



HBM Healthcare Investments

UNIQUE INVESTMENTS IN PRIVATE AND
LISTED LIFE SCIENCES COMPANIES

FEBRUARY 2023



About HBM Healthcare Investments

Profile

Swiss investment company with \$2.1 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 65 trade sales or IPOs since 2010	Portfolio mix Lower volatility of NAV through private equity and hedging of market and currency risk if situation deemed appropriate	Distribution Attractive distribution policy with 3-5% yield target p.a.	Established in 2001 and SIX Swiss Exchange-listed since 2008 with about 4'000 shareholders

Data as at 31 January 2023

At a Glance

Registered Shares (CHF)

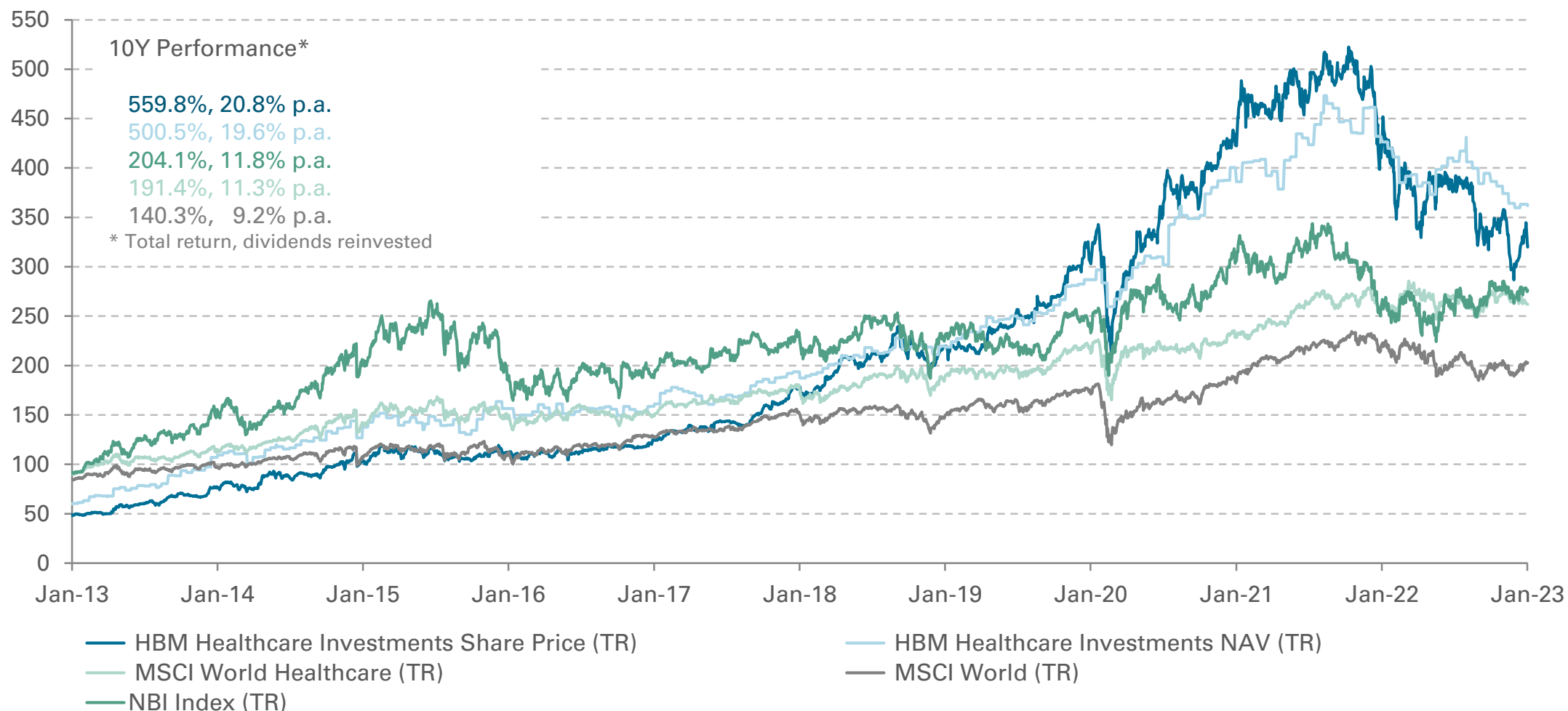
Total assets	1'958 million
Net assets (NAV)	1'776 million
Market capitalisation	1'493 million
Share price	214.50
NAV per share	255.22
Premium (+) / Discount (-)	-16.0%
Average daily liquidity <small>(1 year)</small>	~ 4'500 shares ~ 1.0 million
Number of issued shares	6.96 million
Number of shareholders	~ 4'000

Performance (CHF)

Net return <small>(including dividends)</small>	2023	2022	2021	2020	5Y	10Y
					Return p.a.	Return p.a.
NAV	0.6%	-21.7%	19.0%	36.7%	14.1%	19.6%
Share price	6.7%	-37.8%	15.2%	40.5%	12.4%	20.8%
Distribution CHF		9.70	12.50*	7.70		
Distribution yield		3.5%	3.8%	4.1%		
		5Y Volatility p.a.			1Y Volatility p.a.	
Share price			26.7%			33.9%
NAV			16.3%			15.9%

Data as of 31 January 2023, * special distribution of CHF 3.00 in 2021 to mark the 20th anniversary of the Company

Indexed Performance Over 10 Years



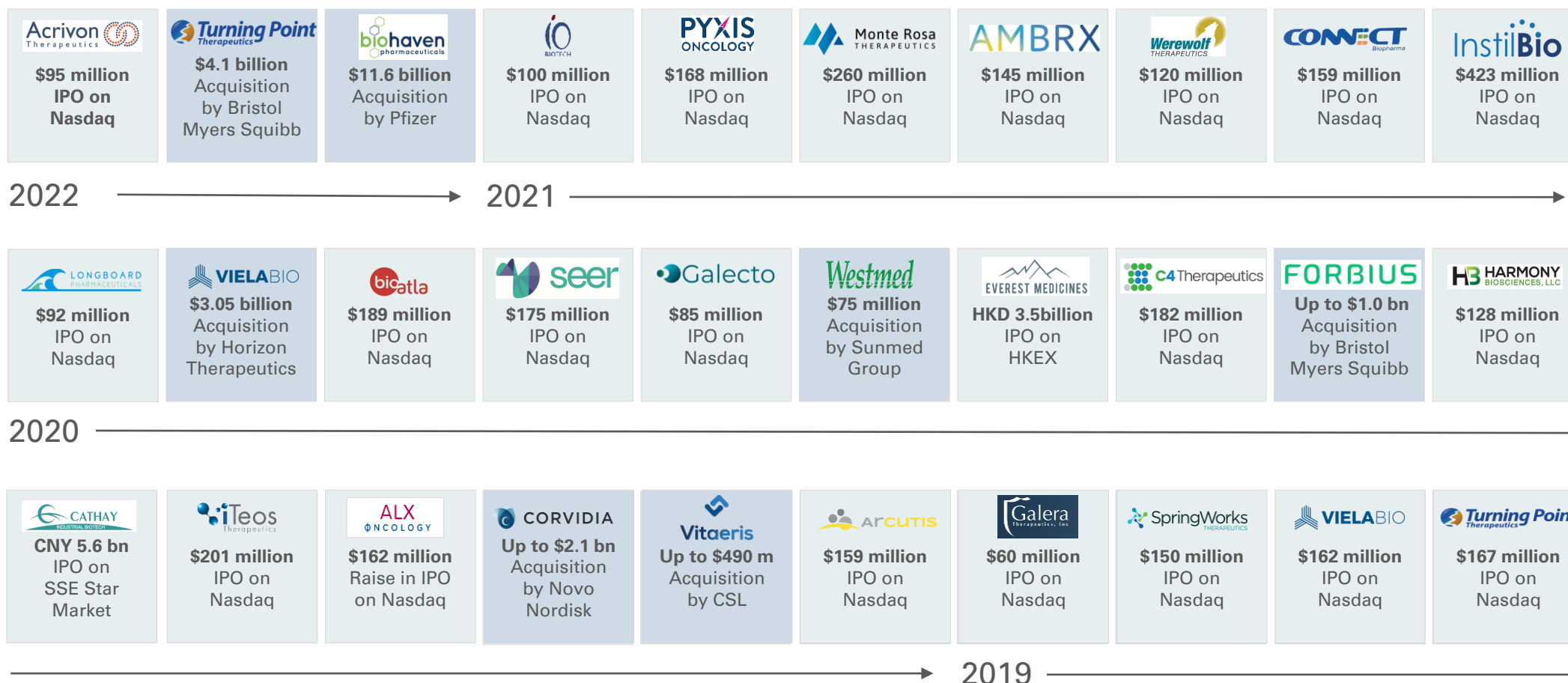
Source: Bloomberg, Data as of 31 January 2023, in CHF, indexed since inception (12.07.2001 = 100), dividends reinvested

Portfolio Highlights Over the last 3 Years

> 25 new private investments	
20 IPOs	
12 Trade sales	
Positive clinical data	
7 market approvals	
Upcoming catalysts in 2023	

