



HBM Healthcare Investments

UNIQUE INVESTMENTS IN PRIVATE AND
LISTED LIFE SCIENCES COMPANIES

JULY 2022

“Biotech is an attractive growth sector and the innovation engine of the life science industry. Today, the majority of the best-selling drugs originate from development laboratories of biotech companies.”

“For two decades, HBM has successfully invested in private and public life science companies with innovative platforms and drug candidates in clinical development to reap the value of healthcare innovation.”

HBM HEALTHCARE INVESTMENTS

Established in 2001

A Brief Overview About HBM And The Biotech Market

Biotech Market	HBM	Achievements	Outlook
60 approvals 2021 highest number of novel drugs ever approved by the FDA	Unique Healthcare investment vehicle investing in high quality private and public equities	10 IPO's, 6 trade sales, 6 approvals and 20 new investments in 2020	Strong Fundamentals and drivers which will result in increasing healthcare demand
> 8% CAGR global growth of biotech drug sales expected until 2024	60 – 80 Promising biotech portfolio companies with value increasing potential	>40% share price increase in 2020	New Cycle of biotech innovation and transformational technologies arising
Strong financing Biotech IPO all-time high (ATH) in volume and deal activity. ATH in Venture Capital biotech funding	>50% Of assets profitable with products on the market and more than 1/3 with lead phase II and phase III drugs	>20% p.a. Outperformed Nasdaq Biotech, MSCI World Healthcare Index and its peer group over last 5yrs in CHF	Upcoming Catalysts with various possible IPOs and M&A candidates within portfolio
Scientific progress Vaccines, gene editing, cell therapy, ADCs, next gen Fc-Fusion biologics	Focus On small and mid-cap companies that tend to outperform large caps	>60 Trade sales or IPOs since 2010 reaching in average 130% return on investment	Global Investments with focus on US, increasing allocation in emerging markets such as China and India



About HBM Healthcare Investments

Profile

Swiss investment company with \$2.3 billion assets
holding a global portfolio of emerging life sciences companies

Unique Swiss-based, permanent capital, healthcare-dedicated investment vehicle to invest in both private and public companies	Investments focusing on growth companies in the biotech, medical technology, diagnostic and health IT sectors	Portfolio companies achieved proof of concept and/or major clinical and regulatory milestones before investment	Expertise Dedicated investment teams for private equity and public equity with a global industry network and external business advisors
HBM strategy validated by over 60 trade sales or IPOs since 2010	Lower risk Lower volatility of NAV through private equity and partial hedging of market risk and/or USD currency risk	Dividend Attractive dividend policy with 3-5% yield target p.a.	Established in 2001 and SIX Swiss Exchange-listed since 2008 with about 3'900 shareholders

Data as at 30 June 2022

At a Glance

Registered Shares (CHF)

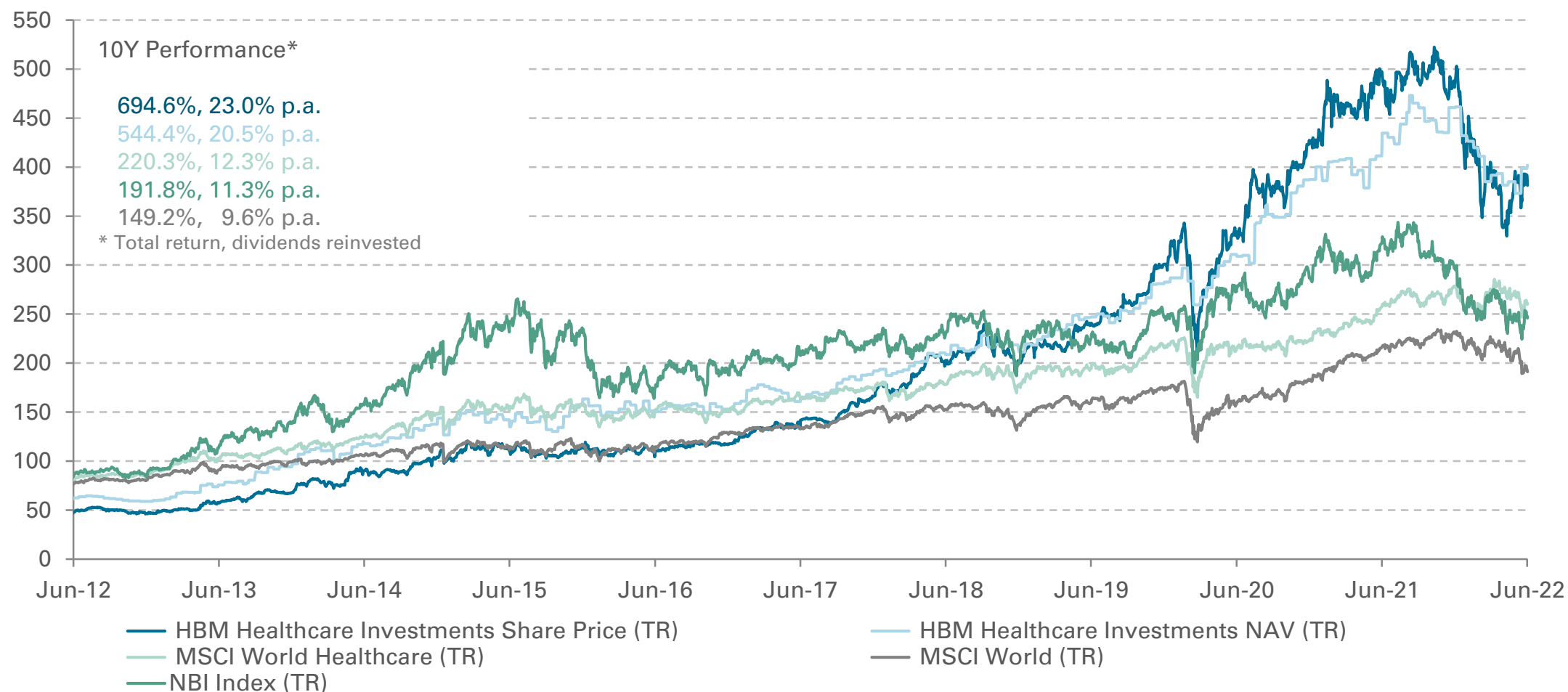
Total assets	2'230 million
Net assets (NAV)	2'038 million
Market capitalisation	1'844 million
Share price	265.00
NAV per share	292.94
Discount	9.5%
Average daily liquidity <small>(1 year)</small>	~ 4'800 shares ~ 1.3 million
Number of issued shares	6.96 million
Number of shareholders	~ 3'900

Performance (CHF)

Net return <small>(including dividends)</small>	2022	2021	2020	2019	5Y Return p.a.	10Y Return p.a.
NAV	-12.9%	19.0%	36.7%	33.0%	19.5%	20.5%
Share price	-21.8%	15.2%	40.5%	48.0%	21.9%	23.0%
Dividend CHF	9.70*	12.50**	7.70	7.50		
Dividend yield	3.5%	3.8%	4.1%	4.4%		
Share price			5Y Volatility p.a. 24.9%		1Y Volatility p.a. 32.3%	

Data as of 30 June 2022, * Approved by the AGM on 10 June 2022 - payment in September 2022;
special distribution of CHF 3.00 in 2021 to mark the 20th anniversary of the Company

Indexed Performance Over 10 Years



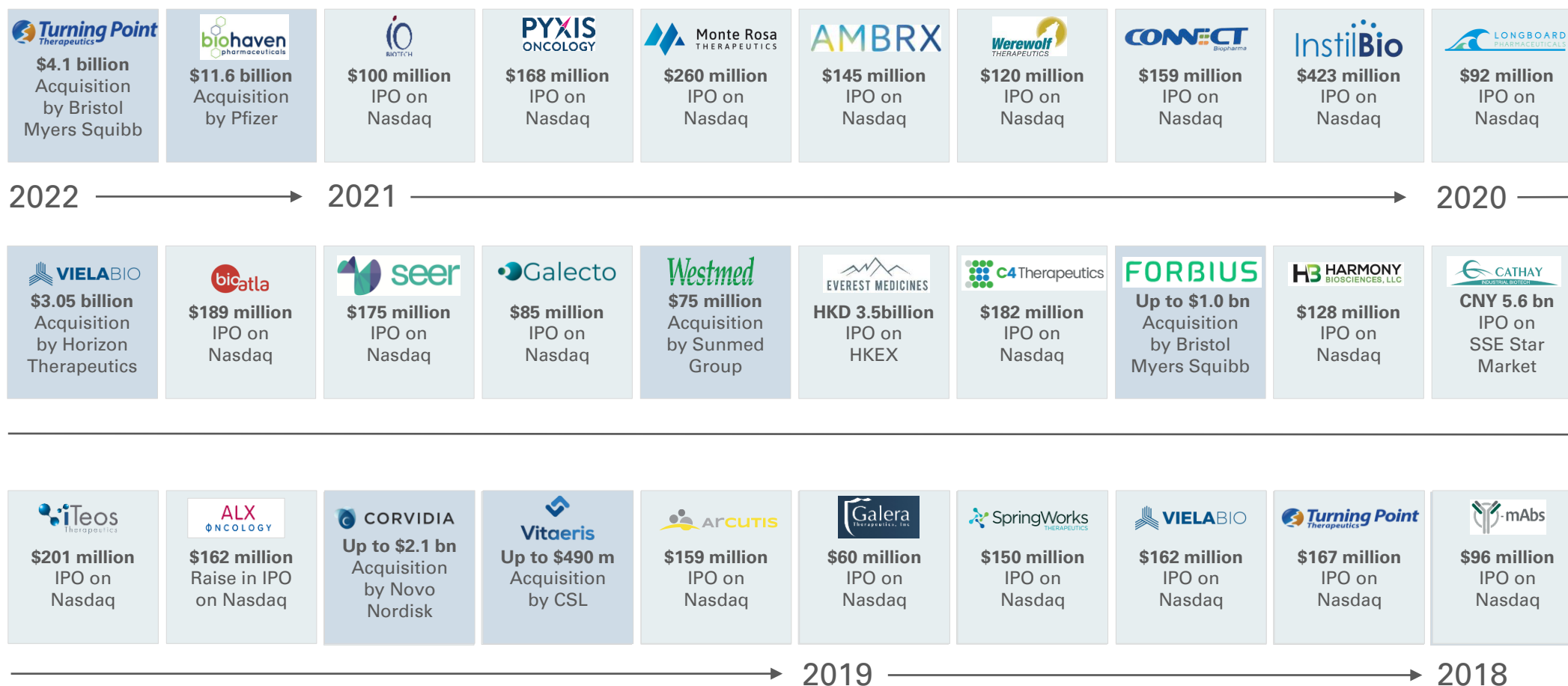
Source: Bloomberg, Data as of 30 June 2022, in CHF, indexed since inception (12.07.2001 = 100), dividends reinvested

Portfolio Highlights Over the last 2 Years

> 25 new private investments	
18 IPOs	
10 Trade sales	
Positive clinical data	
8 market approvals	
Upcoming catalysts in 2022	

Data as of 30 June 2022

Proven Track Record of more than 60 Trade Sales and IPOs in 10 Years



Data as of 30 June 2022

Investment Strategy

Innovation

- Investment focus on companies with innovative platforms and drug candidates

Private and Public

- Portfolio of private and small-cap public companies (generally market capitalisation below USD 2 bn)

Proof of Concept

- Investments typically first made in a venture round when company has product(s) in clinical development and has achieved “proof of concept”

Follow-on

- Subsequently, investment may be increased substantially in follow-on financings, provided the value-creation potential is intact

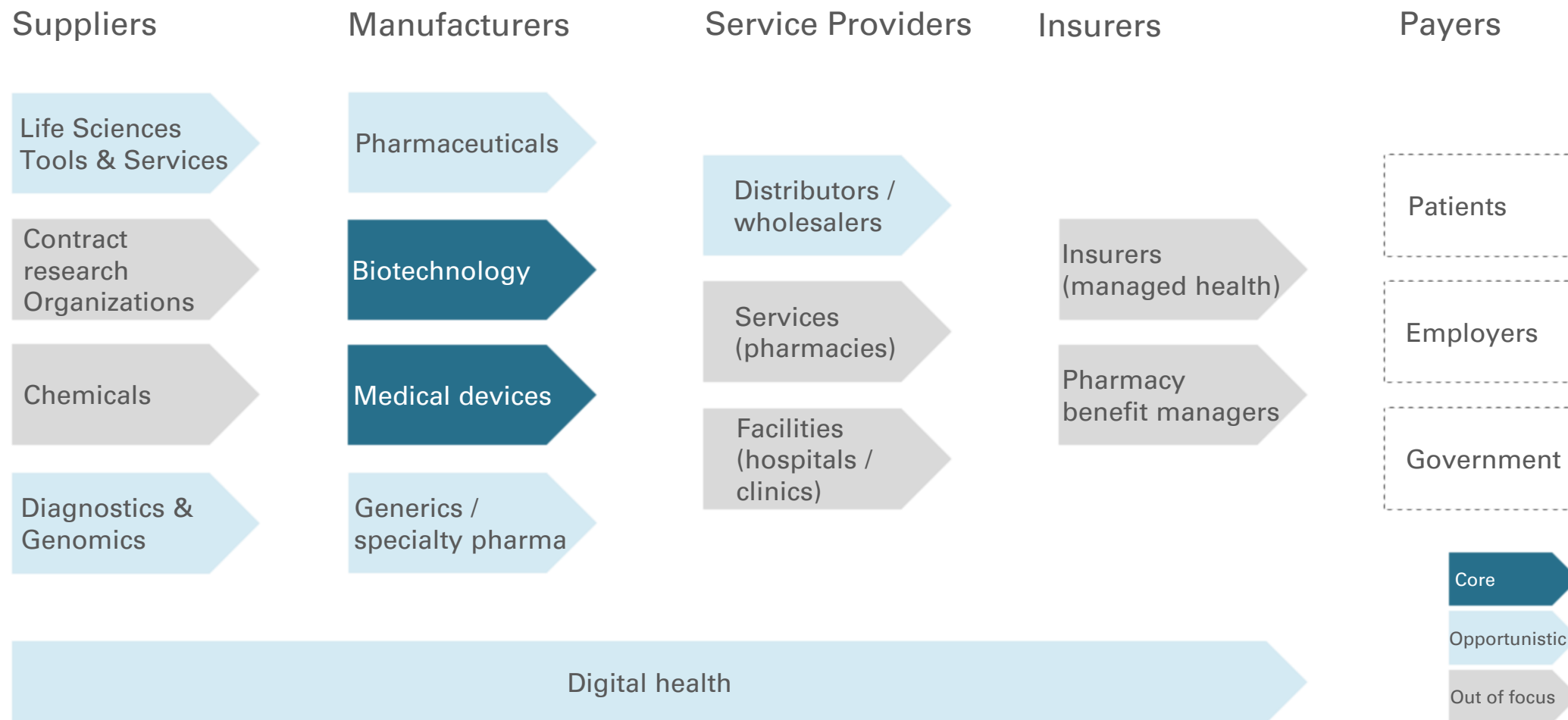
Active Participation

- Active participation with companies to develop towards trade sale or IPO

Flexibility

- Permanent capital structure provides flexibility to further increase investments at or after the IPO

