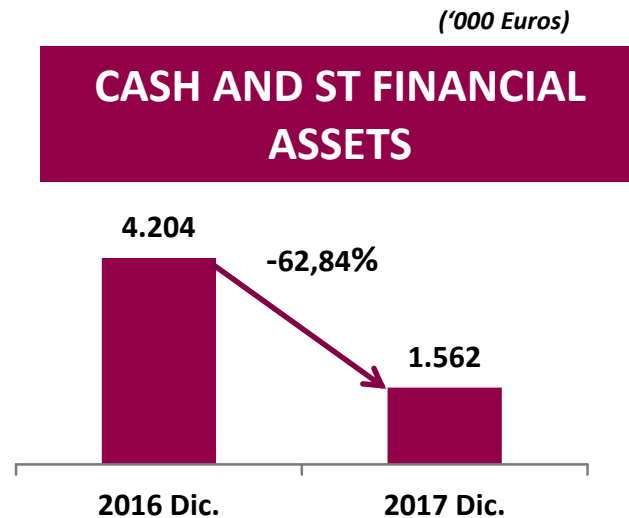
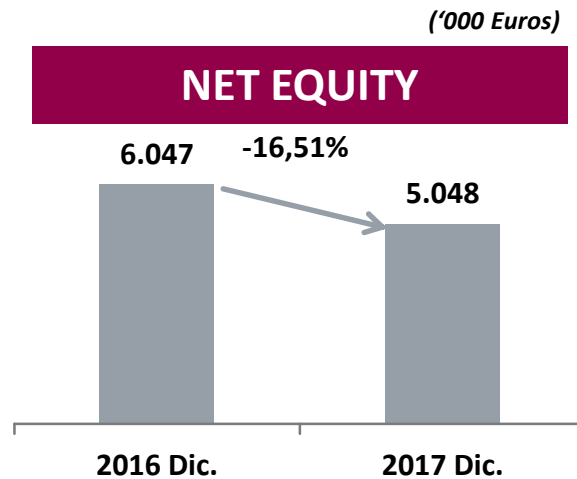
EBITDA



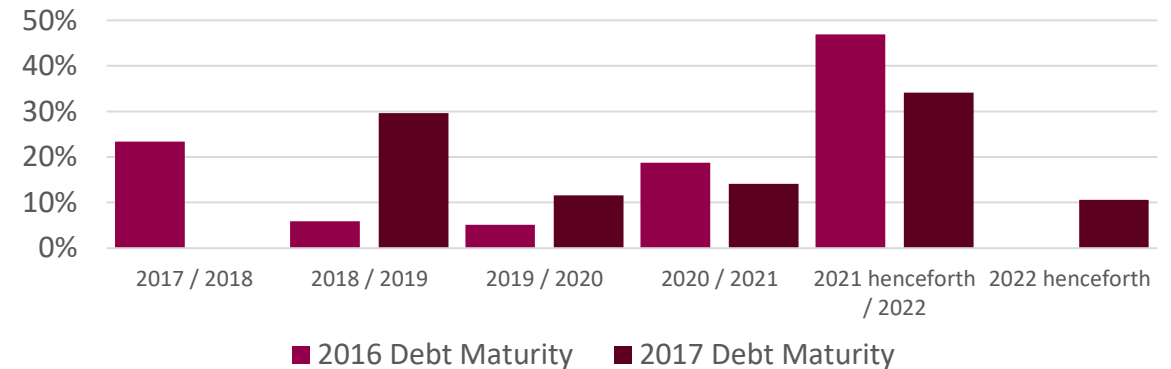
Net Income



* Excluding 2017's contract milestone



DEBT MATURITIES ⁽¹⁾



DEBT TYPE

	2016	2017
Bank Loans	28%	22%
Bank (Tax asset monetization)	7%	4%
Banks (Acc. Receivable Monetization)	5%	6%
Bank- (Grant Monetization)	0%	6%
CDTI & Ministry of the Economy/Science	14%	17%
Reference shareholder	47%	38%
Other	0%	8%
Total Gross Debt (Thousand's euros)	9.045	12.239

(1) Gross debt Includes €1,850 thousand (15% of total) which are covered by clients accounts receivable, subsidies and tax returns, therefore neutral in cash flow