Data as of 31 January 2023

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



Data as of 31 January 2023

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

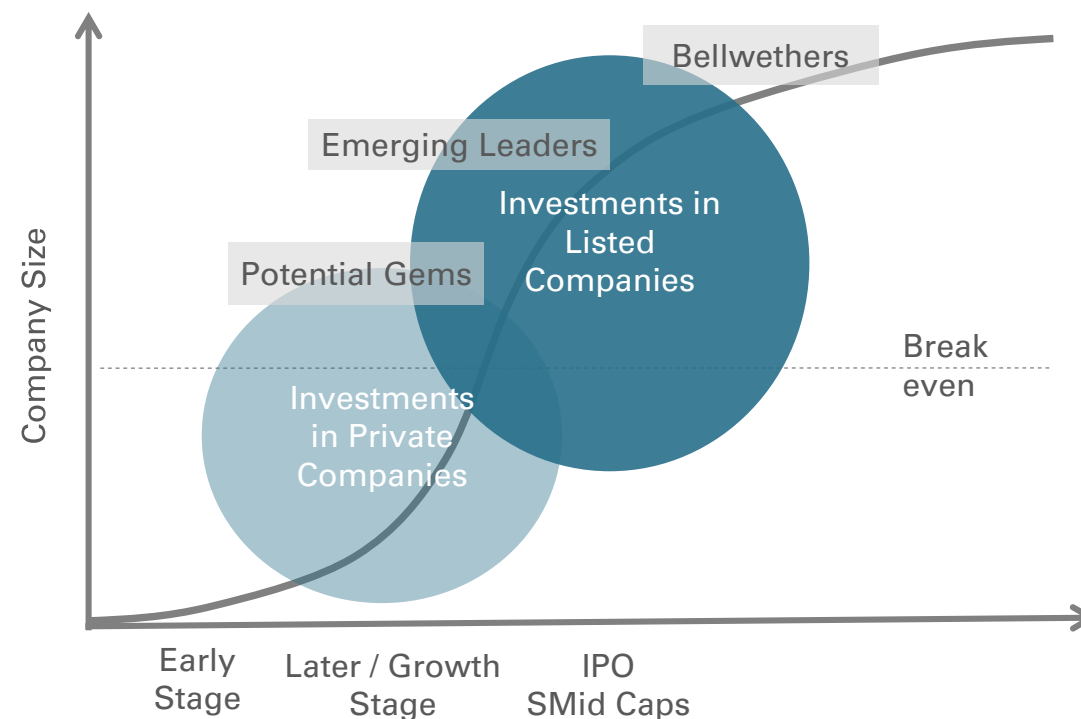
Flexibility

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

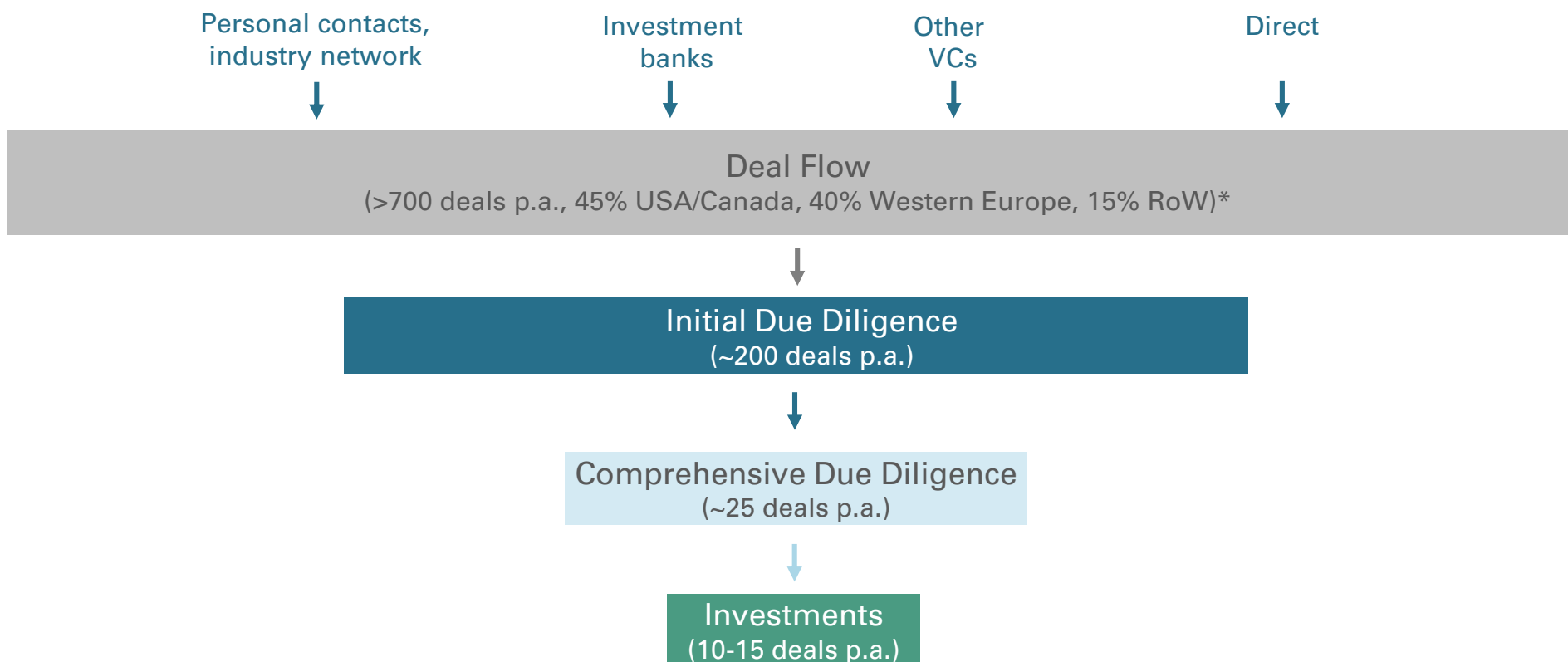
Investment Approach

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

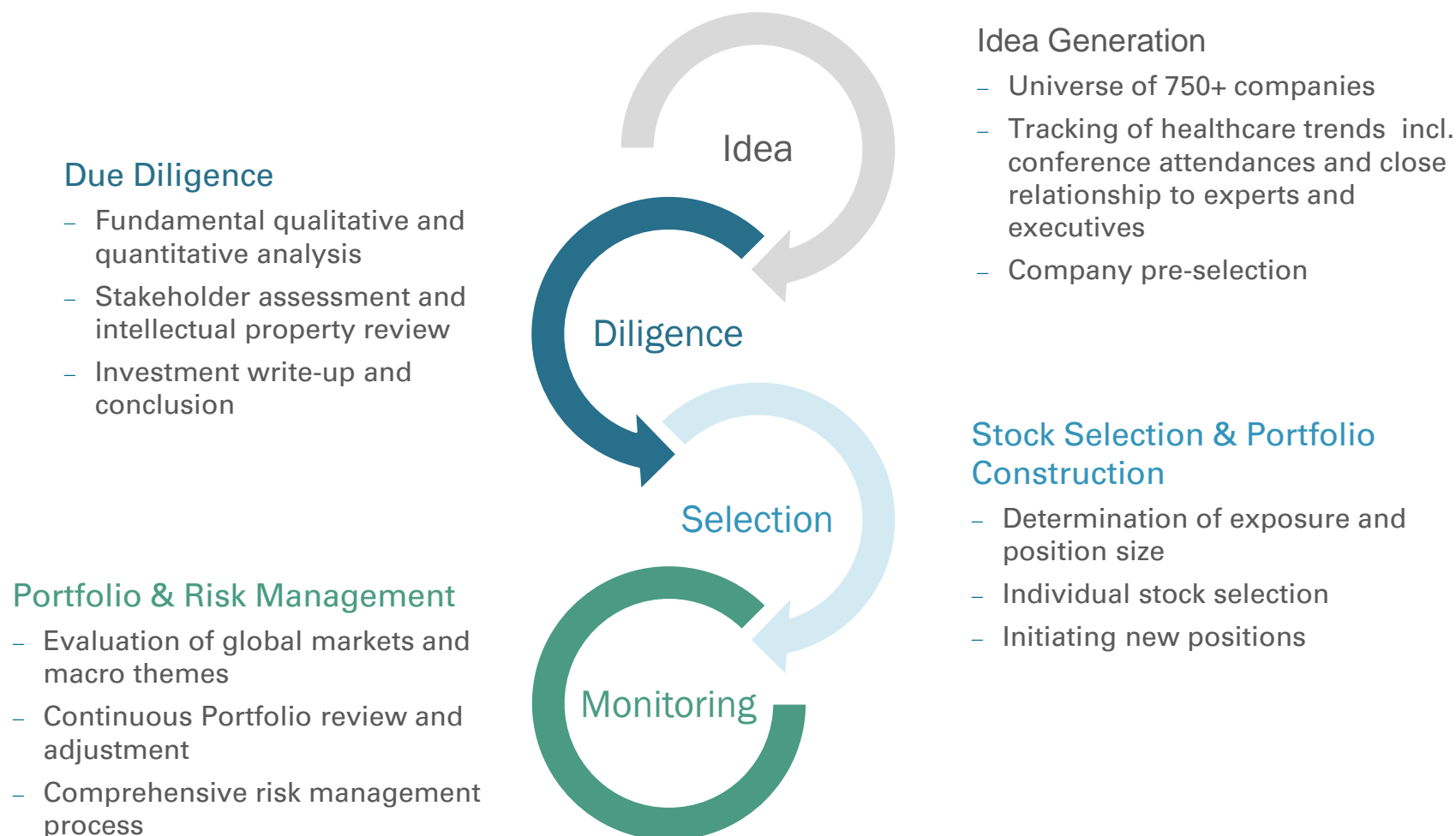


Private Equity Investment Process



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

Public Equity Investment Process



Deal Sourcing of Private Equity Investments

<div data-bbox="275 358 527 486">HBM as Lead Investor</div> <div data-bbox="290 558 486 636"> </div> <div data-bbox="264 715 453 793"> </div> <div data-bbox="318 836 509 915"> </div> <div data-bbox="290 972 479 1051"> </div>	<div data-bbox="631 344 733 415">ARMO BIOSCIENCES</div> <div data-bbox="800 344 914 415">TRUE NORTH THERAPEUTICS</div> <div data-bbox="983 358 1080 415">Sai make it better together</div> <div data-bbox="1161 351 1253 444">img</div> <div data-bbox="647 479 733 529">ALX ONCOLOGY</div> <div data-bbox="861 465 952 508">bicatla</div> <div data-bbox="1009 479 1192 522">CONNECT Biopharma</div> <div data-bbox="639 551 817 594">ICONIC THERAPEUTICS</div> <div data-bbox="983 558 1192 608">AnaptysBio</div> <div data-bbox="800 622 945 658">Acrivon Therapeutics</div> <div data-bbox="1123 636 1309 672">SpringWorks THERAPEUTICS</div> <div data-bbox="639 701 817 736">PRINCIPIA BIOPHARMA</div> <div data-bbox="912 694 1080 736">AMBRX</div> <div data-bbox="1116 743 1294 779">arrakis THERAPEUTICS</div> <div data-bbox="621 786 810 865"> </div> <div data-bbox="907 808 1085 843">Turning Point Therapeutics</div> <div data-bbox="1149 851 1309 908">iTeos™ Therapeutics</div> <div data-bbox="843 908 1029 986"> </div> <div data-bbox="1123 936 1309 993">HOMOLOGY Medicines, Inc.</div> <div data-bbox="614 986 805 1065"> </div> <div data-bbox="901 1029 1085 1079">Monte Rosa THERAPEUTICS</div> <div data-bbox="1161 993 1309 1079">ACULYS</div>	<div data-bbox="1391 379 1564 415">LONGBOARD PHARMACEUTICALS</div> <div data-bbox="1498 479 1625 522">Obseva nature meets nurture</div> <div data-bbox="1378 551 1523 608">bjoshin 标新</div> <div data-bbox="1472 622 1625 658">H3 HARMONY BIOSCIENCES, LLC</div> <div data-bbox="1391 686 1523 722">APTINYX</div> <div data-bbox="1370 751 1564 829"> </div> <div data-bbox="1429 865 1625 943"> </div> <div data-bbox="1416 993 1607 1072"> </div>	<div data-bbox="1735 358 1824 436">Valo</div> <div data-bbox="1735 494 1972 544">Polyneuron Pharmaceuticals</div> <div data-bbox="1722 615 1905 672">KARIUS clarity at speed™</div> <div data-bbox="1753 758 1946 836"> </div> <div data-bbox="1735 936 1931 1015"> </div>	<div data-bbox="2053 358 2142 451">C-RAY 通瑞</div> <div data-bbox="2155 358 2308 415">fog.pharma</div> <div data-bbox="2142 436 2308 494">EVEREST MEDICINES</div> <div data-bbox="2053 508 2257 551">NUANCE PHARMA</div> <div data-bbox="2040 579 2130 615">Shrji</div> <div data-bbox="2232 579 2308 615">Sai make it better together</div> <div data-bbox="2028 636 2142 679">seer</div> <div data-bbox="2155 636 2308 672">Genalyte</div> <div data-bbox="2130 694 2283 751"> </div> <div data-bbox="2028 779 2232 822">Interventional Spine A NEW PARADIGM FOR SPINAL THERAPY</div> <div data-bbox="2206 836 2308 872">VALCARE Inventors of Tact</div> <div data-bbox="2028 886 2219 965"> </div> <div data-bbox="2130 979 2283 1036"> </div> <div data-bbox="2028 1051 2168 1093"> </div>
Backed team previously	Other VCs or BoD relationship	Relationship with founder/management	Direct sourcing / HNWI / Family Offices	Strategic fund investments