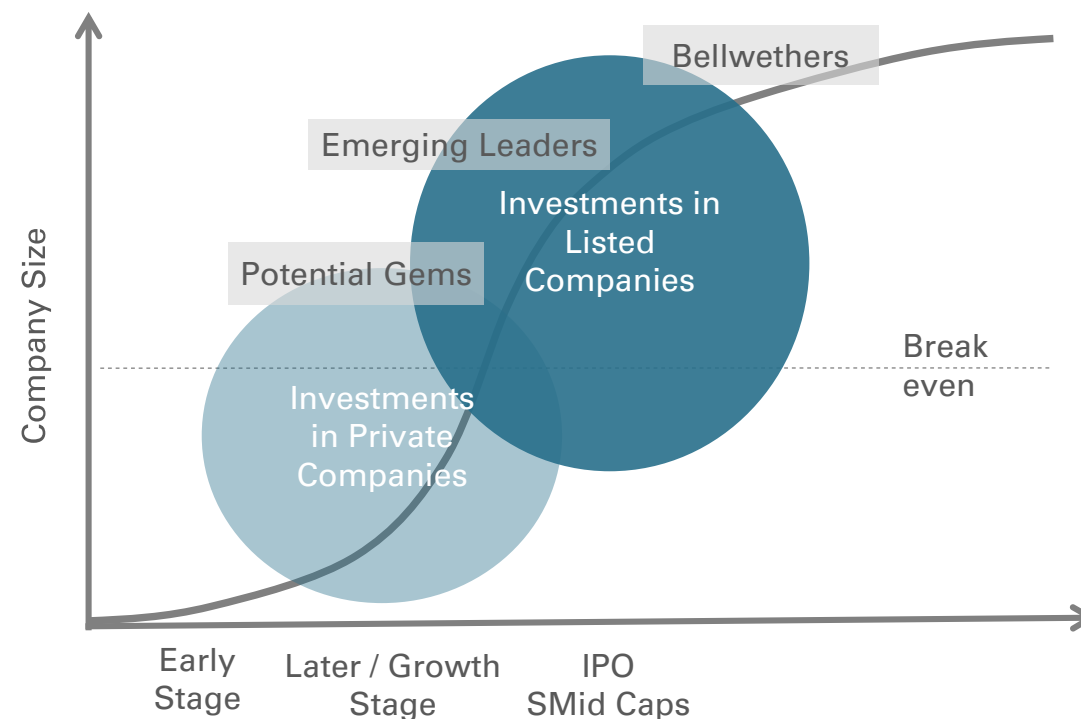
Investment Focus Along the Healthcare Value Chain



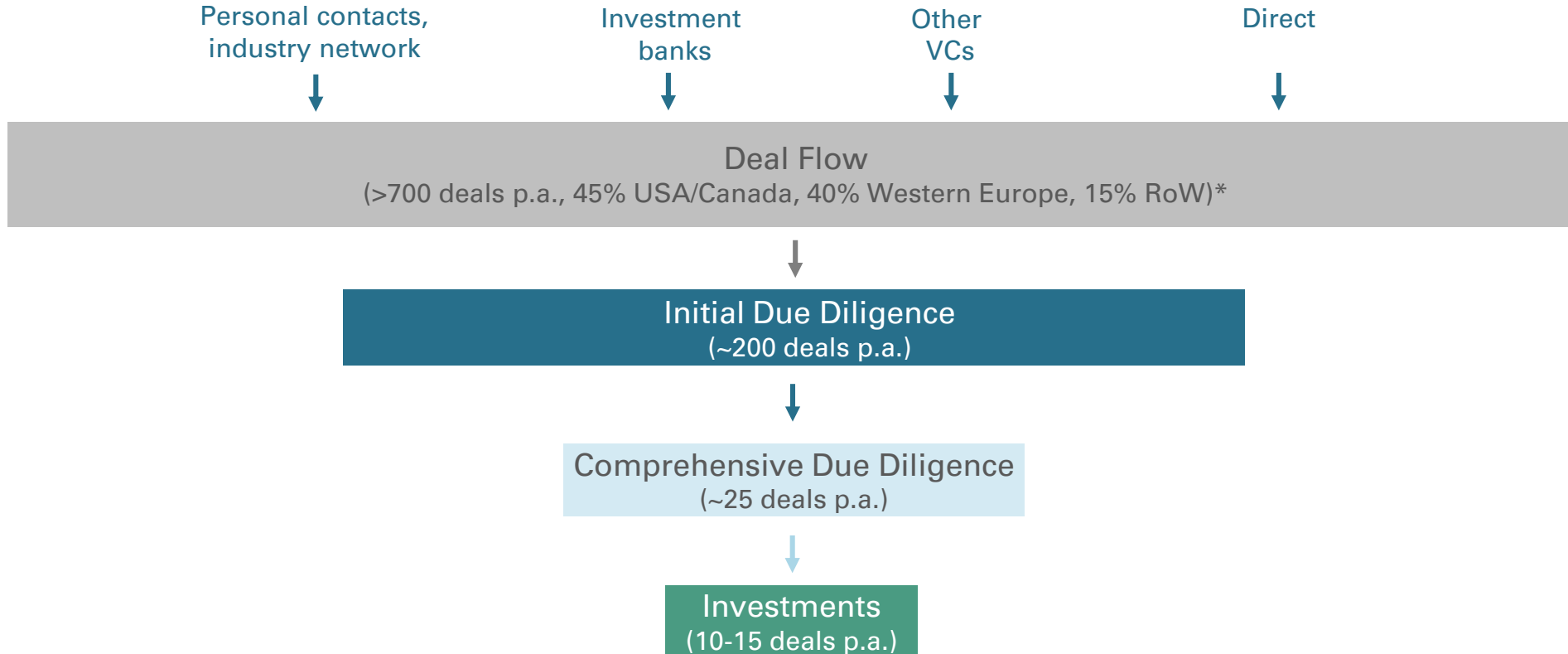
Investment Approach

Investment Approach

- Fundamental long with private and public healthcare investments
- Bottom-up selection of investments with solid long-term growth potential
- Diversified portfolio approach
- Sourcing of proprietary private deal flow
- Active lead/co-lead investor in private companies with board representation
- HBM takes an active role and assumes entrepreneurial responsibility together with the management team
- Maximum single position limit at time of investment up to 10% of NAV