CONSOLIDATED P&L 2017

(Thousand's euros)	2016	2017	% Change		
Net turnover	2.518	2.622	4%	1	2016 contract impact. LFL +20,08%
Capitalized R&D	2.679	3.680	37%	2	Corporate growth and Investments in R&D
COGS	-2.108	-2.828	34%		
Gross Margin (1)	1.982	1.859	-6%	3	Impact from 2016 contract milestone
Gross Margin (%)	78,7%	70,9%			
Salaries	-2.318	-2.808	21%	4	Increase in corporate structure
Other operating costs	-1.415	-1.450	2%		
Grants	397	133	-66%		
EBITDA	-283	-727	157%	5	Impact of contract milestone in 2016. Overall increase in corporate structure
DD&A	-1.240	-1.949	57%		
Impairments	-3	-107			
Other results	0	-1			
EBIT	-1.491	-2.708	82%		
Financial Income	1	6			
Financial Expense	-260	-295	13%		
FX	18	-12			
Financial impairments	0	-138			
FINANCIAL RESULT	-241	-440	82%		
PROFIT BEFORE TAXES	-1.732	-3.148	82%		
Taxes	1.138	1.501	32%		
NET INCOME	-595	-1.647	177%		

(1) Gross Margin = (Net Turnover – Non Capitalized COGS) / Net turnover

CONSOLIDATED BALANCE SHEET DECEMBER 2017

<i>(Thousand's euros)</i>	Dic.2016	Dic.2017
Non Current Assets	11.959	14.950
Intangible Assets	8.206	10.004
Property, Plant & Equipment	946	929
Financial Assets	101	38
Deferred Tax Assets	2.706	3.979
Current Assets	5.979	4.007
Inventories	339	192
Accounts Receivable	1.436	2.253
Financial Assets	428	1.248
Cash & Cash Equivalents	3.776	314
TOTAL ASSETS	17.938	18.956

1

1

Increase of R&D of 37%, due to the investment in the multiplexed liquid biopsy program and drug development with Cancer Research Technology Ltd.

<i>(Thousand's euros)</i>	Dic. 2016	Dic.2017
Net Equity	6.047	5.048
Equity	212	212
Issue Premium	9.759	9.759
Retained Earnings	-3.591	-4.379
Net income from current year	-595	-1.647
Grants	261	1.103
Non Current Liabilities	7.021	8.982
Financial Debt	2.193	2.043
Other Financial Liabilities	4.740	6.571
Deferred Tax Liabilities	87	368
Current Liabilities	4.870	4.926
Financial Debt	1.365	2.471
Other Financial Liabilities	752	1.154
Accounts Payable	2.753	1.301
TOTAL LIABILITIES & EQUITY	17.938	18.956

2

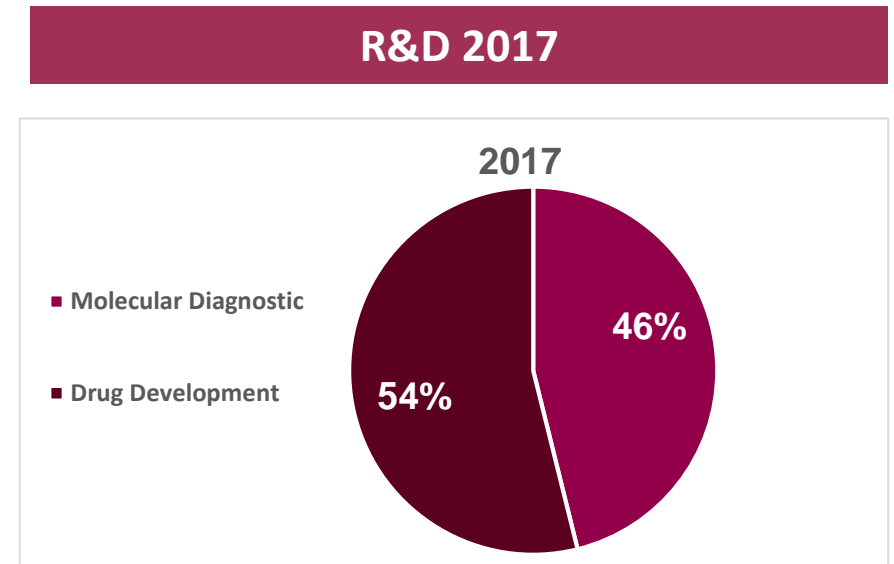
2

Increase in long-term financial liabilities mainly explained by the soft loan granted by CDTI to finance the multiplexed liquid biopsy R&D program.