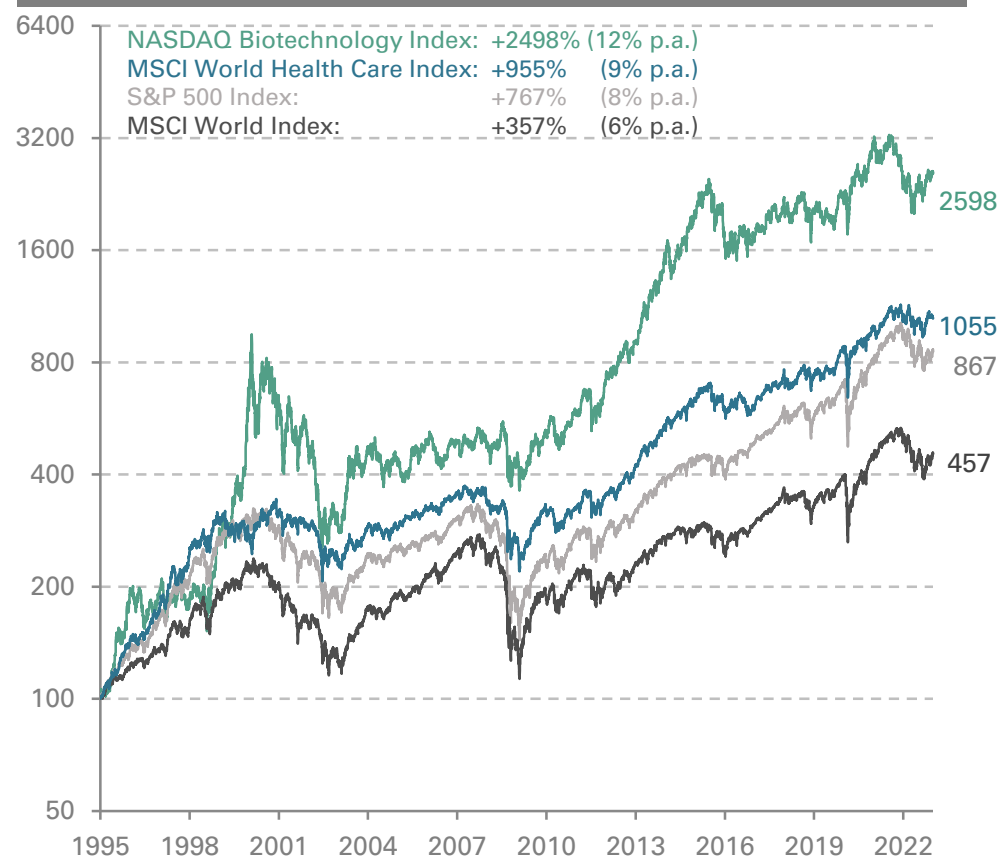
Investments > CHF 5 million; data as of 31 December 2022



Healthcare Sector

Attractive Growth Sector with Strong Fundamentals and Drivers

Biotech Outperformed the Market Over Short & Long Term

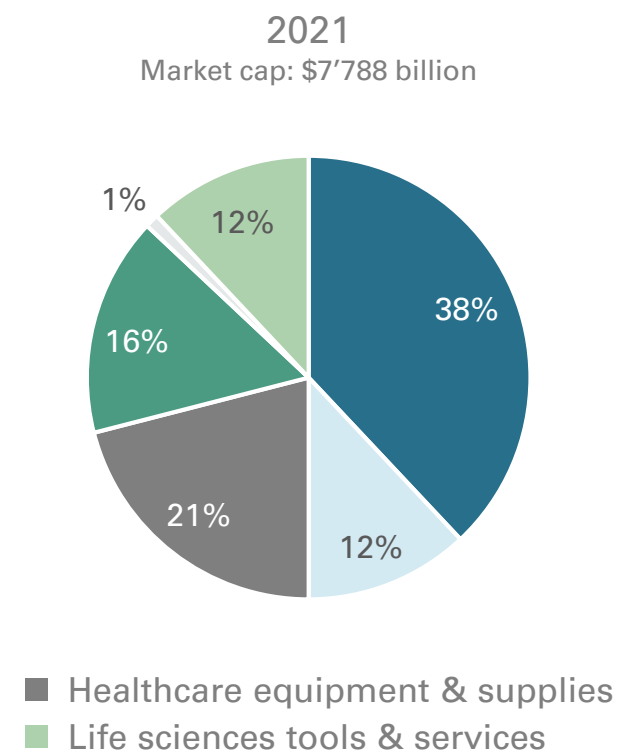
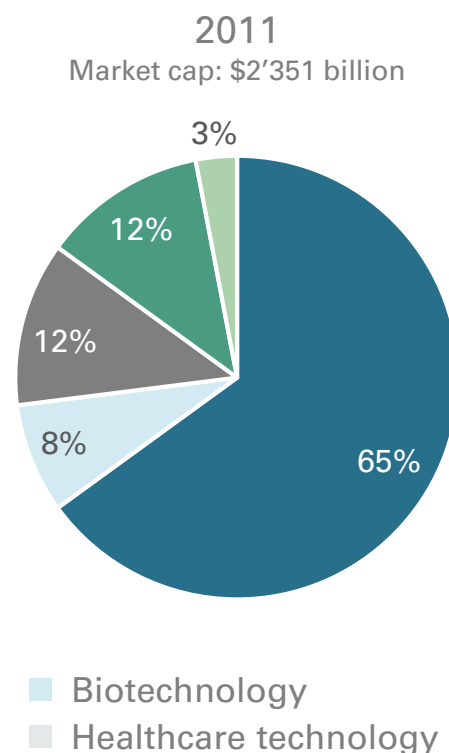
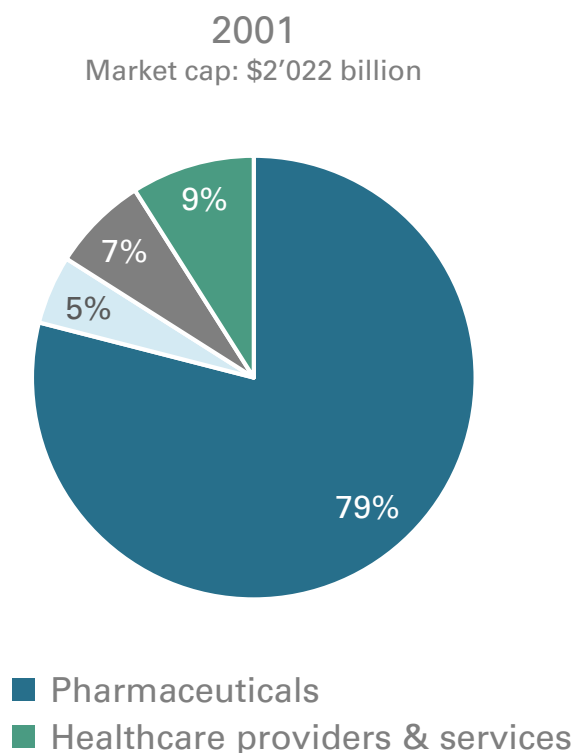


Source: Bloomberg, data as of 31 January 2023, in USD

- 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

Healthcare Sector Looks a Lot Different Today

It is not all about pharma

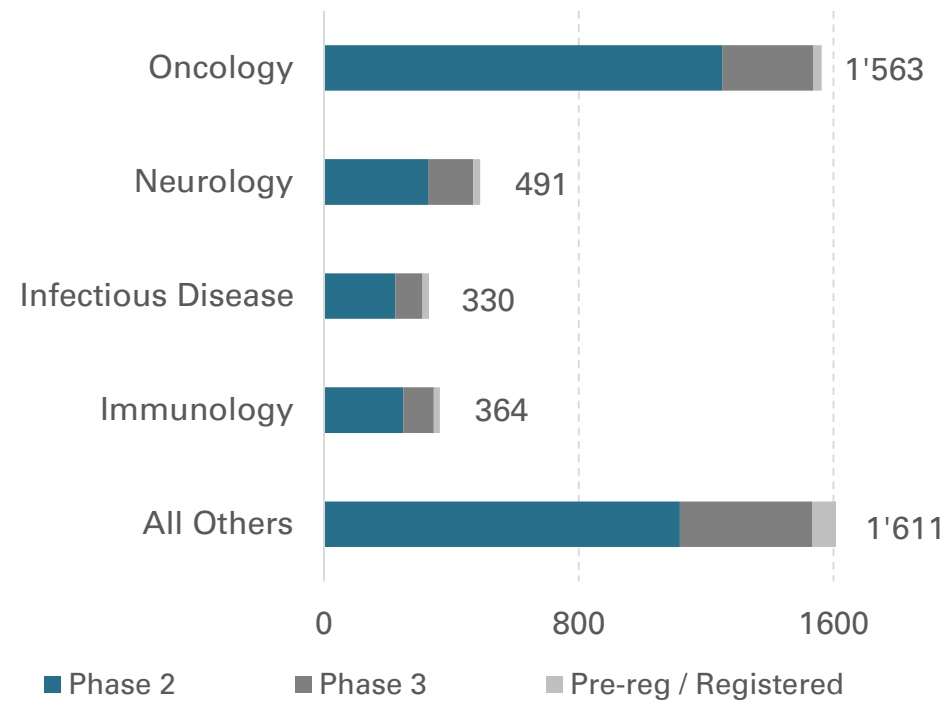
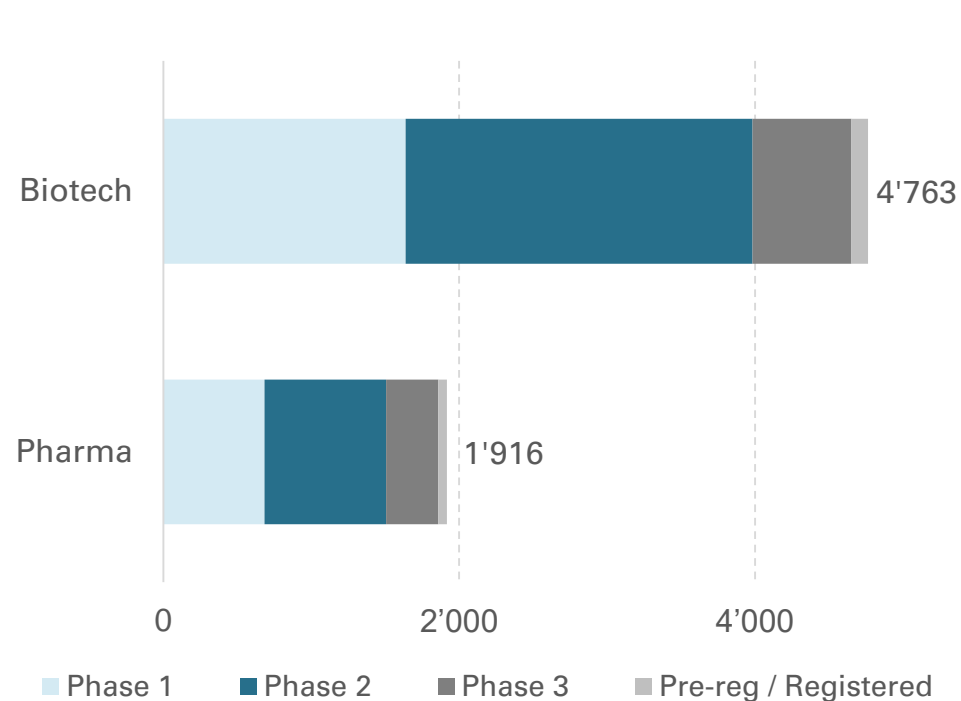