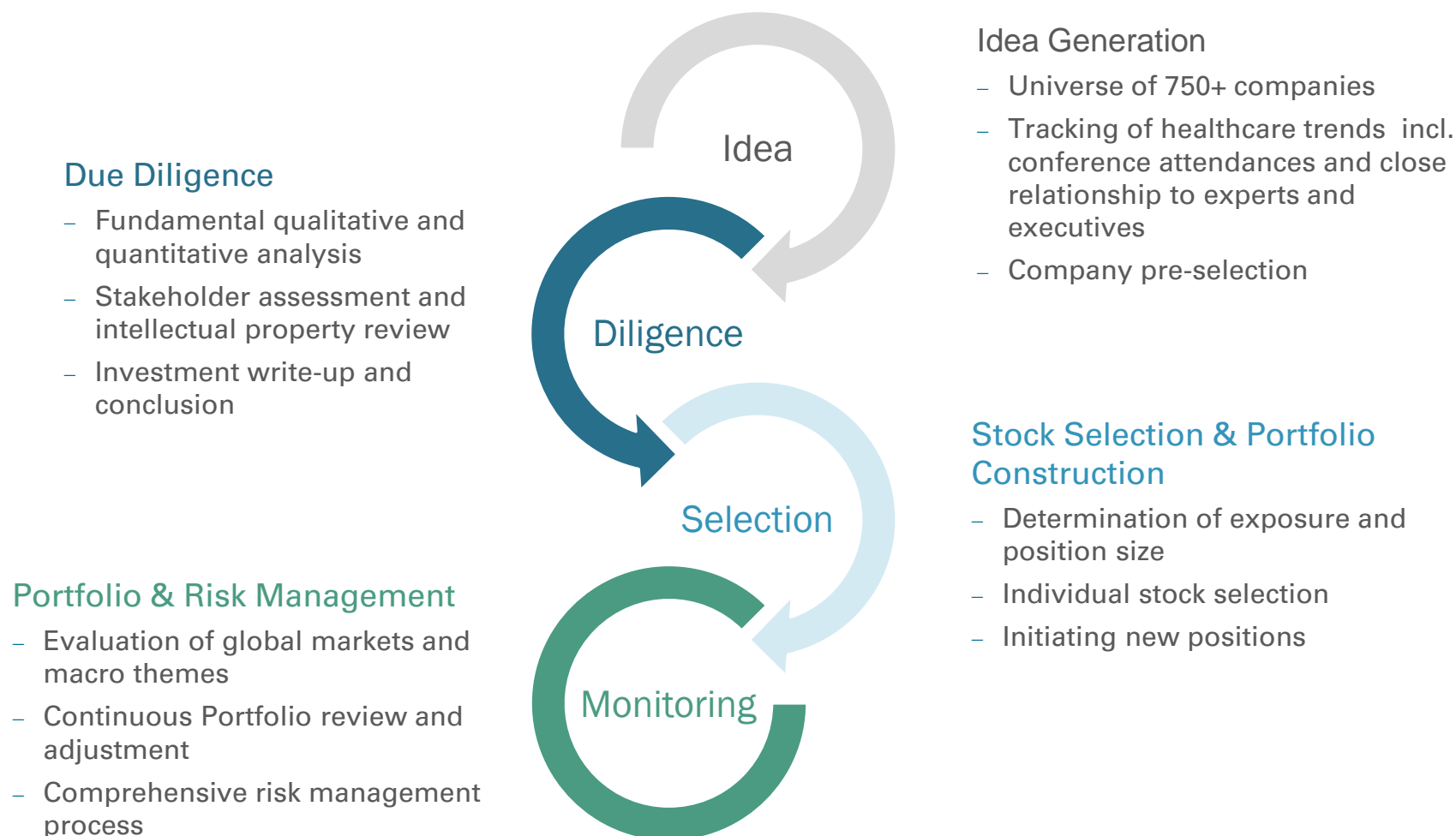


Private Equity Investment Process

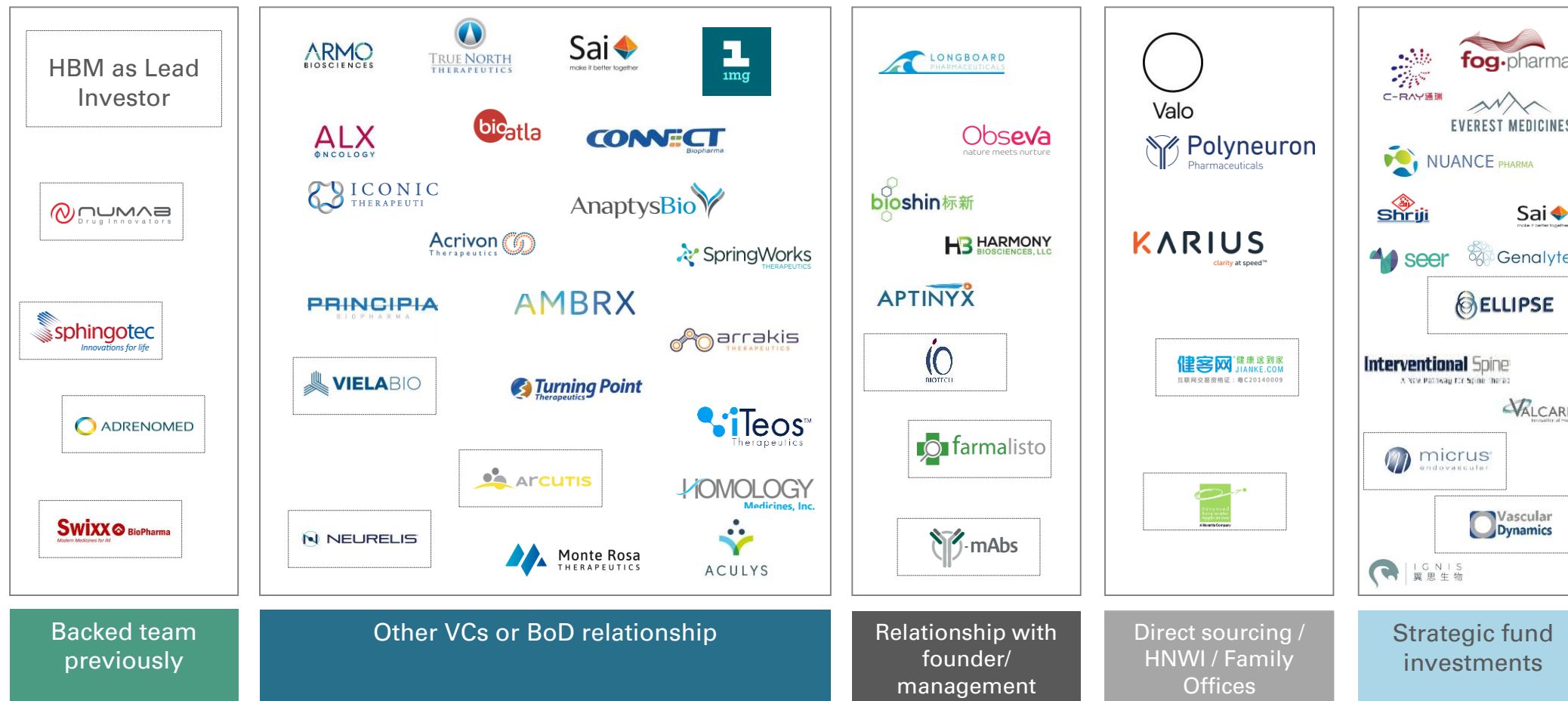


* 60% Biotech |30% Medtech & Diagnostics |10% Other

Public Equity Investment Process



Deal Sourcing of Private Equity Investments



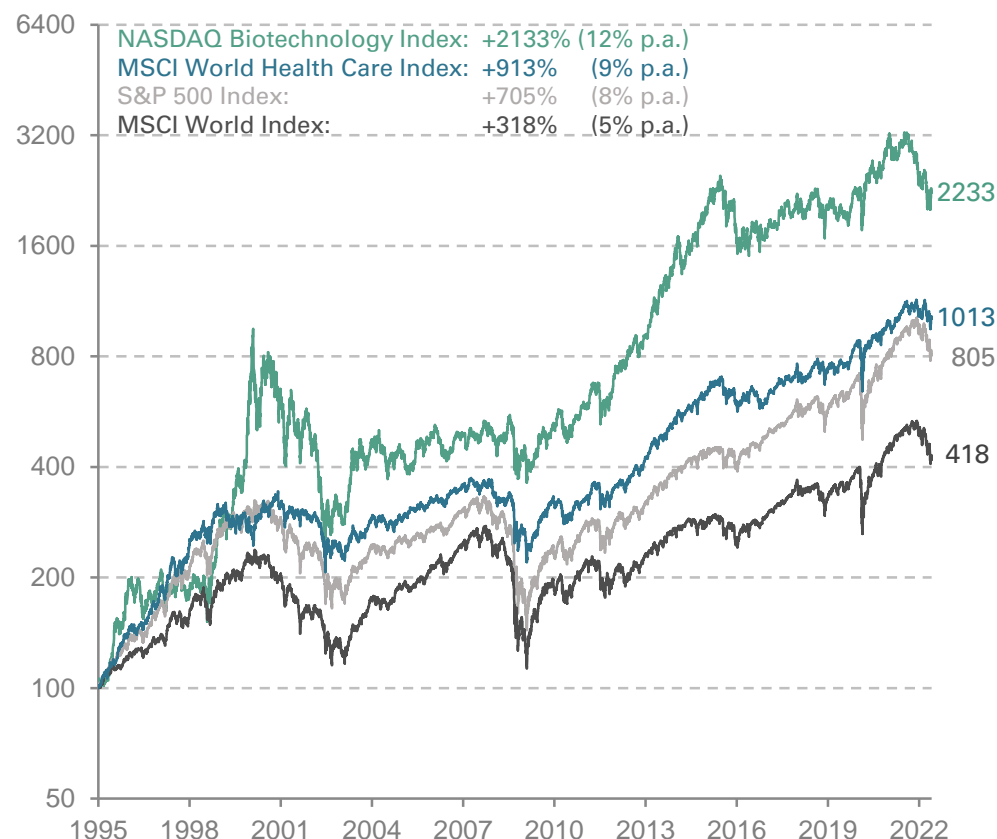
Investments > CHF 5 million; data as of 30 June 2022



Healthcare Sector

Attractive Growth Sector with Strong Fundamentals and Drivers

Biotech Outperformed the Market Over Short & Long Term



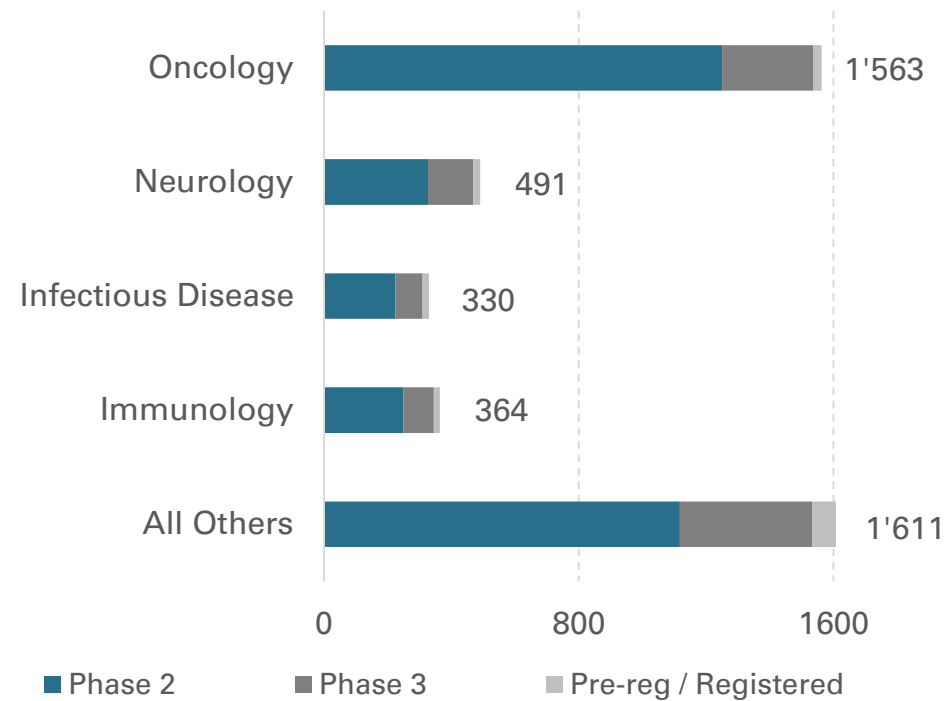
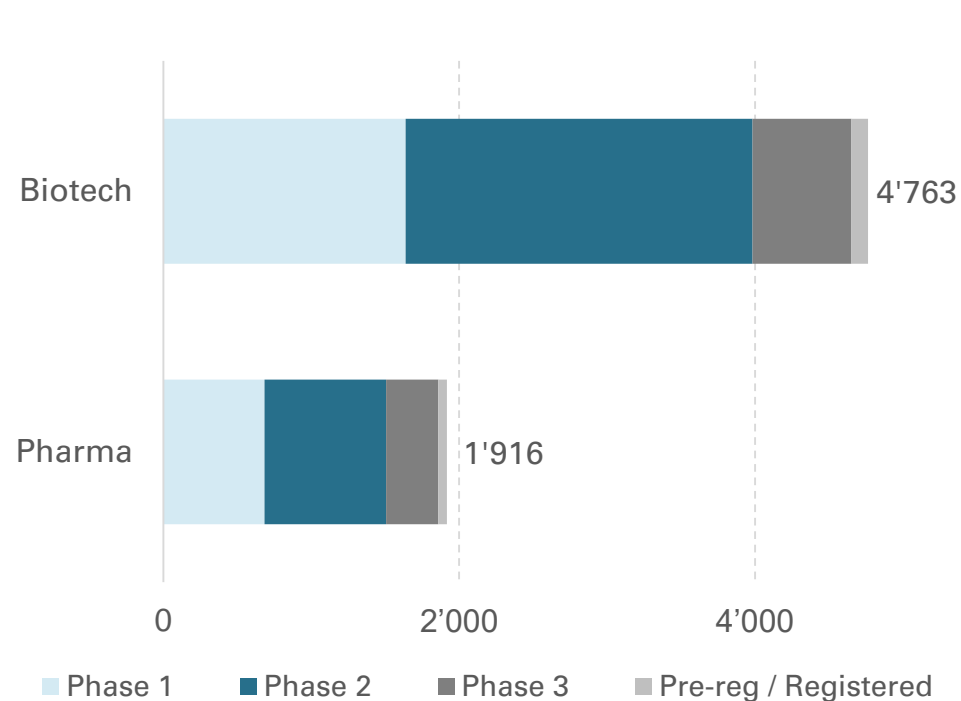
Source: Bloomberg, data as of 30 June 2022, in USD

- Healthcare sector's fundamentals remain intact and are supportive for further outperformance
- Sales from drugs and medical devices > \$1.4 trillion p.a. representing more than 25% of the healthcare industry's total revenues
- Biotech sector resilient to economic cycles with high profit margins, strong cash-flows and highest returns in healthcare
- > 90% of next-generation biotherapeutics (cell-, gene- and nucleotide-therapies) developed by emerging biopharma
- Sustainable market drivers such as ageing population, favorable regulatory environment, greater scientific understanding, and an increasingly affluent middle class
- Market positioned for further upside given attractive valuations, could be complemented by acceleration in M&A

Over 6'500 Clinical Programs Worldwide

Over 6'500 clinical programs worldwide and 70 percent originate from Biotech

Number of clinical programs



Source: Biotechnology Innovation Organization Report, (2018)

About 1000 Candidates in Late Stage Phase Or Near Approval

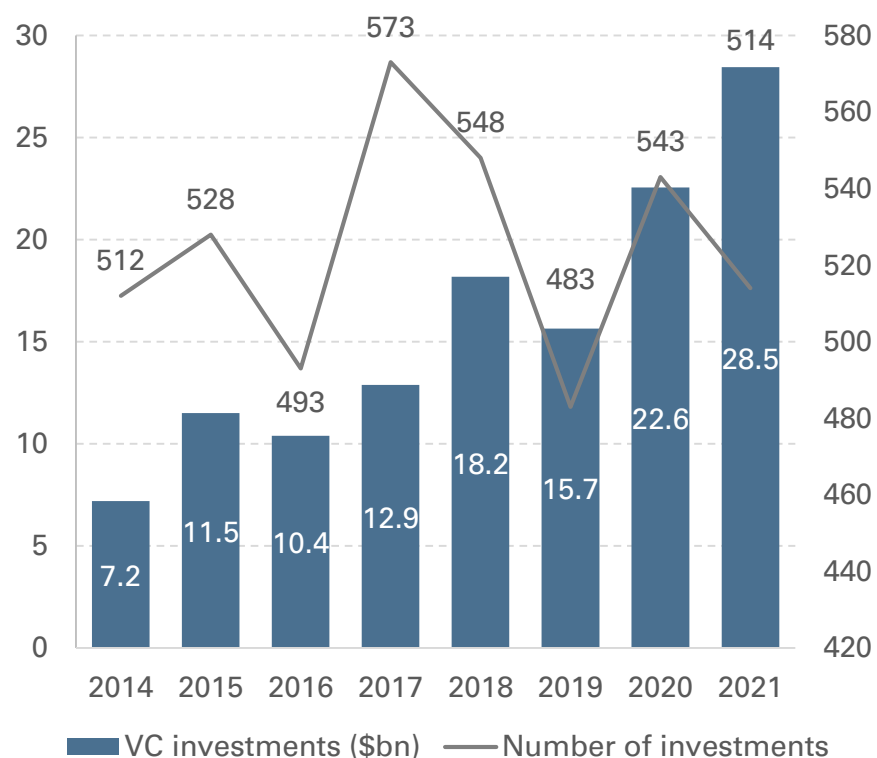
Worldwide biotechnology products by phase

	Monoclonal antibody	Cell & gene therapy	Bioengineered vaccine	Recombinant product	DNA & RNA therapeutics	Oncolytic virus	Genome editing	Other biotechnology product
Marketed	510	143	509	1043	33	2	0	190
Approved	40	12	16	19	12	2	0	1
Filed/Phase III	387	123	134	213	39	17	0	25
Phase II	652	534	461	247	135	33	4	55
Phase I	753	413	360	148	88	22	4	46
Pre-clinical	1412	1157	857	499	335	62	25	231
Research project	1060	845	329	253	282	18	28	159
	4814	3227	2666	2422	924	156	61	707

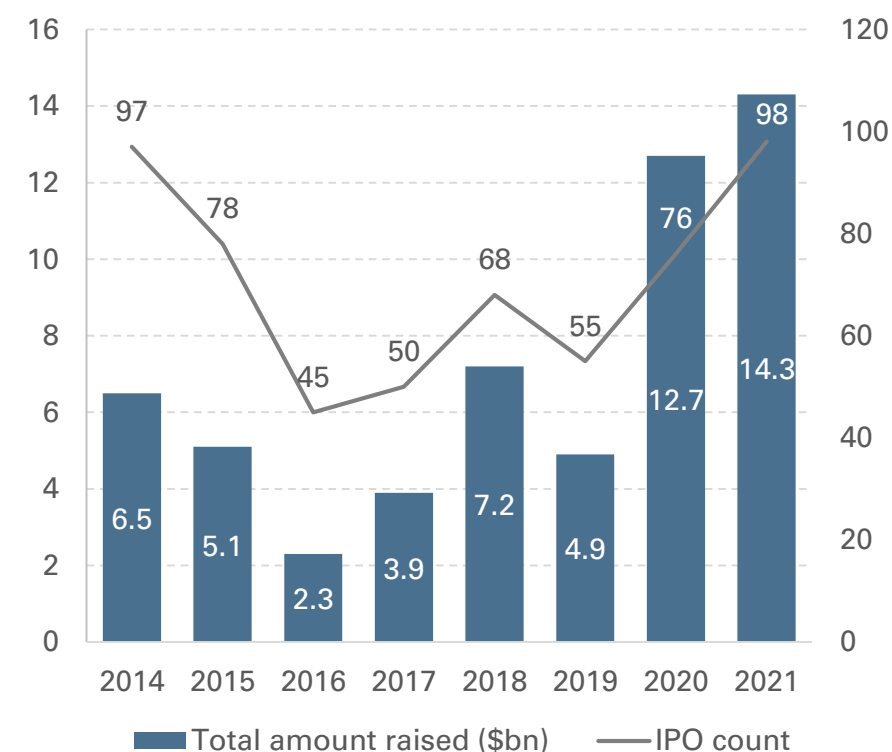
Source: Evaluate Pharma, RSM US (May 2021)

Steady Flow of New Investment Opportunities

Global venture investments into biotech



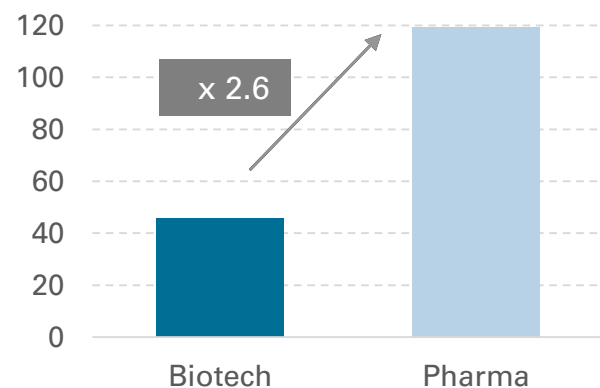
Biotech IPOs on western exchanges



Source: Evaluate Pharma, (January 2022)

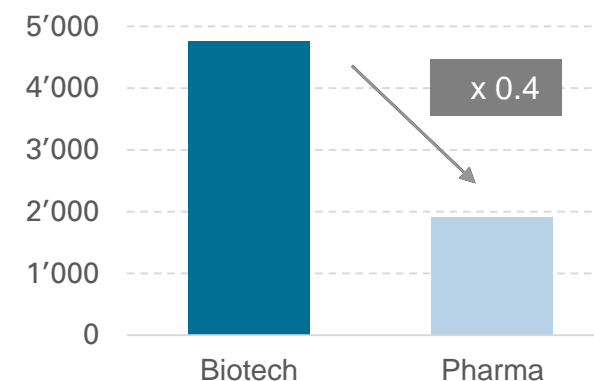
Efficient Biotech Industry

R&D Spend (USDbn, 2017)