(‘000 Euros)

R&D	2016	2017	% Change
Molecular Diagnostic	1.184	1.697	43%
Drug Development	1.495	1.983	33%
TOTAL R&D	2.679	3.680	37%

- The company has increased its investment in **R&D by 37%**, according to the following breakdown:
 - **Diagnosis & in-vitro models:** several diagnostic models with special focus on Multiplexed Liquid Biopsy, and expansion of capabilities in new in vitro models (cell lines), for use in services with pharmaceutical companies.
 - **Drug Development:** mainly derived from the strategic agreement for the development of drugs with Cancer Research Technology Limited (CRT).
 - It should be noted that more than **50% of the intangible asset is currently used for execution with contracts with the pharmaceutical industry.**



1

Substantial increase in the contractual portfolio with **pharma clients**, distribution agreements for diagnostic tests, and new contracts within the Strategic Agreement with Qiagen. Focus of the company on *HealthCare* strategy. **Double-digit growth in revenue from services.**

2

Substantial increase in the number of patients in the 4 hospitals, with the gradual contribution resulting in a greater monetization of cross-selling of diagnosis, clinical trials, and new hospital contract structures. **Double-digit growth in revenue from patient care.**

3

Re-focalization of cost structure and lower relative investment using internal capital in **R&D** programs, which added to the expected evolution of revenues, we estimate **positive EBITDA in 2018.**

4

In line with the re-intensification of focus in *HealthCare* (IOR and Services), restructuring of the different drug development agreements giving entry to third parties, maintaining part of their potential.

5

Reinforcement of the **positioning of LIQUID BIOPSY** and significant increase and momentum in commercialization of **Multiplexing** of Liquid Biopsy in 2018.

6

Advances in the development of R&D in the two main areas: Drug Development and Molecular Diagnosis.

2018 JAN. – APRIL SELECTED KPIS

Activity's KPIs	Jan. - April 2017	Jan. - April 2018	Growth (%)
Patient Visits	6.159	7.103	15,3
Clinical Trials	45	54	20,0
Recruited Patients in Clinical Trials	29	39	34,5
Surgeries & EBUS	11	16	45,5
Tissues samples	281	289	2,8
Liquid Biopsy samples	837	988	18,0
Pharma Clients	14	21	50,0
Employees (FTE)	55,5	55 -	0,9
Labor Cost	912,4	893,6 -	2,1
Pharma revenue (in thousand €)	254,9	515,7	102,3
Patient Care revenue (in thousand €)	372,1	505,3	35,8

1

Monetary capital increase

- €2.500 thousand approved by Board of Directors on June 4th 2018
- Capital increase fully subscribed by GPI (Global Portfolio Investments)
- €2 per share
- Pre-emptive rights issue during June-July
- Expected to close in August

2

Debt to Equity Conversion

- €2.500 thousand expected to be approved by AGM (June 29th 2018)
- Reference investor (Hersol XXI) converts part of its debt to the company in equity at the same price
- €2 per share
- Expected to close in July

3

Debt Structure Post Capital Increase

- 19,4% debt reduction to €10,376 thousand
- Only 25% is Bank debt, the remaining is:
 - Soft loan R&D
 - Securitization of accounts receivable (taxes, clients, R&D structures)
 - Long term reference investor

	30 Apr. 2018		30 Apr. 2018	
	Pre-Capital Increase	Post-Capital Increase	Pre-Capital Increase	Post-Capital Increase
Gross Debt				
Bank loans	20%	25%	2.549	2.549
R&D Tax Securitisation	3%	4%	419	418
Client Factoring	10%	12%	1.260	1.260
Grant securitisation	5%	6%	635	635
CDTI y Ministry of Economy	15%	19%	1.944	1.944
Reference shareholder	40%	26%	5.149	2.649
Other	7%	9%	920	919
Total	100%	100%	12.876	10.376

4

Use of Proceeds

- Provide **additional resources** to the Company to be able to fulfill its Business Plan more efficiently.
- **Strengthen** the Company's **balance sheet**, allowing it to improve its capitalization ratio in relation to the Company's indebtedness, thereby improving its financial flexibility and access to financial markets.
- Strengthen the Company's **capacity** to request various European framework programs that **finance R&D**, which require an adequate balance structure for granting said programs.
- Strengthen the **commercial structure** with the objective of expanding the Company's services within its organic growth strategy.



**INVESTOR RELATIONS
DEPARTMENT**

investors@panoncology.com

93 409.79.81

www.panoncology.com/investors