Source: MSCI World Healthcare, data as of 31 December each year

Over 6'500 Clinical Programs Worldwide

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

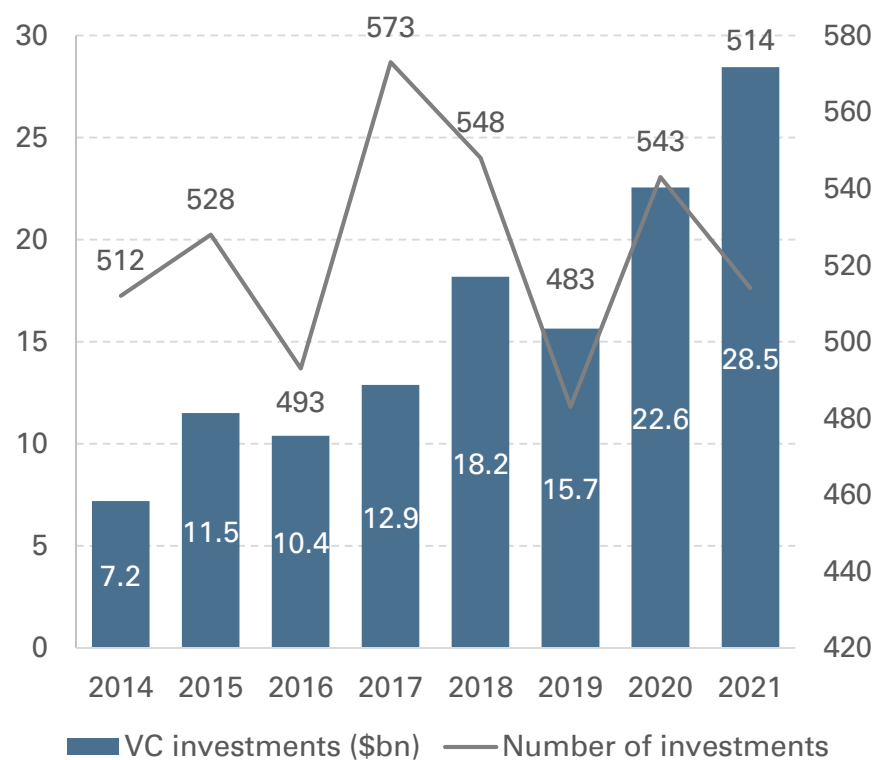
Number of clinical programs



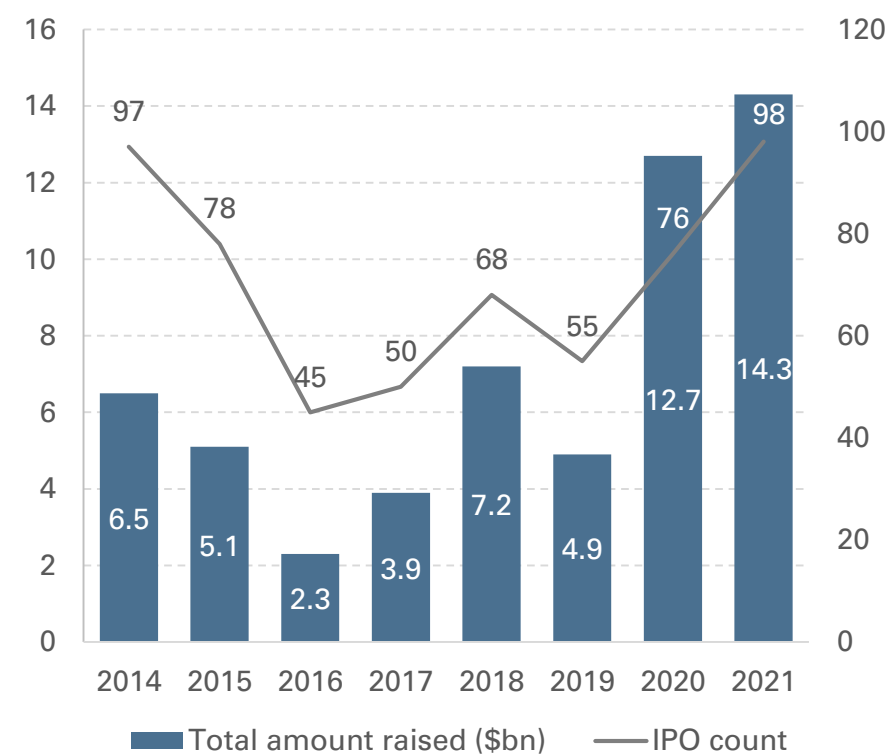
Source: Biotechnology Innovation Organization Report, (2018)

Steady Flow of New Investment Opportunities

Global venture investments into biotech



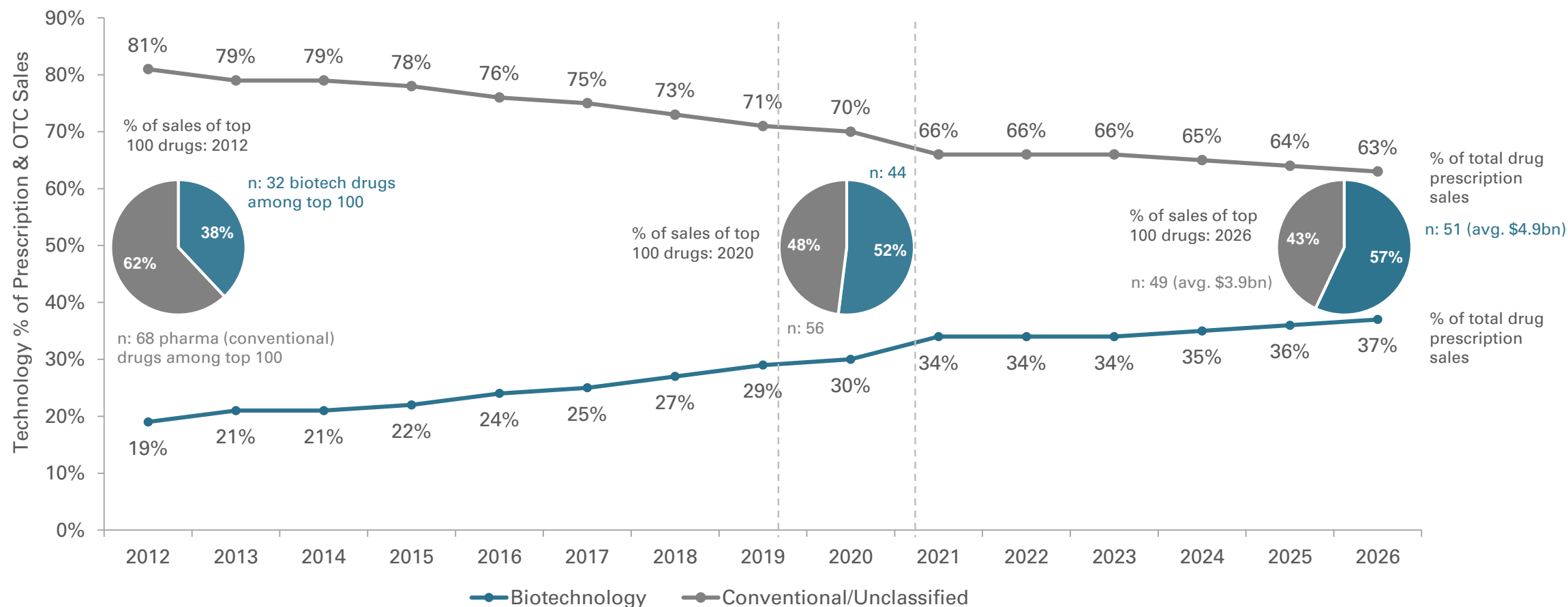
Biotech IPOs on western exchanges



Source: Evaluate Pharma, (January 2022)