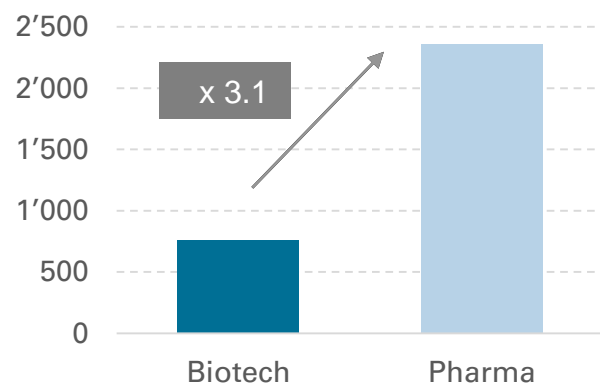
Source: EY Biotechnology Report (2017), Evaluate Pharma World Preview (2018)

Pipeline (number of clinical programs, 2017)



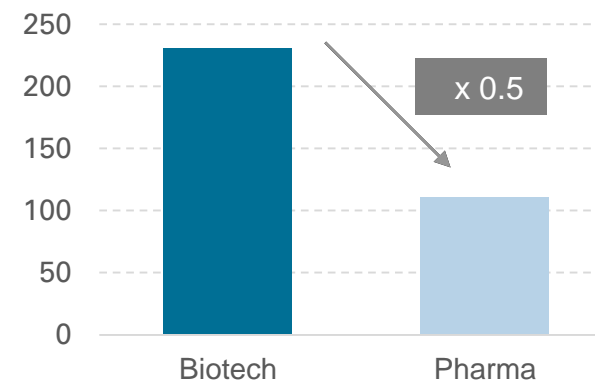
Source: Biotechnology Innovation Organization Report, (2018)

Market Cap (USDm, 2018)



Source: MSCI World Healthcare Index, Bloomberg (2018)

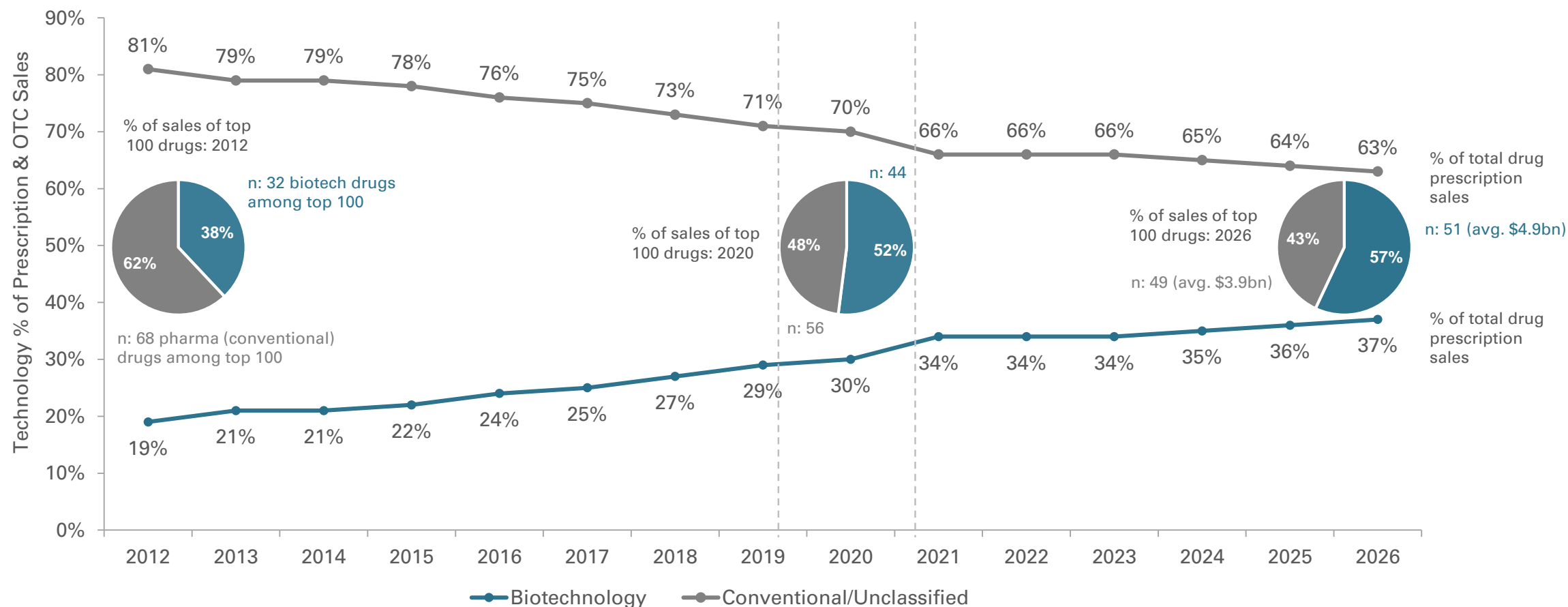
Approvals by origin (count, over last 10yrs)



Source: HBM Biopharma Drug Approval Report, (2018)

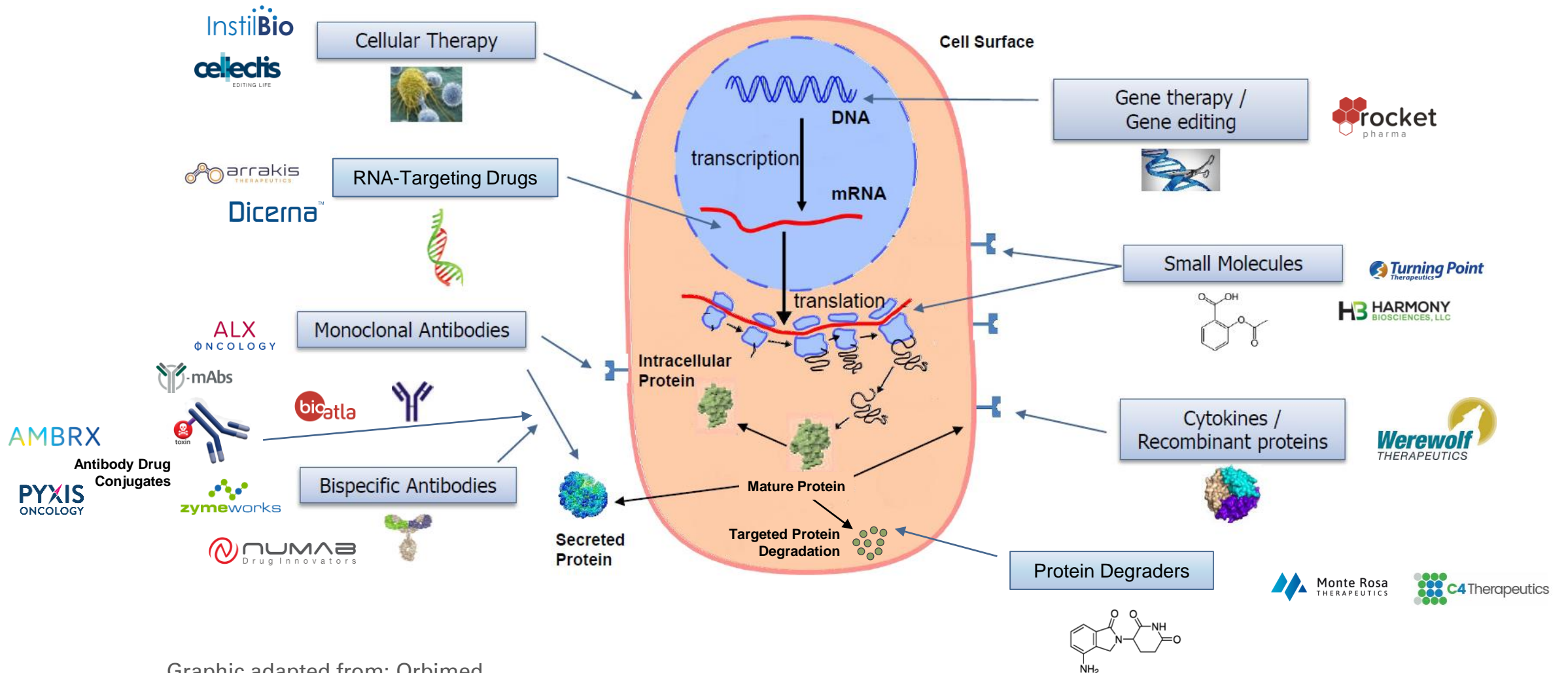
Biotech Drugs Become Market Leaders

By 2026 biotech drugs will account for more than half the 100 top selling medicines



Source: Evaluate Pharma, May 2021

HBM's Portfolio Companies Involved in Various Treatment Modalities



Graphic adapted from: Orbimed

Innovation Can Also Be In Delivery

Intravenous



Subcutaneous



Intramuscular



Inhaled



Implanted



Oral



Intranasal



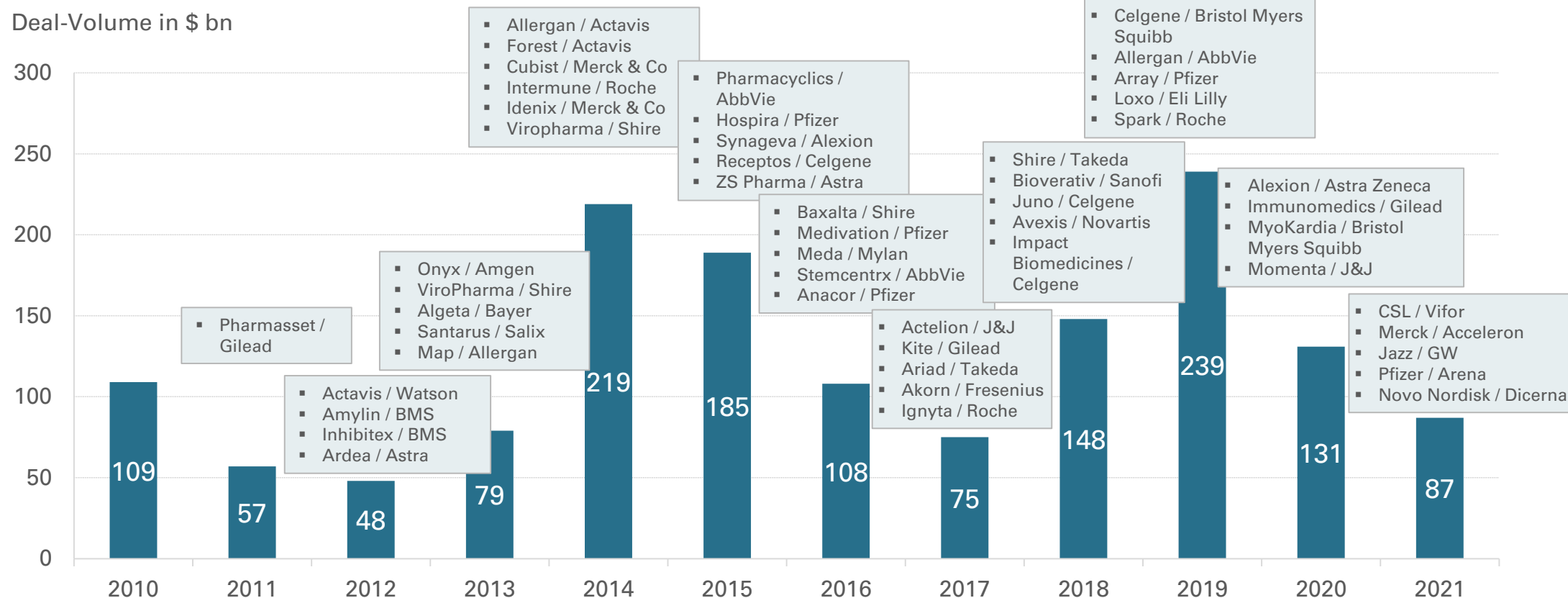
Transdermal
(micro needle)



Source: QuintilesIMS, Disruption and maturity: The next phase of biologics

Pharma and Biotech M&A Activity

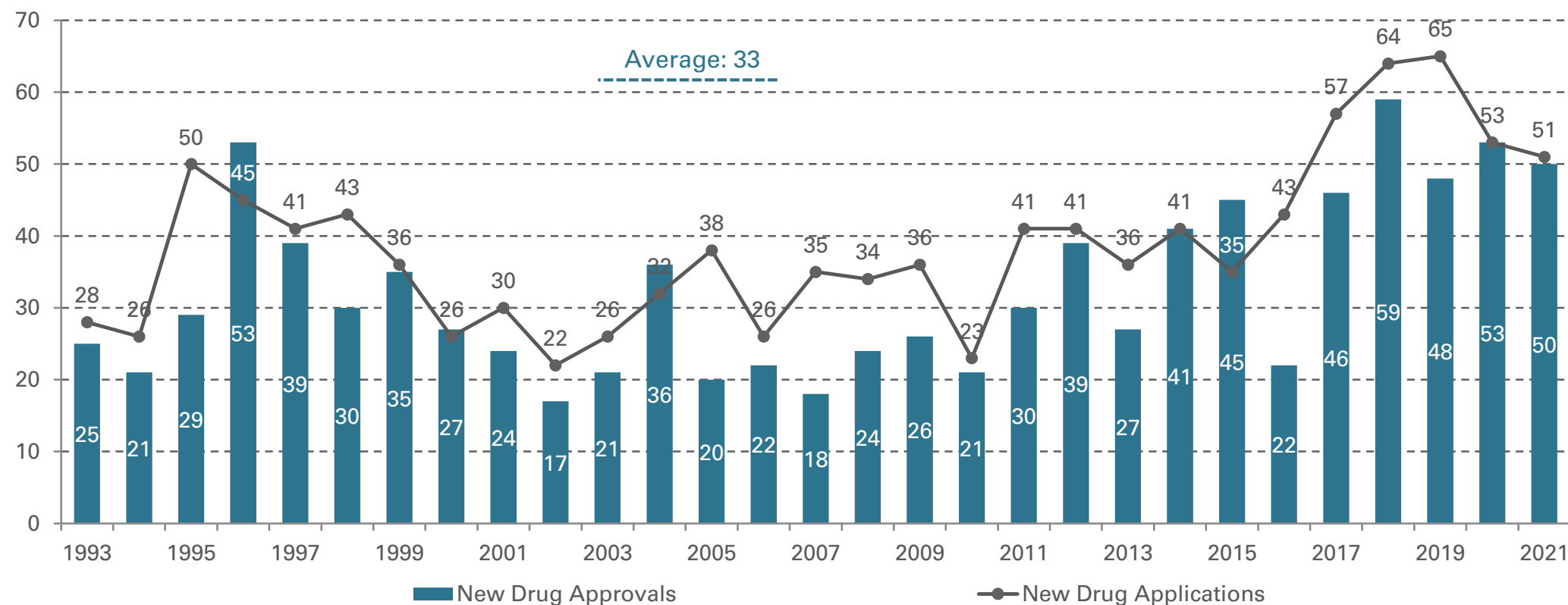
On average 50% premium over stock price before acquisition



Source: Evaluate Pharma (2022)

Annual New Drug Approvals

Number of New Drug Approvals and Applications at the US FDA



Source: FDA, CDER (2021)



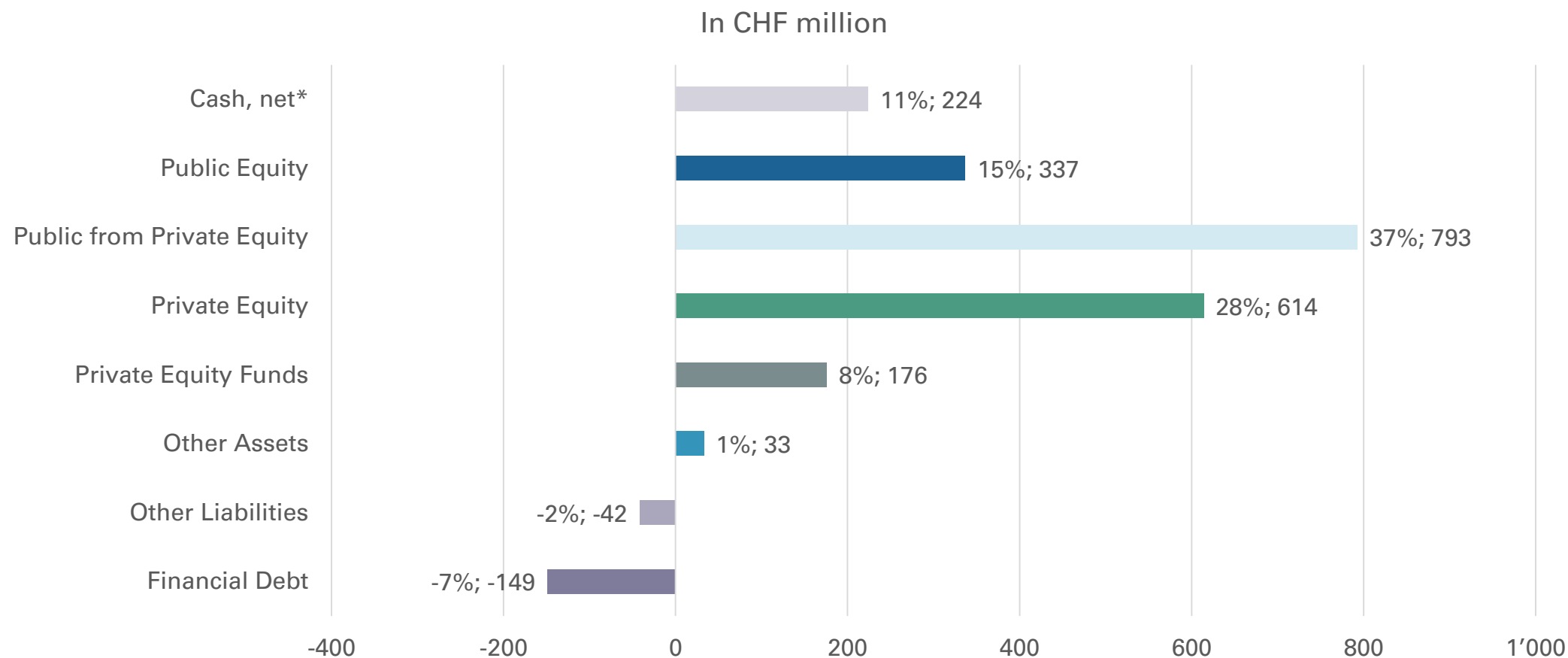
Investment Portfolio

A Global Portfolio



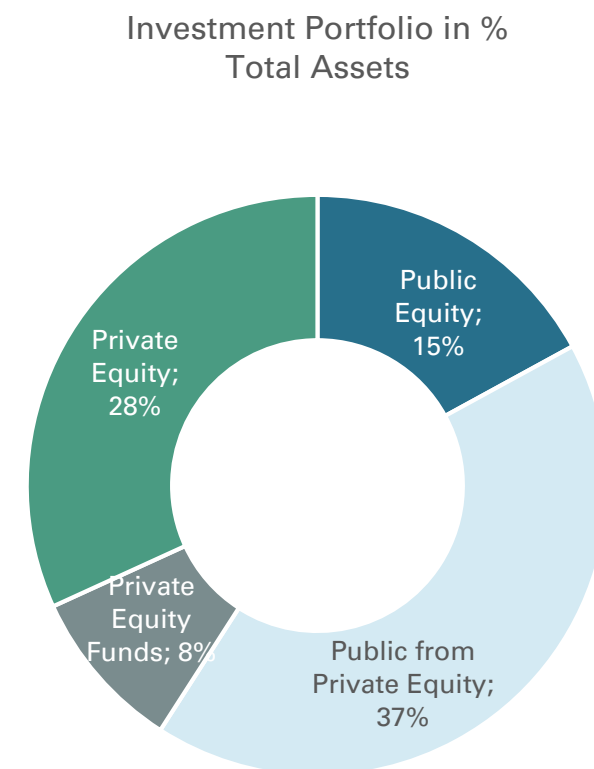
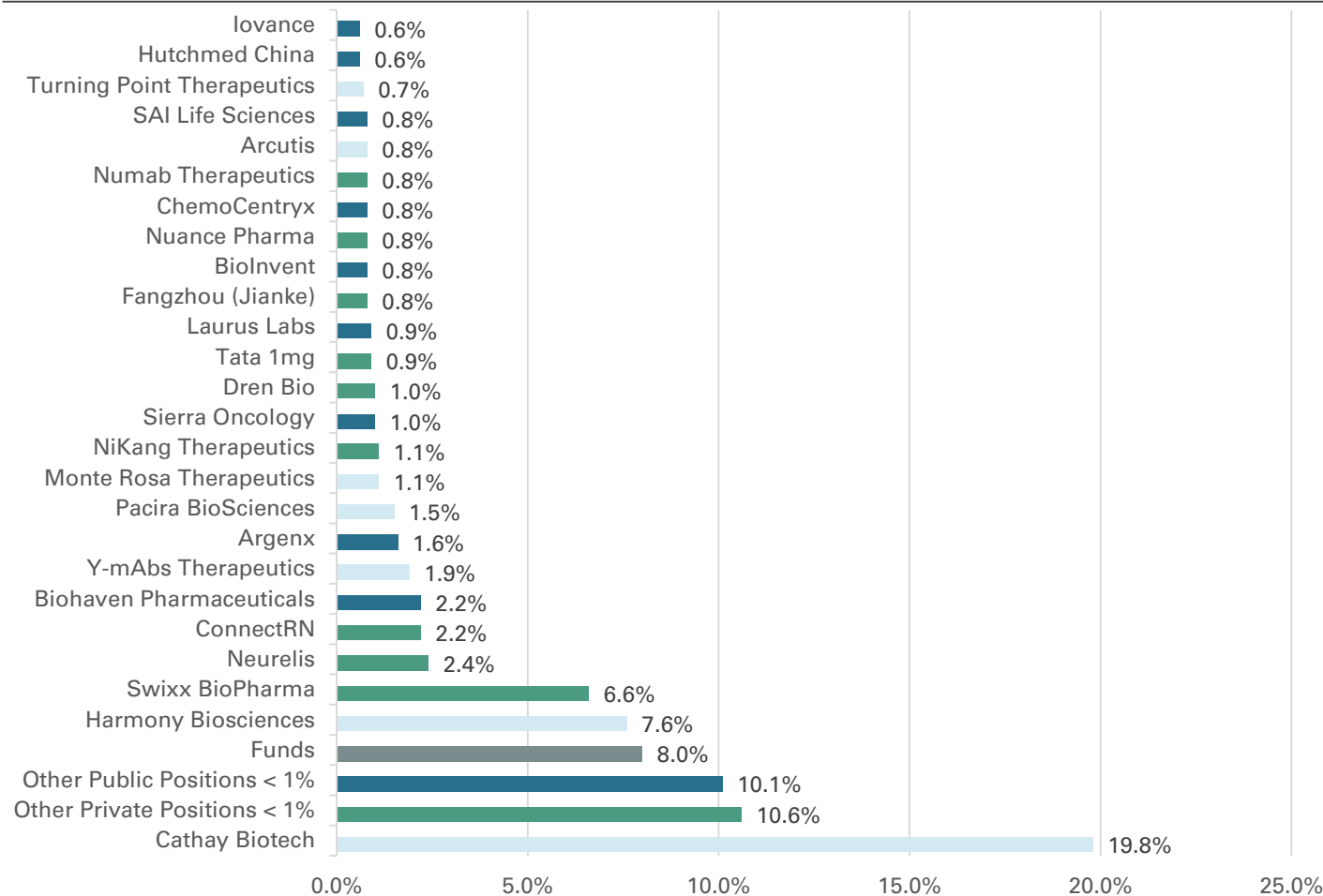
Data as of 31 March 2022 (Selection)

Asset Allocation



Data as of 31 March 2022, in % of total assets of CHF 2'177 million

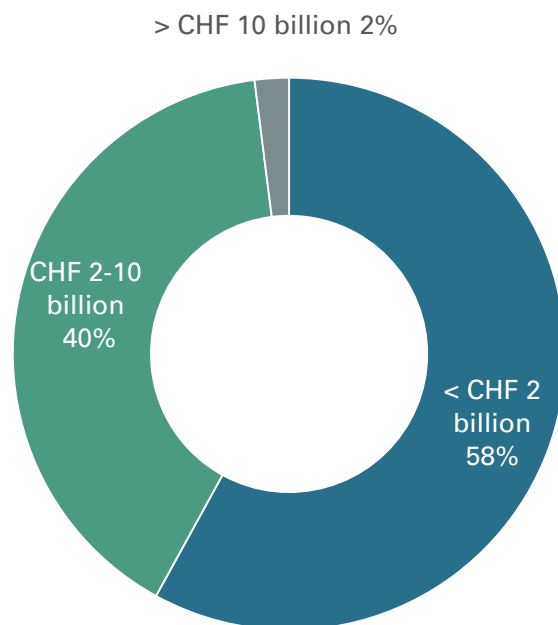
Diversified Investment Portfolio



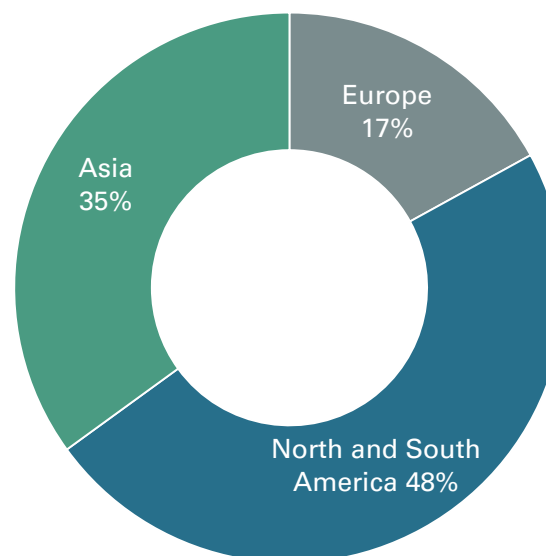
Data as of 31 March 2022, in % of total assets of CHF 2'177 million, Top 10: 46.9%

Portfolio Breakdown by Market Cap, Geography and Currency

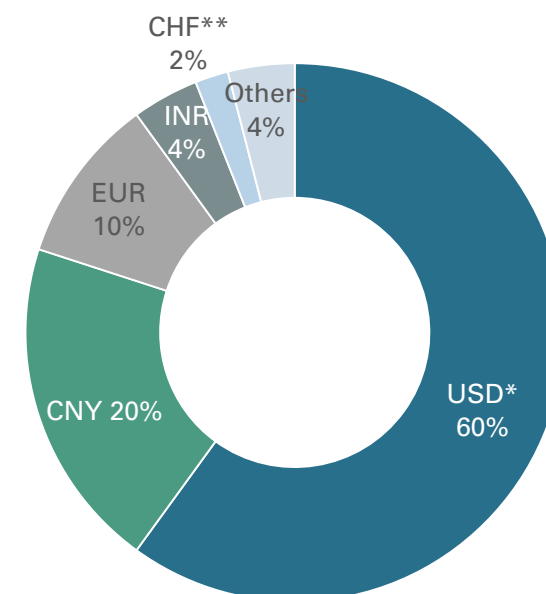
Market Capitalisation



Geography



Currency

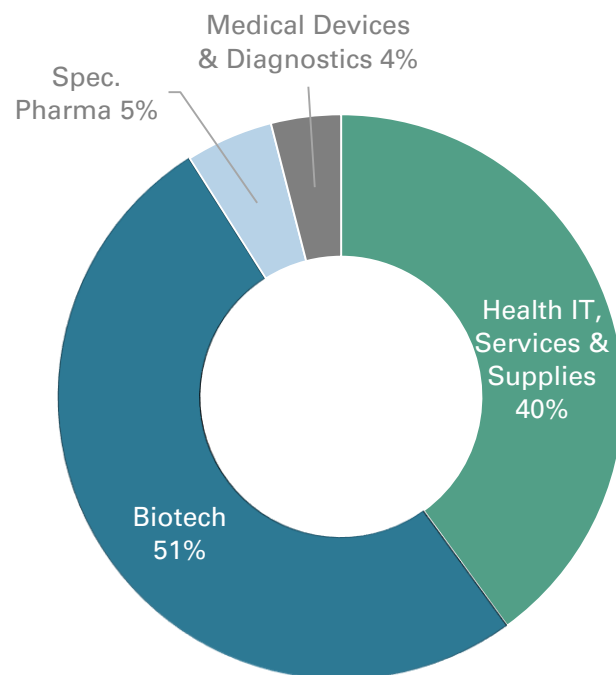


* / **: No currency hedge

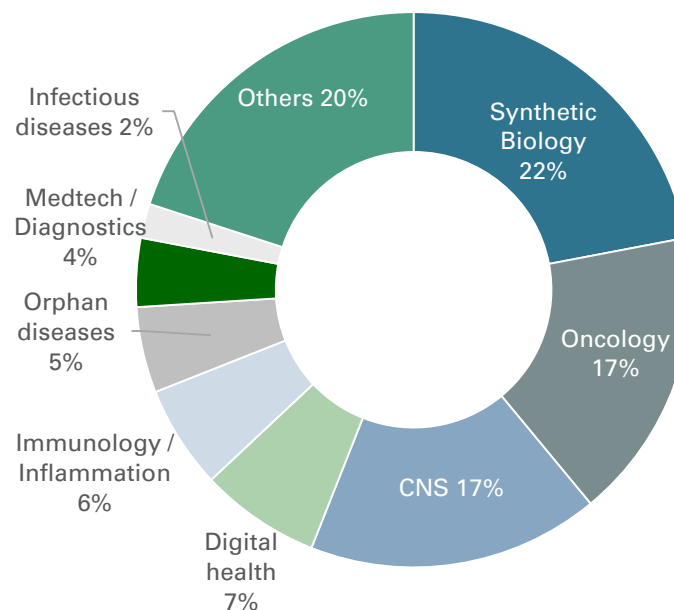
Data as of 31 March 2022, in % of investments, currency in % of total assets