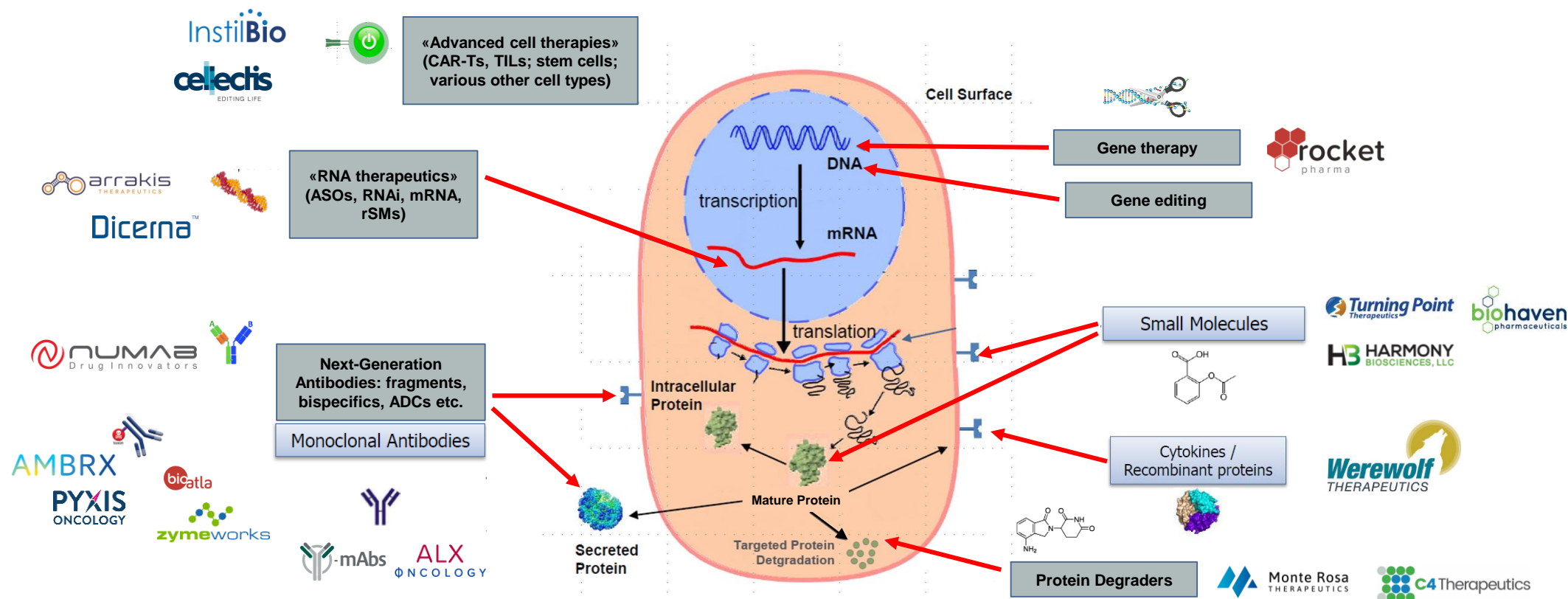
Biotech Drugs Become Market Leaders

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



Source: Evaluate Pharma, May 2021

Treatment Modalities – Today and Tomorrow



Graphic adapted from: Orbimed

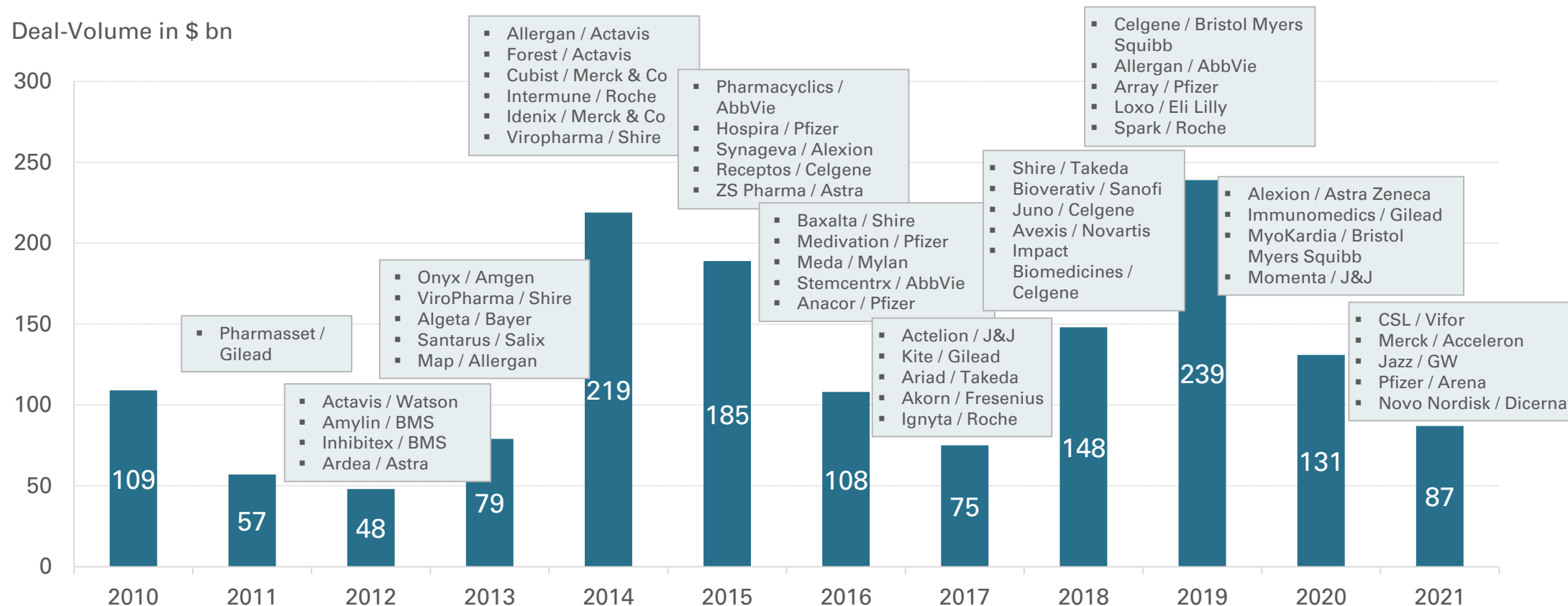
Innovation Can Also Be In Delivery



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

Pharma and Biotech M&A Activity

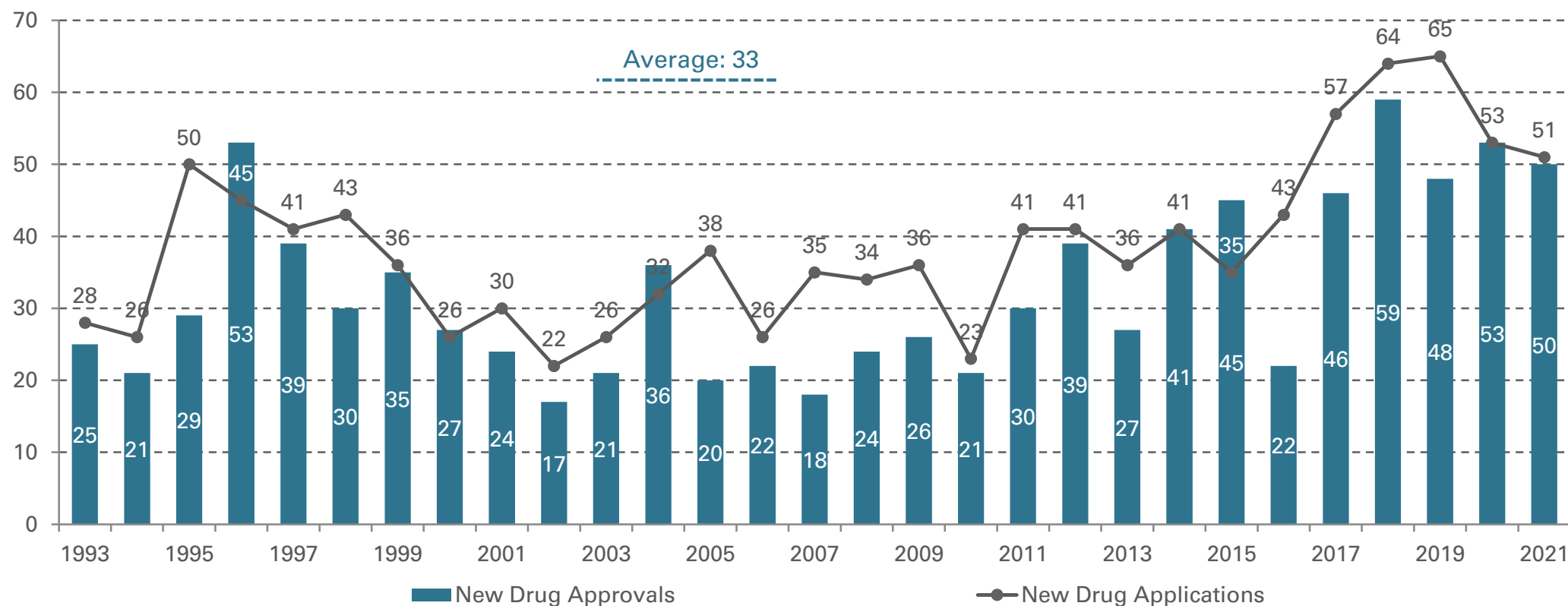
On average 50% premium over stock price before acquisition



Source: Evaluate Pharma (2022)

Annual New Drug Approvals

Number of New Drug Approvals and Applications at the US FDA



Source: FDA, CDER (2021)



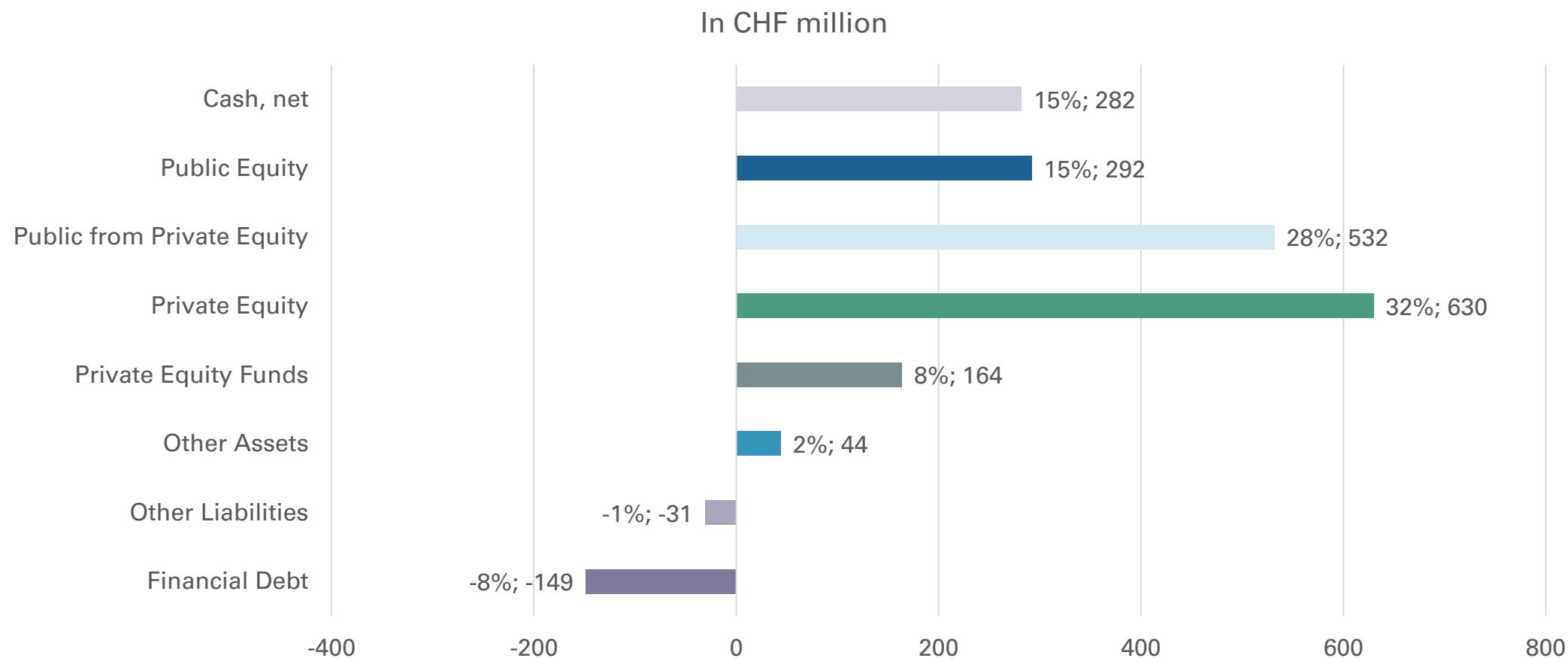
Investment Portfolio

A Global Portfolio



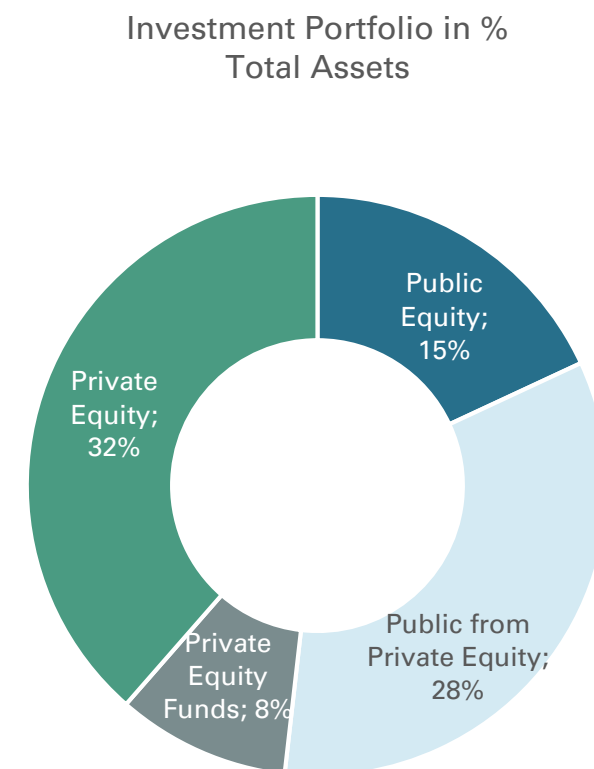
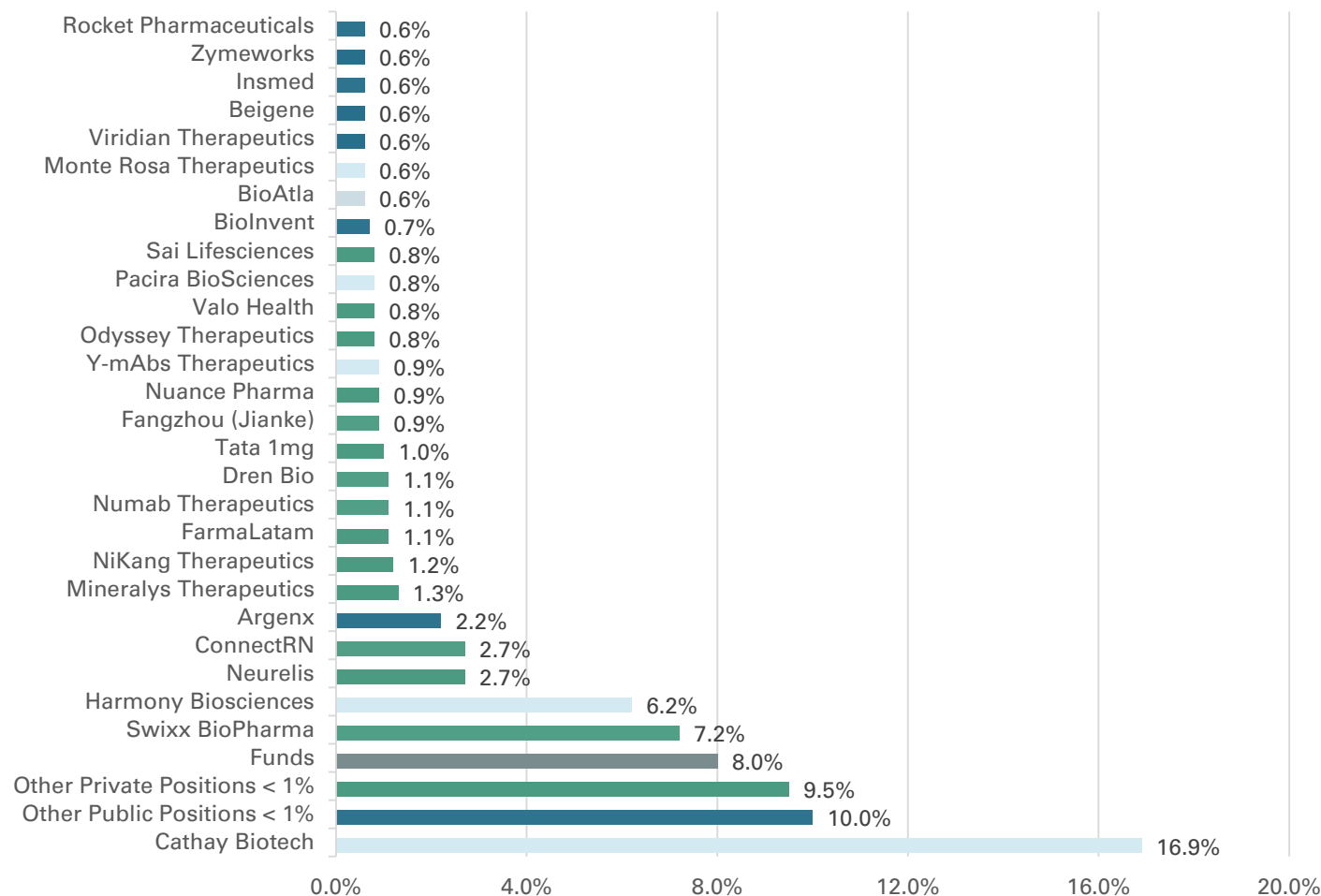
Data as of 31 December 2022 (Selection)