Portfolio Breakdown by Sector, Therapy and Development Stage

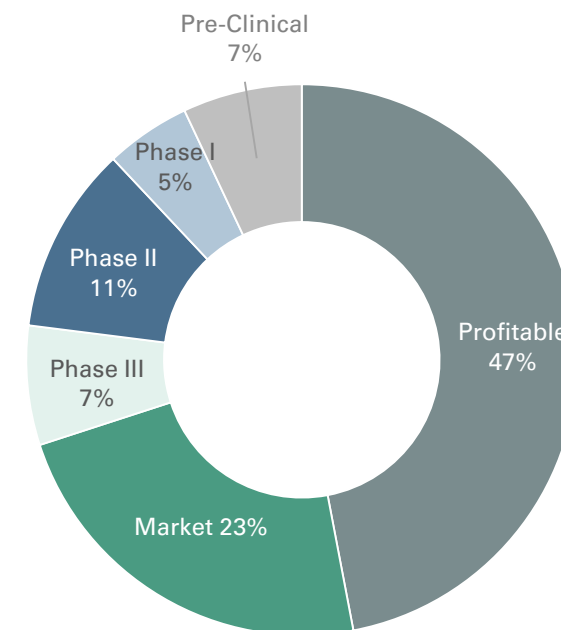
Sector Breakdown



Therapeutic Area

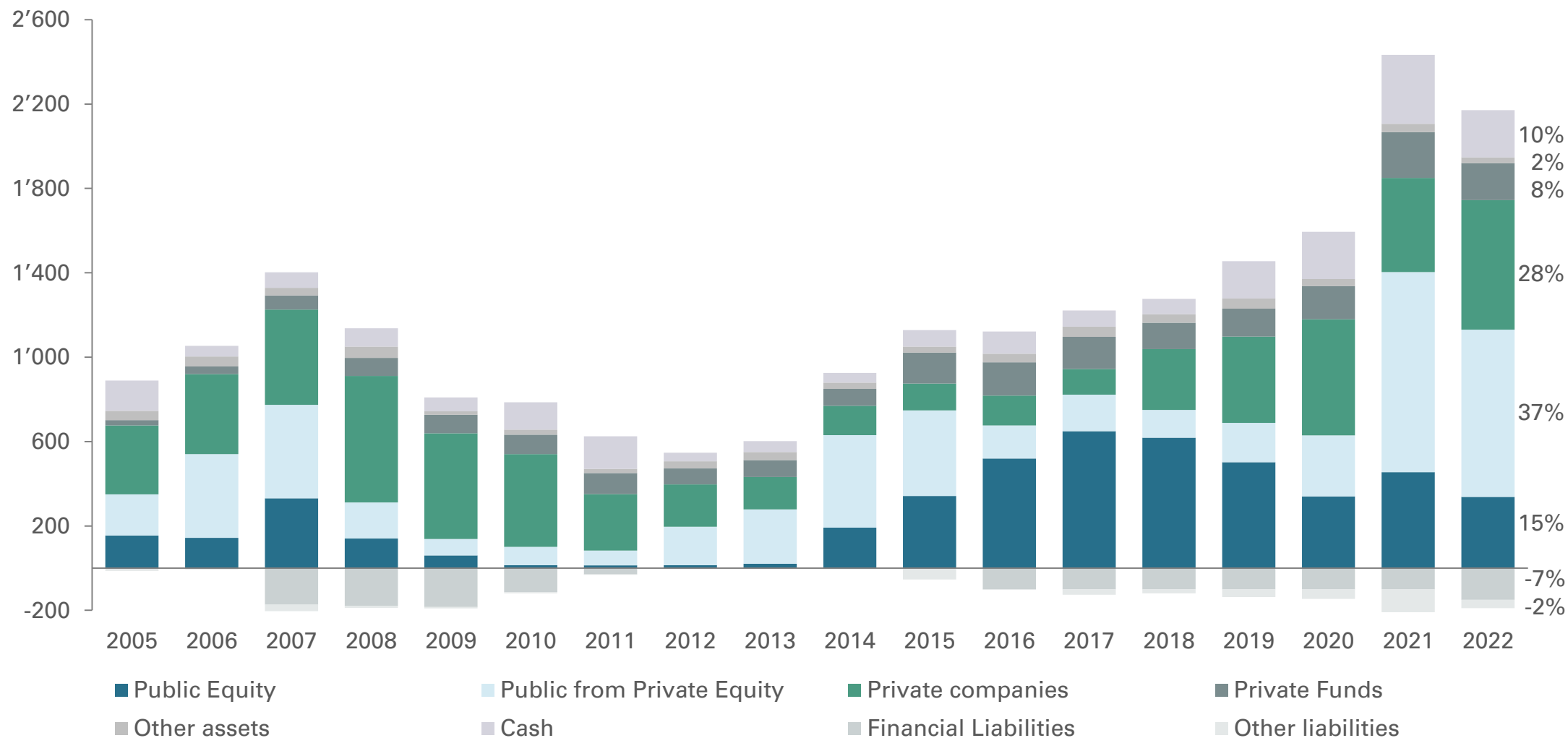


Development Stage



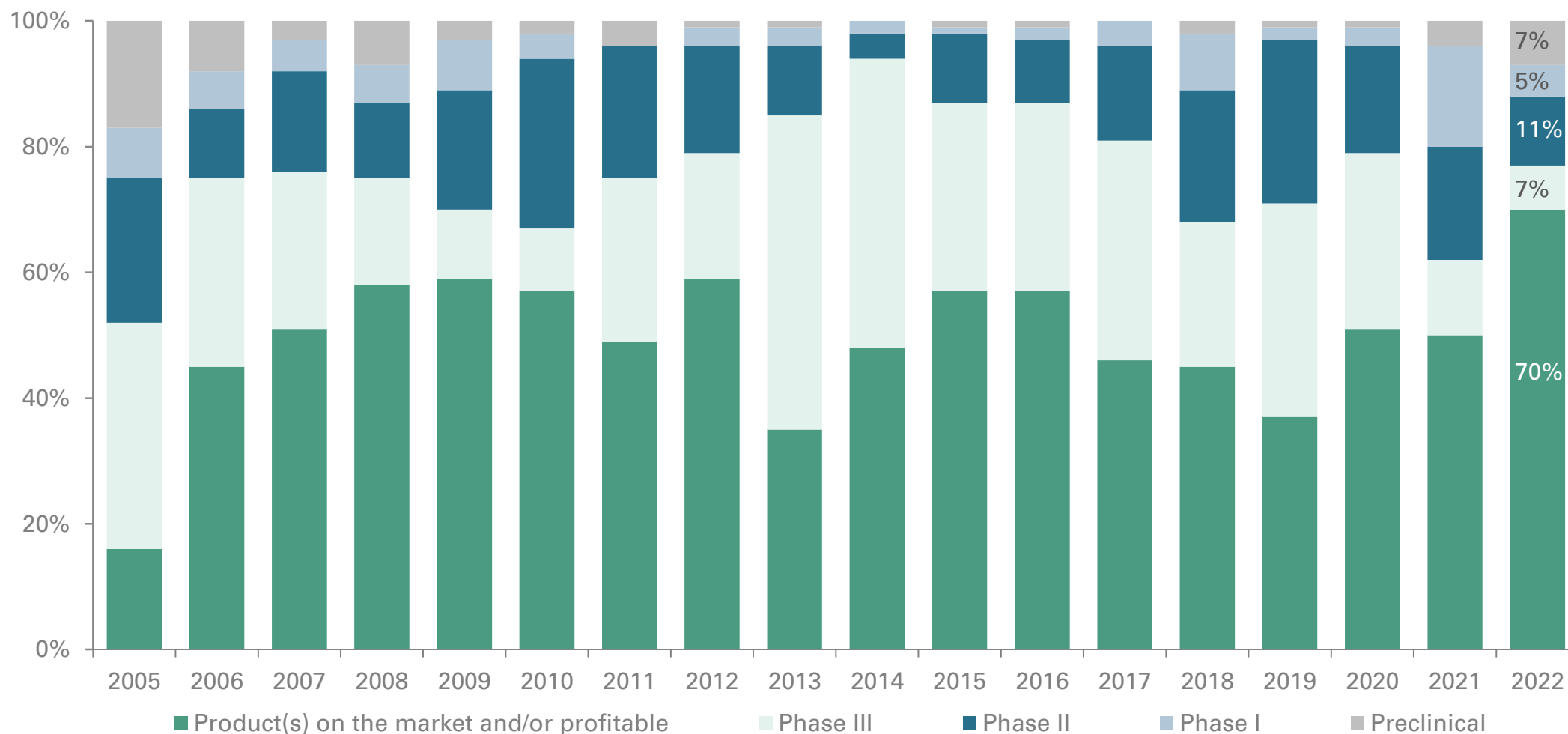
Data as of 31 March 2022, in % of investments

Development of Asset Allocation



Data as of the end of each financial year (31 March 2022), in % of total assets

Development Stage of Lead Product

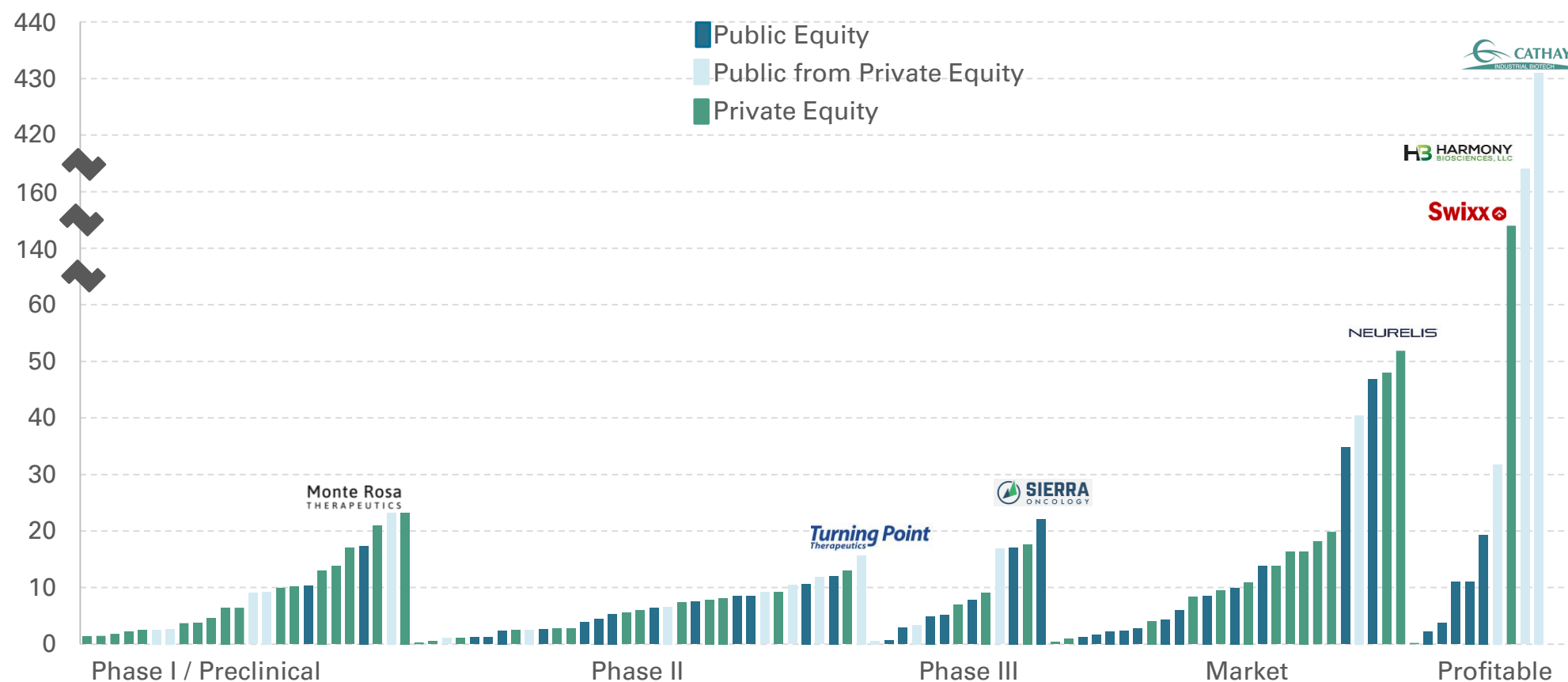


Data as of the end of each financial year (31 March 2022), in % of investments

Portfolio by Development Stage of Lead Asset







Well balanced portfolio from a risk perspective

HBM book value
in CHF m









Data as of 31 March 2022

Largest Investments (1/2)

Company	Core Business	Company Stage	Ticker	Market Capitalisation (CHF m)	Ownership (%)	Book Value (CHF m)	% of Total Assets
 CATHAY INDUSTRIAL BIOTECH	Synthetic biology (long chain diacids, carbohydrates, special enzymes, green nylon)	Profitable	688065 CH (ex private)	6'605	7.1	430.9 ¹⁾	19.8
 H3 HARMONY BIOSCIENCES, LLC	Drug for the treatment of narcolepsy (with and without cataplexy)	Profitable	HRMY (ex private)	2'643	6.2	164.4	7.6
 Swixx BioPharma <small>Modern Medicines for All</small>	Full representation of biopharma companies in central and eastern Europe	Market	Private	550*	26.3	144.6	6.6
 NEURELIS	Nasal spray for the treatment of epileptic seizures	Market	Private	496*	10.5	51.9	2.4
 connect RN	Provider of the nurse-centric staffing app in the US	Market	Private	221*	21.7	48.0	2.2
 biohaven pharmaceuticals	Drugs for treatment of neurological and neuropsychiatric diseases (including rare diseases)	Market	BHVN	7'676	0.6	46.8	2.2