Asset Allocation



Data as of 31 December 2022, in % of total assets of CHF 1'944 million

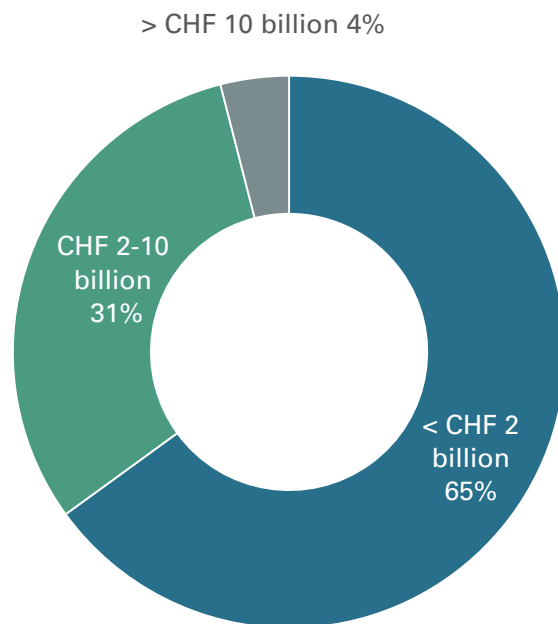
Diversified Investment Portfolio



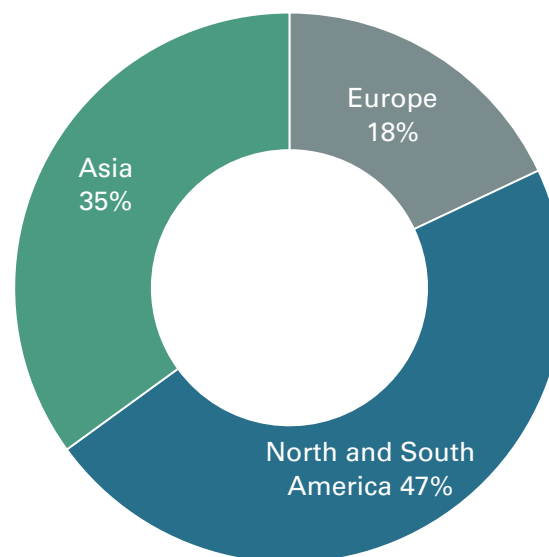
Data as of 31 December 2022, in % of total assets of CHF 1'944 million, Top 10: 41.8%

Portfolio Breakdown by Market Cap, Geography and Currency

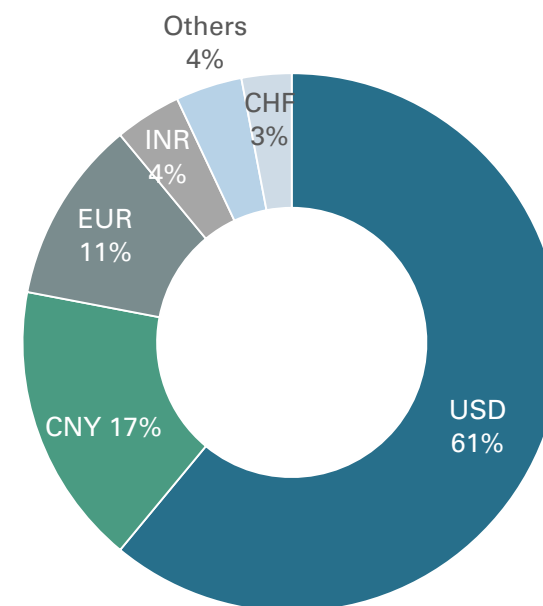
Market Capitalisation



Geography



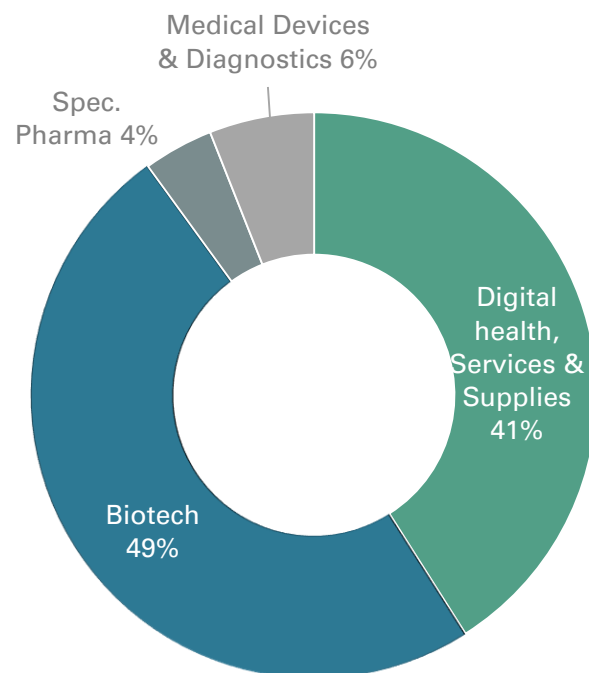
Currency



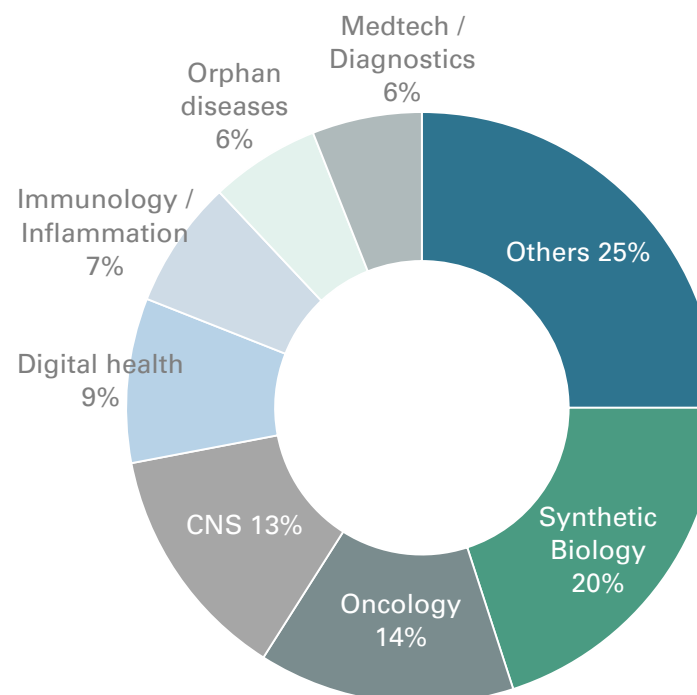
Data as of 31 December 2022, in % of investments, currency in % of total assets

Portfolio Breakdown by Sector, Therapy and Development Stage

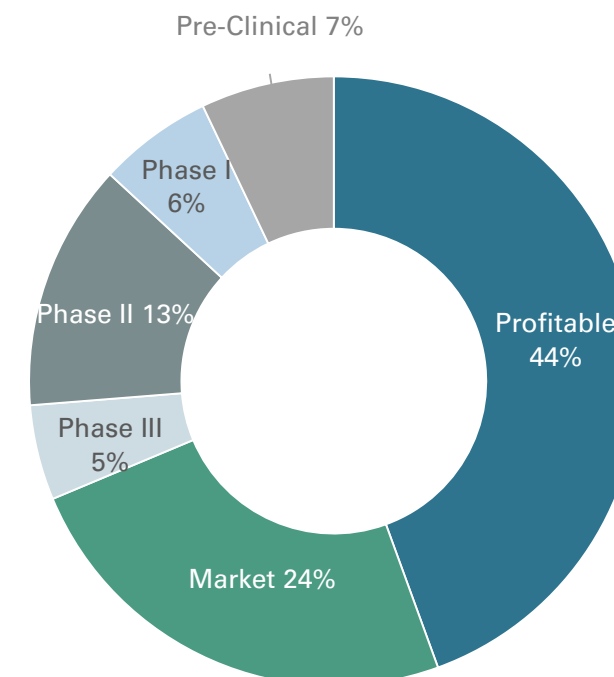
Sector Breakdown



Therapeutic Area

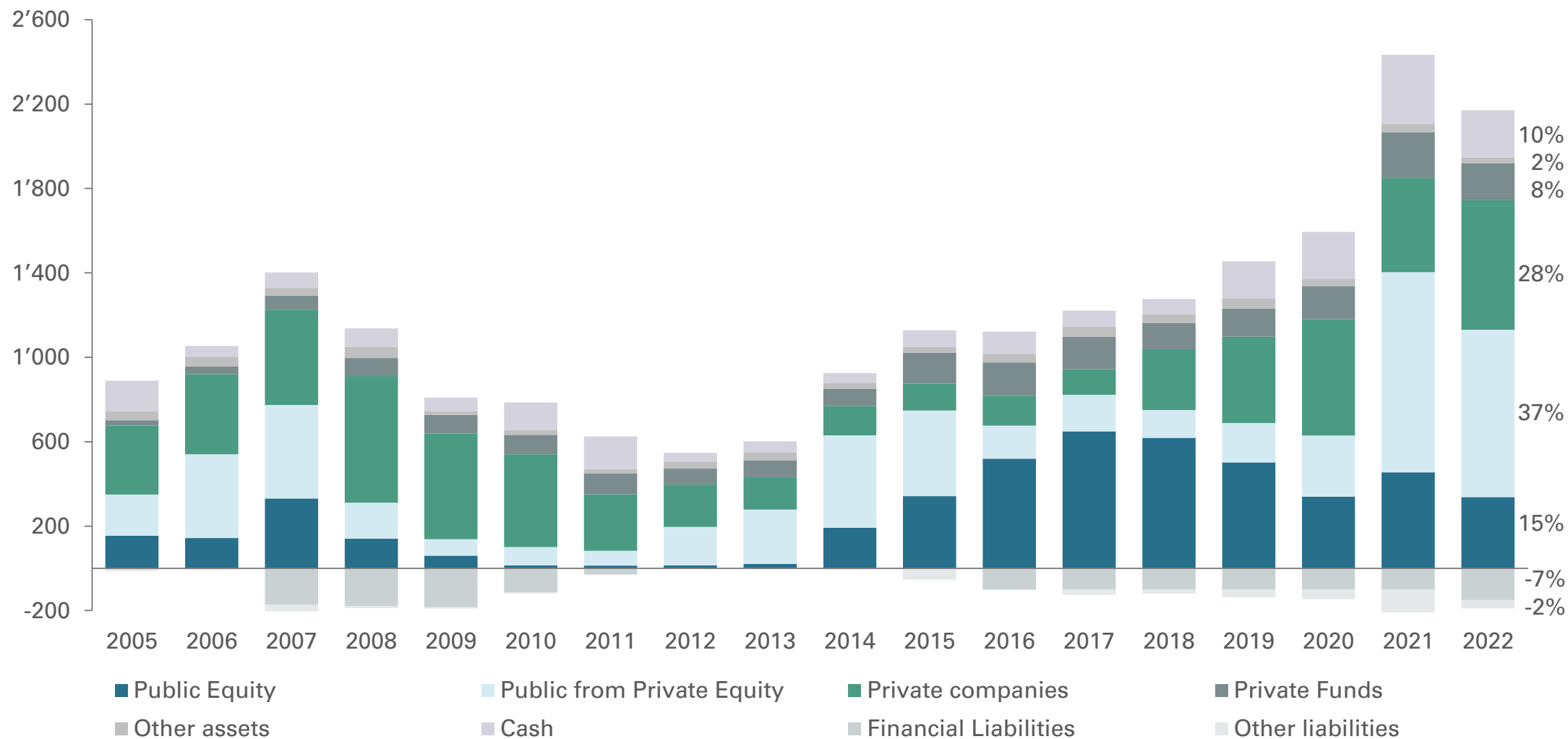


Development Stage



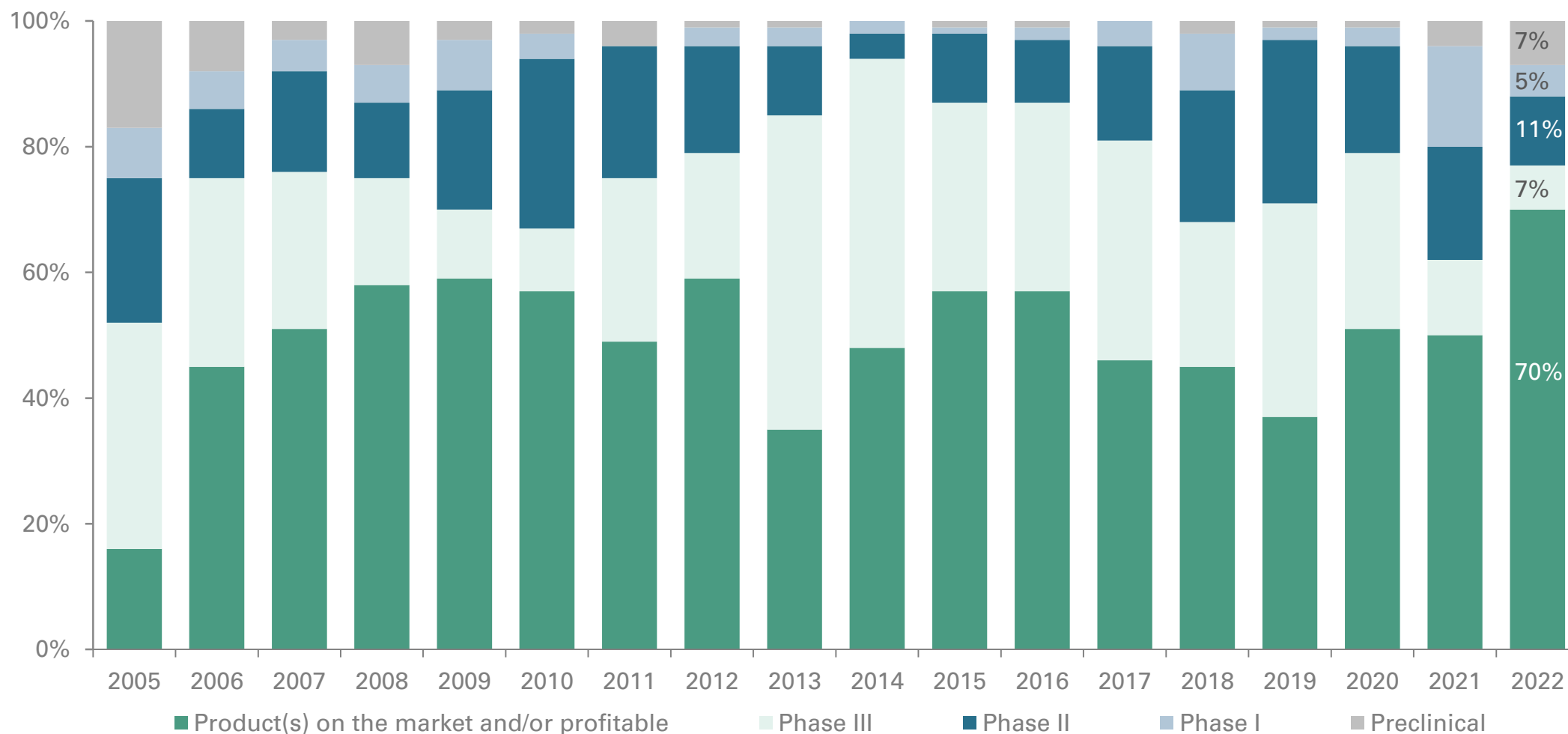
Data as of 31 December 2022, in % of investments

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

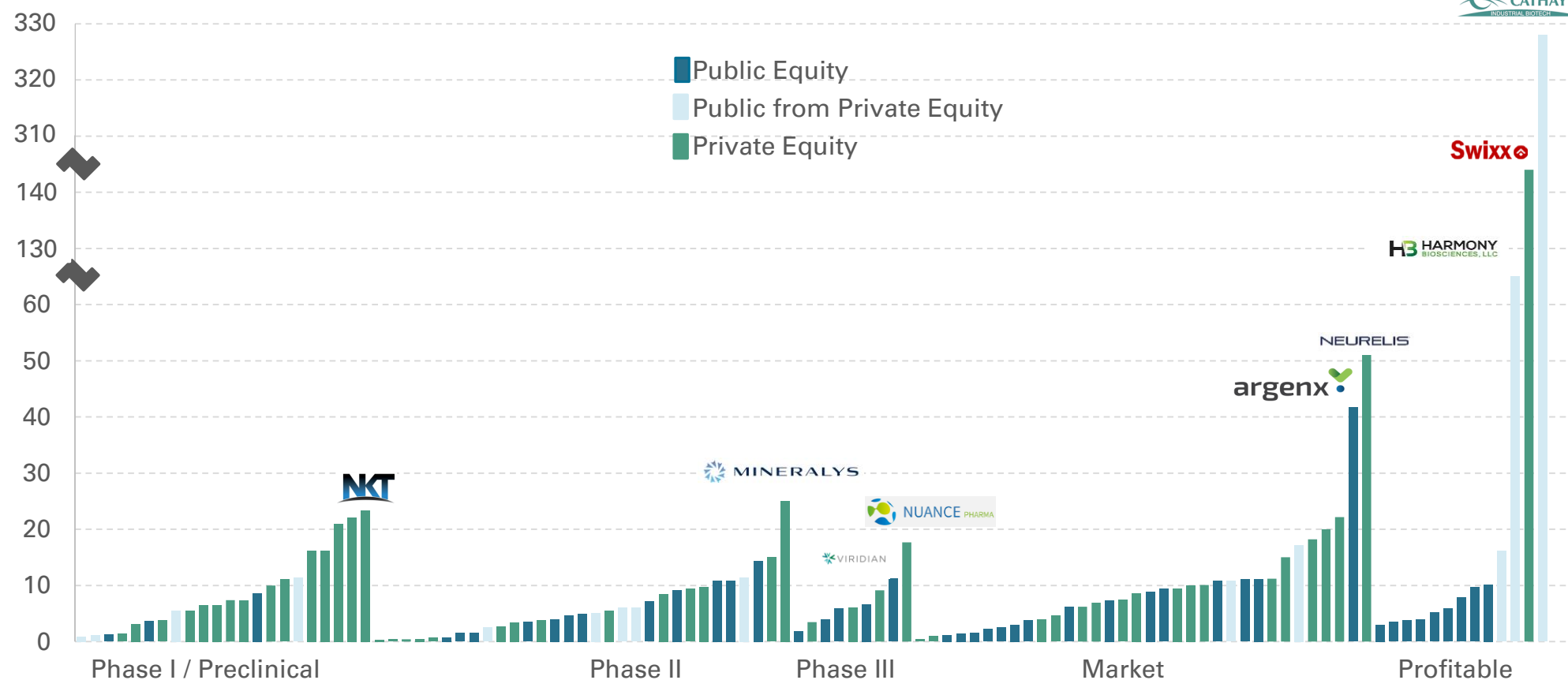


Data as of the end of each financial year (31 March 2022), in % of investments

Portfolio by Development Stage of Lead Asset







Well balanced portfolio from a risk perspective

HBM book value
in CHF m



Data as of 31 December 2022







Largest Investments (1/2)

Company	Core Business	Company Stage	Ticker	Market Capitalisation (CHF m)	Ownership (%)	Book Value (CHF m)	% of Total Assets
	Synthetic biology (long chain diacids, carbohydrates, special enzymes, green nylon)	Profitable	688065 CH (ex private)	4'789	7.1	327.8 ¹⁾	16.9
	Full representation of biopharma companies in central and eastern Europe	Market	Private	534*	26.3	140.2	7.2
	Drug for the treatment of narcolepsy (with and without cataplexy)	Profitable	HRMY (ex private)	3'023	3.6	109.4	6.2
	Nasal spray for the treatment of epileptic seizures	Market	Private	497*	10.5	51.9	2.7
	Provider of the nurse-centric staffing app in the US	Market	Private	241*	20.0	48.1	2.7
	Drugs for the treatment of severe autoimmune diseases (MG, ITP, PV)	Market	ARGX	18'802	0.2	41.7	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 December 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
 MINERALYS	Developing therapies for the treatment of hypertension	Phase II	Private	268*	10.1	25.1	1.3
	Developing small molecule oncology medicines (eg HIF2a inhibition)	Phase I/II	Private	439*	5.3	23.3	1.2
	Developing bispecific antibodies for cancer and inflammation	Phase I	Private	288*	7.7	22.2	1.1
	India's leading consumer health platform. Part of the Tata Digital brand companies	Market	Private	507*	4.0	20.0	1.0
	China's leading B2C SmartCare service platform	Market	Private	342*	5.3	18.2	0.9
	Antibody-based drugs for cancer therapies (haematological cancer and solid tumors)	Phase I/II	BINV	185	7.8	14.4	0.7

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

Largest Private Equity Investments

140

Swixx BioPharma

- Full representation service in Central and Eastern Europe (CEE)
- Profitable company with net sales projected to exceed EUR 700 million in 2022; high double-digit sales growth
- Over 1'100 employees as of 1Q 2023

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 December 2022, Bookvalue in CHF million

25

Mineralys Therapeutics

- Targeted approach for the treatment of hypertension
- MLS-101 is an Aldosterone synthase inhibitor that showed significant effect size in a proof of concept trial
- Pivotal clinical trials for hypertension will start around end of 2022; potential for extension into obstructive sleep apnea, chronic kidney disease, hyperaldosteronism

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

Largest Public Equity Investments

328

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.

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Harmony Biosciences

- Narcolepsy (with and without cataplexy).
- WakixTM (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.

42

Argenx

- Drugs for autoimmune diseases – lead drug market approved VYVGART for the treatment of myasthenia gravis (gMG) – potential indication expansion into ITP & PV
- Novel antibody-based therapies, combining the diversity of the llama immune system with antibody engineering

16

Pacira

- 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 2022 of \$667 million.