1) Deferred tax on capital gain and VAT based on difference between potential selling and IPO price not included; lock up discount for 3 years starting August, 2020 reflected
Data as of 31 March 2022, * Implied company valuation (for private companies)

Largest Investments (2/2)

Company	Core Business	Company Stage	Ticker	Market Capitalisation (CHF m)	Ownership (%)	Book Value (CHF m)	% of Total Assets
 -mAbs	Developing novel antibody therapeutics for oncology targets	Market	YMAB (ex private)	479	8.4	40.5	1.9
 argenx	Drugs for autoimmune and cancer diseases	Market	ARGX	15'732	0.2	34.8	1.6
 PACIRA PHARMACEUTICALS, INC.	Injectable medicines with (patented) controlled release of active drug	Profitable	PCRX (ex private)	3'146	1.0	31.8	1.5
 NKT	Discovering and developing small molecule oncology medicines (eg HIF2a inhibition)	Phase I/II	Private	438*	5.3	23.3	1.1
 Monte Rosa THERAPEUTICS	Developing molecular glues to degrade disease-causing proteins	Phase I	GLUE (ex private)	603	3.9	23.3	1.1
 SIERRA ONCOLOGY	Targeted therapies to treat rare forms of cancer such as the treatment of myelofibrosis	Phase III	SRRA	699	3.2	22.1	1.0

Data as of 31 March 2022, * Implied company valuation (for private companies)

Largest Private Equity Investments

145

Swixx BioPharma

- Full representation service in Central and Eastern Europe (CEE)
- Profitable company with net sales exceeding EUR 270 million in 2021; high double-digit sales growth
- 974 employees as of 1Q 2022 (with absorption of Sanofi staff)

52

Neurelis

- Diazepam (Valtoco) nasal spray for use in breakthrough epilepsy seizures
- US market approval with orphan status
- Major unmet need in epilepsy patients, where no drug is approved for controlling break through seizures

48

ConnectRN

- Tech-enabled platform providing online community and work opportunities to healthcare professionals
- Rapid uptake in the long term care market with sustained triple digit organic growth
- Entered into collaboration with Amedisys to launch ConnectRN into additional care settings

Data as of 31 March 2022, Bookvalue in CHF million

23

NiKang Therapeutics

- Potentially best-in-class differentiated HIF-2 alpha inhibitor for the treatment of renal cell carcinoma (RCC) – candidate entered clinic in July 2021. Possible expansion into other solid tumors
- Co. is working on leads against KRAS G12D (common genetic mutation in cancer)

21

Dren Bio

- Developing powerful protein engineering technologies to deplete cells, protein aggregates and other disease-causing agents
- Lead programs are initially focused on hematologic neoplasms and solid cancers

20

Tata 1mg

- India's leading online pharmacy, medicines app and health platform
- Strong sales growth. Highest ranked medical app on the Indian Google play-store

Largest Public Equity Investments

431

Cathay Biotech¹⁾

- Synthetic biology company: long-chain dicarboxylic acids / bio-based diamine 5 & bio-based polyamide / polyesteramide.
- Profitable with revenues of CNY 2.2 billion (\$340m) for 2021.
- Potentially first company with a commercial scale production of bio-based diamine 5.

164

Harmony Biosciences

- Narcolepsy (with and without cataplexy).
- Wakix™ (Pitolisant) approved in the US and in the EU for narcolepsy (with or without cataplexy).
- Unlike other wake-promoting agents, Wakix is not scheduled as a DEA controlled substance.

47

Biohaven

- First oral CGRP receptor antagonist Rimegepant (Nurtec ODT) available on the market for both acute and preventive migraine treatment.
- Number of late-stage assets in clinical development for both large and orphan CNS indications.

40

Y-mAbs

- Immunotherapy for difficult to treat cancers in childhood as well as certain tumours in adults; no approved treatment available for aggressive forms of cancer in nerve tissue. ie CNS/Leptomeningeal metastasis from Neuroblastoma. First drug market approved.

32

Pacira Biosciences

- Engaged in advancing a pipeline of products across a range of therapeutic areas that include acute postsurgical pain; acute and chronic osteoarthritis (OA), pain of the knee; low back and other areas.
- Full-year revenues in 2021 of \$541.5 million.

26

Monte Rosa Therapeutics

- Product candidates (novel small molecules) that are designed to eliminate therapeutically relevant proteins.
- Lead product candidate is MRT-2359, in development initially for use in cancer treatment.

1) Deferred tax on capital gain and VAT based on difference between potential selling and IPO price not included; lock up discount for 3 years starting August, 2020 reflected.

Strategic Fund Investments

Sector Focus (Early Stage Genomics and Medical Devices)

HBM Genomics

Vintage: 2015 | Commitment: \$22 m | TVPI 1.6x | Ownership: 100%

Early and development stage opportunities in Genomics

Access to early-stage investments in later rounds. Network of top Silicon Valley investors and companies with a focus on genomics



Co-investments



Medfocus Fund II

Vintage: 2005 | Commitment: \$26 m | TVPI 2.4x | Ownership: 100%

Incubator and accelerator concept, selective later stage investments in the medical device space

Access to promising early-stage investments in later rounds; "raised" by successful entrepreneurs



Co-investments



Geographic Focus (China and India)



6 Dimension Capital



Vintage: 2018 | Commitment: \$25 m | TVPI 2.0x | Ownership: 5%

VC with capabilities in China and U.S. to access innovation and build category leaders in healthcare sectors



WuXi Healthcare Ventures II

Vintage: 2015 | Commitment: \$20 m | TVPI 1.5x | Ownership: 7%

Access to early-stage investment opportunities with a focus on China

C-Bridge Capital IV

Vintage: 2018 | Commitment: \$10 m | TVPI 1.2x | Ownership: 1.3%

Invest and build quality platform companies currently missing in China



Tata Capital Fund I

Vintage: 2015 | Commitment: \$10 m | TVPI 1.3x | Ownership: 67%

Growth and expansion investments in Indian healthcare companies



Selected funds (based on quarterly numbers), data as of 31 March 2022

Latest IPOs from Private Equity Portfolio

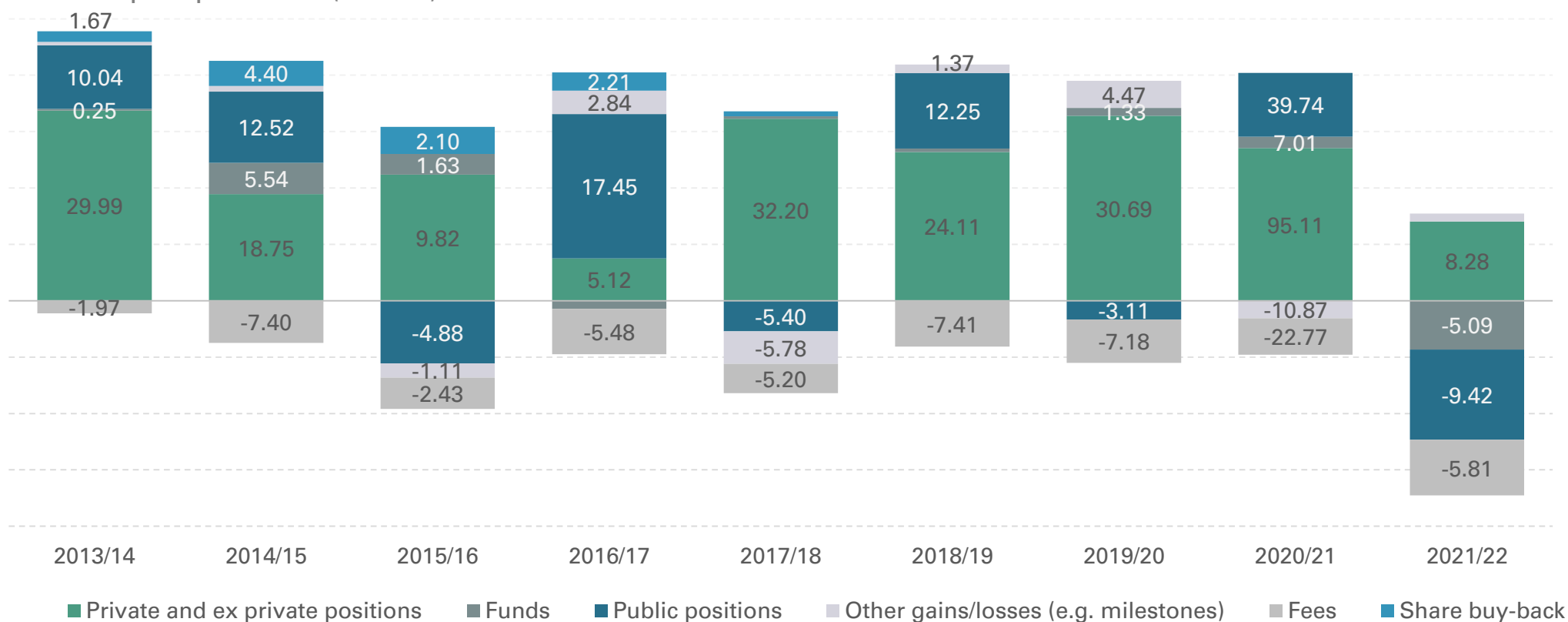
Company	Year of IPO	\$ Amount Invested Private	Multiple to IPO Price	\$ Amount Invested at IPO	Post IPO Performance (until end of Period or Sale)
IO Biotech	2021	23.2	1.47x	4.6	-68%
Pyxis Oncology	2021	6.0	1.53x	2.4	-84%
Monte Rosa Therapeutics	2021	14.0	2.44x	8.0	-48%
Ambrx	2021	20.0	1.56x	14.0	-85%
Werewolf Therapeutics	2021	5.0	2.00x	2.4	-74%
Connect Biopharma	2021	10.0	1.55x	5.1	-95%
Instil Bio	2021	12.5	3.10x	6.0	-76%
Longboard	2021	10.0	2.20x	8.0	-81%
Seer	2020	2.8	2.40x	0.1	23%
BioAtla	2020	11.5	2.69x	17.6	-83%
Galecto	2020	11.8	1.48x	5.0	-89%
C4 Therapeutics	2020	4.0	2.22x	5.7	75%
Harmony Biosciences	2020	36.4	2.96x	3.9	169%
Cathay	2020	38.0	14.02x	0.0	-15%
iTeos Therapeutics	2020	7.9	2.42x	10.0	150%
ALX Oncology	2020	5.0	2.00x	7.6	-57%
Arcutis	2020	15.0	1.46x	7.6	27%
Viela Bio (Acquired by Horizon for \$3.1bn)	2019	20.0	1.19x	9.5	179%
SpringWorks Therapeutics	2019	12.0	1.90x	3.2	138%
Turning Point Therapeutics*	2019	10.0	1.54x	4.5	317%
Y-mAbs	2018	23.3	1.71x	9.4	-7%
Principia (Acquired by Sanofi for \$3.7bn)	2019	12.0	1.18x	7.2	488%
Aptinyx	2018	6.5	1.95x	2.0	-96%
Homology	2018	4.0	2.11x	6.0	-70%
ARMO Biosciences Acquired by Eli Lilly for \$1.6bn)	2018	12.0	1.38x	10.0	194%
AnaptysBio	2017	7.0	2.02x	2.3	140%
Advanced Accelerator Applications (Acquired by Novartis for \$3.9bn)	2017	43.5	1.17x	4.8	413%

Data as of 30 June 2022, * Acquisition by BMS for \$4.1bn announced on June 2nd

Contribution to Net Asset Value

Private and Ex Private Equity Positions Account for a Majority of Contribution

NAV impact per share (in CHF)

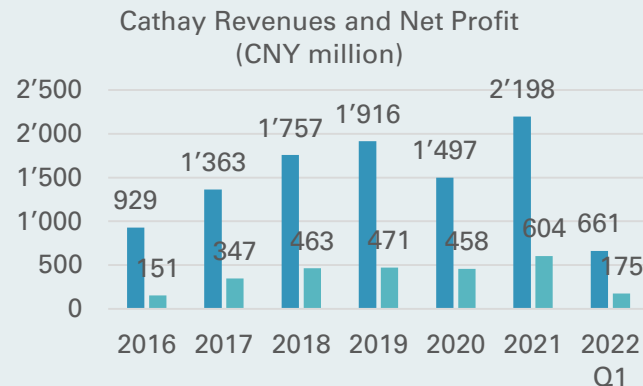


Note: IPO allocations in previously private companies are attributed to P&L from private positions, Data as of March 2022

Case Study Cathay Biotech



- Market cap: CNY 45.4 billion (CHF 6.6 billion), listed on Shanghai STAR Market since Aug 2020 (member of STAR 50 Index)
- Invested since May 2006: CNY 282 million for 7.1% ownership
- Current book value: CNY 3.0 billion (CHF 431 million, net of lock-up discount)



Source: Bloomberg and Company announcements
Data as of 31 March 2022

Company Profile

- Cathay was founded in 2000 and engages in the research, development, production and sales of new bio-based materials based on synthetic biology and other technologies utilising bio-manufacturing technology

Investment Rationale

- Cathay is the leading supplier of biological long-chain dicarboxylic acids ("LCDA"), fine chemical intermediates, which are used for nylon, polyester, adhesives and organic solvents
- Cathay's proprietary technology allows production of pentamethylene diamine (PDA) from sustainable resources and provides downstream bio-based polyamide products, such as Cathay's high-performance textile material TERRY[®] for broad applications in clothing, carpets, industrial yarns and other textile fields. Ecopent[®] is also a polyamide and can be used in the automotive and rail transit sectors, in electronics and electricals, in consumer and industrial goods, cable ties, film and others

Achievements during Investment Period

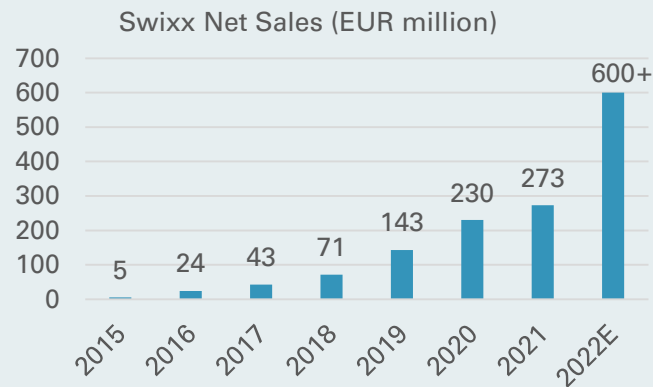
- Company achieved revenue CAGR 2016-21 of 20% with a net profit margin of around 25%. Revenue and net profit in FY2021 surpassed pre COVID 2019 levels by far: +15% and +28% respectively
- Good start to FY2022 (Y/Y revenue growth: +36%, net profit: +24% in Q1 2022); analysts expect continued strong revenue and profit growth

Case Study

Swixx BioPharma



- HBM was the first institutional investor in the company along founders and management
- Actual net sales in 2021 were EUR 273 million – in 2022 it is projected to reach EUR 600+ million (with new client Sanofi)
- Significant ownership of 26.3% in the company (investment of EUR 34.8 million currently valued at EUR 141.7 million)



Data as of 31 March 2022

Company Profile

- Swixx BioPharma is designed to replace biopharma, OTC and medical device multinationals' subsidiaries or business units in those countries, or therapeutic areas of Central and Eastern Europe (CEE) and Russia, that the multinational chooses not to enter, or to exit

Investment Rationale

- Unique business model in fast growing economic area. Experienced management team, well known from former investment in PharmaSwiss
- Solid client and revenue base with potential for massive growth
- Opportunity to actively contribute to business development through HBM network
- Unrivalled market access capabilities, in particular for higher priced prescription medicines

Achievements during Investment Period (since 2017)

- Strong revenue growth from EUR 24 million to EUR 273 million in 2021 – projected to reach EUR 600+ million in 2022 (with new client Sanofi) – coupled with growing profitability (from 2023-24 targeting double-digit EBITDA margin)
- 974 employees as of 1Q 2022 (with absorption of Sanofi staff)
- Geographical presence now expanding into Central Asia, Belarus and Greece
- Newest investor Merieux Equity Partners purchased 20.2% of Swixx in fall 2021

Exit

- IPO or trade sale possible

Case Study

Harmony Biosciences



- Market Cap: USD 2.9 billion
- Meaningful revenues of USD 305.4 million in 2021 (second year since launch of therapy)
- Ownership of 6.2% in company (investment of USD 40.3 million pre and at IPO, current book value of USD 178.2 million after profit-taking - approx 20% of position)



Data as of 31 March 2022

Company Profile

- U.S. commercial-stage company focusing on innovative therapies for people living with rare neurological disorders. Lead asset Wakix™ is a safe, tolerable and innovative drug to treat excessive daytime sleepiness

Investment Rationale

- Unmet medical need to treat patients suffering from narcolepsy (sleep disorder)
- Novel therapy with superior efficacy and potential to be transformational in neurology
- Low clinical development risk as drug was already approved in Europe
- Seasoned management with prior commercial experience in the narcolepsy space

Achievements during Investment Period (since 2017)

- FDA approval of Wakix™ for treatment of adult patients with narcolepsy in August 2019
- FDA approval received in October 2020 for the expanded use of Wakix™ for the treatment of Cataplexy in adult patients with narcolepsy
- Successful commercial launch with increasing revenue run rate

Exit

- Nasdaq IPO in August 2020

Case Study Viela Bio (Exit)



- HBM was lead investor in June 2019 financing round, and was represented on the board
- Acquired by Horizon in 2021 for USD 3.1 billion
- Realized gain of USD 63 million (3.1x multiple, IRR >95%) on total investment of USD 30 million



Company Profile

- A company spin-off from AstraZeneca focusing on severe autoimmune disorders (such as Neuromyelitis Optica (NMOSD), Primary Sjogren's Syndrome, Myositis, ANCA vasculitis); diseases with limited treatment options

Investment Rationale

- Pre-registration of lead drug candidate Inebilizumab, pivotal (phase III) trials successfully completed
- Experienced team with strong track record and investor syndicate
- Well understood mechanism of action, peak sales potential for first indication (NMOSD) of \$400m alone, plus pipeline optionality

Achievements during Investment Period (since 2019)

- First drug approved (Uplizna) for the treatment of NMOSD

Exit

- IPO on US NASDAQ in October 2019
- Company announced the acquisition by Horizon Therapeutics for USD 3.1 billion

Expected Catalysts for 2022

Important Clinical Results

Phase I / II

ALX Oncology*	Evorpacept + Azacitidine, MDS
Blueprint Medicines	Ayvakit, PIONEER data readout, indolent systemic mastocytosis
BioAtla*	BA3011 (CAB-AXL-ADC), NSCLC
BioAtla*	BA3011 (CAB-AXL-ADC), Soft-tissue sarcomas & bone sarcoma
BioAtla*	BA3021 (CAB-ROR2-ADC), NSCLC & melanoma
BiolInvent	BI-1808, safety and prem efficacy data, solid tumors
BiolInvent	BT-001, safety and prem efficacy data, solid tumors
Harmony*	Pitolisant (Wakix), Prader-Willi Syndrome
Harmony*	Pitolisant (Wakix), Myotonic dystrophy 1
InstilBio*	ITIL-168, R/R advanced melanoma trial
IOBiotech	IO102-IO103, Data readout for phase II basket trial (combined with PD-1 inhibitor)

US Approvals

Arcutis*	Roflumilast cream (ARQ-151), Plaque psoriasis
Beigene	Brukinsa, CLL
TurningPoint*	Pre-NDA meeting for Repotrectinib, ROS1+ NSCLC
YmAbs Therapeutics*	Omburtamab, neuroblastoma with CNS/leptomeningeal metastases

Phase I / II (continued)

Longboard Pharma*	LP352, DEEs and other refractory epilepsies
Mirati	Adagrasib, KRYSTAL-1 piv trial data & brain mets data, 2L+NSCLC
TurningPoint*	Elzovantinib, updated data from phase I portion of the phase I/II (SHIELD-1) study, NSCLC
TurningPoint*	Repotrectinib, updated data from NTRK+ cohorts of TRIDENT-1, NSCLC
TurningPoint*	TPX-0131 (FORGE-1), interim data, ALK+ NSCLC
Zymeworks	ZW49, HER2-expressing cancers
Zymeworks	Zanidatamab (ZW25), 1L HER2+ GEA
Zymeworks	Zanidatamab (ZW25), 1L HER2+ mBc

Phase III

Arcutis*	Roflumilast foam (ARQ-154), Seborrheic Dermatitis
Arcutis*	Roflumilast cream (ARQ-151), Atopic Dermatitis
Argenx	Vyvgart (Efgartigimod), ADDRESS-SC data, Pemphigus Vulgaris (PV)
Argenx	Vyvgart (Efgartigimod) ADAPT-SC data, MG
Beigene	Tislelizumab, 1L HCC
Beigene	Brukinsa, addtl phase III (ALPINE) trial (r/r CLL/SLL)
Biohaven	Troriluzole, Spinocerebellar ataxia (SCA)
Biohaven	Troriluzole, Obsessive-compulsive disorder (OCD)
Pacira*	Exparel, data and NDA filing, sciatic and adductor canal nerve blocks

Note: * private / ex private company

Reasons to Invest

1. Investment in the innovation and the growth of the healthcare sector
2. Unique investment approach in private and emerging listed companies
3. Active contribution to performance
4. Compelling exit markets (M&A and IPO)
5. Attractive dividend policy

- Access to a well-diversified portfolio of private and listed healthcare companies with value increasing potential
- Experienced investment team with specialized sector expertise and proven track record
- Competitive edge over other investment vehicles focusing exclusively on private or listed investments
- Global orientation with focus on the US, but increasing allocation in emerging markets such as China and India
- Closed-end structure allows optimum exploitation of the value-increasing potential of healthcare companies with daily liquidity
- Lower correlation to public market portfolios thanks to the substantial private capital allocation
- Potential to achieve long-term capital growth with an attractive dividend policy (3-5% yield target)
- Solid balance sheet with low debt and strong capital
- Quarterly reporting with high level of transparency and direct access to the HBM portfolio management team



Appendix

Investor Informationen

Share Information

Swiss security number	1.262.725
German security number	984345
ISIN	CH 0012627250
CUSIP	H 3553X112
Telekurs	126,126272
SIX Swiss Exchange Ticker	HBMN

Fees

Annual Management fee (paid quarterly)	0.75% of company net assets plus 0.75% of the company's market capitalisation
Performance fee (paid annually)	15% on increase in value above the highwater mark
High water mark (per share for all outstanding shares)	NAV of CHF 315.27

Largest shareholders

%	Shareholder	Notification
15-20	Nogra SA, Luxemburg	9.11.2016

Distribution policy

Withholding tax-exempt distribution yield of 3-5% p.a.
from par value repayment

Board of Directors



Hans Peter Hasler (2009)
Chairman

Swiss Federal Commercial Diploma. Various international management positions at Wyeth Pharmaceuticals, Biogen and Elan Corporation (1993 to 2013)



Mario G. Giuliani (2012)
Member

Economist. Executive positions and directorships at Giuliani SpA, Recordati SpA, and Nogra Group SA



Dr Elaine V. Jones (2021)
Member

Ph.D. in Microbiology. Formerly various management positions at Pfizer Ventures, EuclidSR Partners and GlaxoSmithKline.



Dr Rudolf Lanz (2003)
Member

Economist and doctorate in law. Former Partner of The Corporate Finance Group and Head of Corporate Finance of Ernst & Young Switzerland (1980-2009)



Dr Stella X. Xu (2020)
Member

PhD in Immunology, BSc in Biophysics and Physiology. Managing Director of Quan Capital Management. Formerly various management positions at Roche and McKinsey & Co.

Management



Dr Andreas Wicki (2001)
CEO

Doctorate in chemistry and biochemistry.

Prior experiences as Chief Executive of several pharmaceutical companies (1988 to 2001), investment and venture capital advisor (1993 to 2001)



Erwin Troxler (2005)
CFO

Economist and Swiss Certified Accountant.

Prior experience as auditor at PwC (1996 to 2002) and account manager at Julius Baer Family Office (2002 to 2005).



Jean-Marc Lesieur (2001)
Managing Director HBM Cayman

Associate of the Chartered Institute of Bankers (ACIB trustee), a member of the Society of Trust and Estate Practitioners (STEP) and a Notary Public in the Cayman Islands. He was educated in the Cayman Islands and England.

Former director for Vontobel Private Equity Management Ltd



Dr Matthias Fehr (2002)
Head Private Equity

MSc and PhD in chemistry from ETH Zurich.

Former senior sell-side analyst at Lombard Odier for biotech and medical technology industries; former scientist at the Swiss Federal Institute of Technology



Dr Ivo Staijen (2003)
Head Public Equity

PhD in biotechnology from ETH Zurich and MSc in chemistry from the University of Groningen.

Previously senior biotechnology analyst at Bank Sarasin and department head at MDS Pharma Services

Private Equity Team



Dr Alexander Asam, MBA (2007)
Investment Advisor

MBA from ASTON Business School, Birmingham and MSc and PhD in chemistry from University of Heidelberg.

Former managing director and partner at Deutsche Venture Capital / Deutsche Bank. Various positions at Hoechst, Aventis and LION Bioscience



Dr Priyanka Belawat (2007)
Investment Advisor

PhD in molecular biology and genetics from the University of Zurich and a post-doc at HKUST.

Over 18 years of experience in venture and private equity investing in healthcare space and life sciences research



Dr Emil Bujak, CFA (2015)
Investment Advisor

PhD and MSc in Medicinal and Industrial Pharmaceutical Sciences from ETH Zurich. Chartered Financial Analyst (CFA) since 2019.

Prior experience as a registered pharmacist and in antibody technology research at Philogen



Dr Michael Buschle (2017)
Investment Advisor

PhD from University of London. Research at St. Jude's Children's Research Hospital, Boehringer Ingelheim-owned Institute of Molecular Pathology, Vienna.

Co-founder of Intercell with successful IPO, CSO of Glenmark Pharma



Dr Romain Kooger (2020)
Investment Advisor

PhD and postdoc in biophysics and microbiology at ETH Zurich. BSc and MSc in biochemistry from the university of Geneva with an emphasis on chemistry and neurosciences.

Year-long research internships at Leiden University and Nanjing University



Dr Chandra P. Leo, MBA (2007)
Investment Advisor

Doctor of Medicine from Freie Universität Berlin (Charité), MAS in Medicines Development from University of Basel, MBA with distinction from INSEAD.

Former postdoc at Stanford University, physician at University Hospital Leipzig and principal at Wellington Partners



Dr Asun Monfort (2020)
Investment Advisor

PhD in pharmaceutical development of innovative medicines from University of Navarra. Postdoc at the Stem Cell Institute in the University of Cambridge and postdoc at the Institute for Molecular Health Sciences at ETH.

Previously senior scientist at ETH



Raphael Weibel (2018)
Head Risk Management

Bachelor in Business and Economics and a Bachelor in Geography from Zurich University

Prior positions in auditing at KPMG and banking at Reichmuth & Co. Privatbank. Has previously worked in medical regulatory affairs

Public Equity Team



Steve Chen, CFA (2019)
Investment Advisor (Hong Kong)

MBA from Wharton Business School, MSc in Biochemistry and Molecular Biology from Georgetown and BSc from Nankai University.

Previously managed trading portfolio for Barclays (NY) and Huatais' HK subsidiary and was PM for a large closed-end listed fund in China



Thomas Heimann (2010)
Head Operations & Investment Solutions

MSc and BSc in Banking & Finance from the Lucerne University of Applied Sciences.

Previously in investment analysis and valuation and in client advisory at a Swiss bank



Gavin MacGregor (2017)
Investment Advisor

1st Class BSc in Biomedical Sciences, University of Manchester and a Chartered Management Accountant (CIMA).

Previously senior global healthcare analyst at Martin Currie Investment Management, European pharma analyst at Credit Suisse and Lehman Brothers



Miranda Guo (2020)
Investment Advisor (Hong Kong)

MSc in Biomedical Engineering from the Chinese University of HongKong.

Previously PE investment manager at LEPU Medical Technology and investment analyst at BGI Genomics



Michael Jasulavic (2012)
Investment Advisor (USA)

MSc in Medical Science from MCP/Hahnemann University

Previously biotechnology analyst at Traxis Partners, Sivik Global Healthcare and Jefferies Asset Management



Miles Schofield (2007)
Trading & Execution

Bachelors of Science (Hons) degree from the Open University UK.

Previously in US Equities Middle Office activities at Salomon Smith Barney and Citigroup



Mirjam Heeb (2019)
Investment Advisor

MSc in Molecular Biology from the University of Basel and McGill University, Montreal.

Previously senior portfolio manager of GAM Health Innovation Fund, senior manager with Vifor Pharma, analyst and portfolio manager at Bellevue Group



Ny Ken (2004)
Investment Control

Bachelor in business administration from Zurich University of Applied Sciences.

Previously in administrative functions at HBM Partners AG



Dr Thomas Thaler (2006)
Investment Advisor

PhD in life sciences and MSc in biochemistry and a MBA from ETH Zurich.

Previously senior equity analyst at Bank Julius Baer and in senior management positions with Sulzer Medica, Schneider and Boston Scientific

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