14

BiolInvent

- Antibody-based drugs for cancer therapies (haematological cancer and solid tumors). Five ongoing clinical studies with five different compounds.
- Partnership with Merck to evaluate the combination of BI-1206, BI-1808 and BT-001 in combination with Keytruda[®]

11

Viridian Therapeutics

- The Company is engaged in developing two product candidates, VRDN-001 (in phase III) and VRDN-002 (phase II), to treat patients who suffer from thyroid eye disease (TED)
- VRDN-001 potentially offers several advantages over the current standard of care (blockbuster drug) Tepezza from Horizon Therapeutics

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 1.4x | 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 2.5x | 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 1.9x | 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 1.2x | 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 1.2x | Ownership: 67%

Growth and expansion investments in Indian healthcare companies



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

Latest IPOs from Private Equity Portfolio

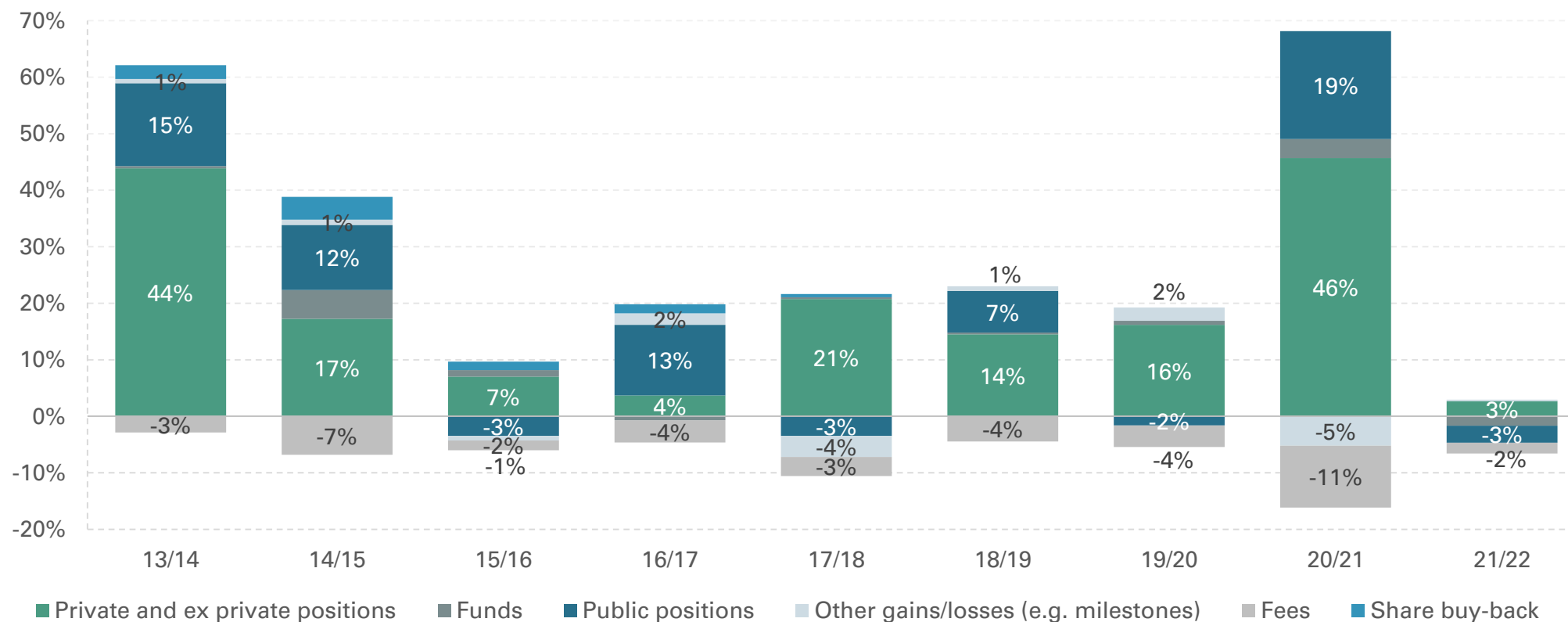
Company	Year of IPO	\$ Amount Invested Private	Multiple to IPO Price	\$ Amount Invested at IPO	Post IPO Performance (until end of Period or Sale)
Acrivon Therapeutics	2022	8.0	0.89x	0.0	30%
IO Biotech	2021	23.2	1.47x	4.6	-81%
Pyxis Oncology	2021	6.0	1.53x	2.4	-90%
Monte Rosa Therapeutics	2021	14.0	2.44x	8.0	-62%
Ambrx	2021	20.0	1.56x	14.0	-89%
Werewolf Therapeutics	2021	5.0	2.00x	2.4	-75%
Connect Biopharma	2021	10.0	1.55x	5.1	-93%
Instil Bio	2021	12.5	3.10x	6.0	-96%
Longboard	2021	10.0	2.20x	8.0	-71%
Seer	2020	2.8	2.40x	0.1	23%
BioAtla	2020	11.5	2.69x	17.6	-76%
Galecto	2020	11.8	1.48x	5.0	-84%
C4 Therapeutics	2020	4.0	2.22x	5.7	75%
Harmony Biosciences	2020	36.4	2.96x	3.9	145%
Cathay	2020	38.0	14.02x	0.0	-49%
iTeos Therapeutics	2020	7.9	2.42x	10.0	150%
ALX Oncology	2020	5.0	2.00x	7.6	-52%
Arcutis	2020	15.0	1.46x	7.6	-3%
Viola 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 (Acquired by BMS for \$4.1bn)	2019	10.0	1.54x	4.5	322%
Y-mAbs	2018	23.3	1.71x	9.4	-71%
Principia (Acquired by Sanofi for \$3.7bn)	2019	12.0	1.18x	7.2	488%
Aptinyx	2018	6.5	1.95x	2.0	-97%
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 31 January 2023

Contribution to Net Asset Value

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

NAV change per year

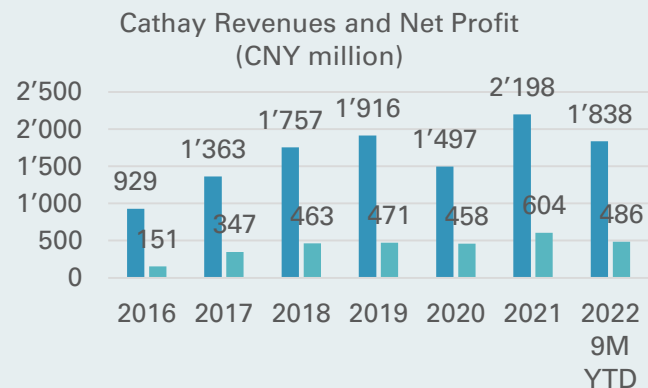


Note: IPO allocations in previously private companies are attributed to P&L from private positions, Data as of March 2022

Case Study Cathay Biotech



- Market cap: CNY 35.7 billion (CHF 4.8 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 2.4 billion (CHF 328 million, net of lock-up discount)



Source: Bloomberg and Company announcements; Financial figures as of 28 October 2022, all others as of 31 December 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

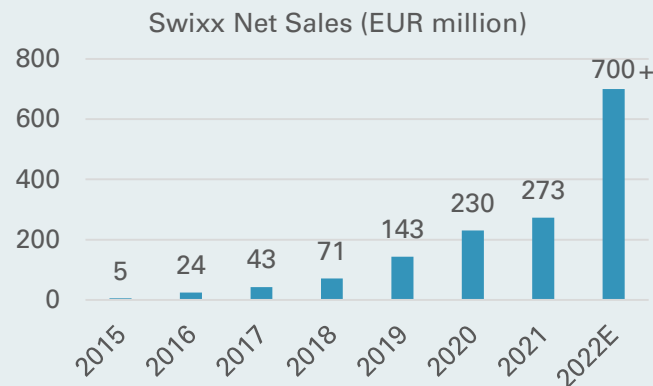
- Company achieved revenue CAGR 2016-21 of 20% with a net profit margin of around 25%. Revenue and net profit in FY2021 surpassed pre COVID 2019 levels by far: +15% and +28% respectively
- After two challenging quarters in a row the company reported (9M 2022) sales of CNY 1'838 million compared to CNY 1'754 million a year ago (+4.8%). Net income was CNY 486 million compared to CNY 476 million last year (+2.1%). Growth has slowed considerably over the last two quarters amid temporary headwinds. However, the company's profit margin improved sequentially as raw material prices declined in the third quarter.

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 exceed EUR 700 million (with new client Sanofi and others)
- 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 December 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 exceed EUR 700 million in 2022 (with new client Sanofi and others) – coupled with growing profitability (from 2023-24 targeting double-digit EBITDA margin)
- Over 1'100 employees as of 1Q 2023
- 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 3.3 billion
- Meaningful revenues of USD 305.4 million in 2021 (second year since launch of therapy)
- Ownership of 5.1% in company (investment of USD 40.3 million pre and at IPO, current book value of USD 133.4 million after profit-taking - approx 35% of position)



Data as of 31 December 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

Healthcare Market Outlook

The market is well positioned for further upside given attractive relative valuations, which could be complemented by an acceleration in M&A activity

Tailwinds

- A new cycle of major biotech innovation and transformative technologies
- Financials provide some level of downside protection
- Changing FDA regulatory body allowing rapid development and approval of these drugs
- Later-stage M&A activity expected to continue as large pharma companies still need to fill their pipelines and have plenty of cash to spend
- Private financing activities proved resilient so far amid high level of dry powder available

Headwinds

- Macropolitical uncertainties
- Market-wide shift from growth to value
- Generalist money inflow remains muted (eg. ETF flows)
- IPOs have come to a halt after record-breaking 2021; limited secondary offerings
- Concern on the sustainability of drug pricing across the globe

Expected Catalysts for 2023

Phase I		Phase II		Phase III		Approval
<div>ALX148 + azacitidine: Phase Ib ASPEN-02 data in MDS</div> <div>ALX ONCOLOGY</div>	<div>RP-L301: Pyruvate Kinase Deficiency (PKD), Phase 1 Data</div> <div>rocket</div>	<div>BA3021: Interim data update from Phase II study in ROR2-positive NSCLC</div> <div>bicatla</div>	<div>VRDN-001: topline data from 3mg/kg cohort of Phase I/II study</div> <div>VIRIDIAN</div>	<div>Efgartigimod SC: ADHERE phase III results, chronic inflammatory demyelinating polyneuropathy (CIDP)</div> <div>argenx</div>	<div>Bezuclastinib; initial lead-in data from the PEAK trial for GIST</div> <div>cogent</div>	<div>Brukina: US Approval, Zanibrutinib, CLL/SLL</div> <div>BeiGene</div>
<div>BI-1808: Phase I combination study with Pembrolizumab</div> <div>BioInvent</div>		<div>Bezuclastinib. update from Part 1 of the APEX study for AdvSM</div> <div>cogent</div>	<div>VRDN-002: PoC data (2mL 300mg SC formulation), TED patients</div> <div>VIRIDIAN</div>	<div>Efgartigimod SC: ADDRESS phase III results, pemphigus vulgaris and foliaceus (PV/PF)</div> <div>argenx</div>	<div>Savolitinib: Global phase III SAFFRON and China Phase III SACHI/SANOVO data readouts</div> <div>HUTCHMED</div>	<div>Exparel, sciatic and adductor canal nerve blocks</div> <div>PACIRA</div>
<div>BI-1607: Phase I combination study with Trastuzumab</div> <div>BioInvent</div>		<div>Brensocatib: Phase II, cystic fibrosis</div> <div>insmed</div>	<div>Zanidatamab (ZW25), 1L HER2+ GEA</div> <div>zymeworks</div>	<div>ADVANCE-SC phase III results, primary immune thrombocytopenia (ITP)</div> <div>argenx</div>	<div>Arikayce: multiple phase III (ARISE study), front-line NTM-MAC</div> <div>insmed</div>	<div>Padcev: FDA Approval; 1L metastatic urothelial cancer (mUC)</div> <div>Seagen</div>
<div>Pitolisant (Wakix): Myotonic dystrophy 1</div> <div>H3 HARMONY BIOSCIENCES</div>		<div>LP352: DEEs and other refractory epilepsies (PACIFIC PoC study)</div> <div>LONGBOARD</div>		<div>Ayvakit: Full registrational data from PIONEER in non-advanced systemic mastocytosis (non-AdvSM)</div> <div>blueprint</div>	<div>Sparsentan; top-line data from DUPLEX study for FSGS</div> <div>TRAVERE</div>	<div>Approval for zanidatamab in 2L HER2+ BTC (biliary tract cancer)</div> <div>zymeworks</div>
<div>MCLA-158: Phase I dose expansion update</div> <div>Merus</div>		<div>RP-L102: Top-line data Phase II, Fanconi Anemia (FA)</div> <div>rocket</div>		<div>Atrasentan; Align proteinuria data in IgAN (for accelerated filing)</div> <div>CHINOOK</div>	<div>Sparsentan; top-line results from PROTECT trial for IgAN</div> <div>TRAVERE</div>	

--- Private / ex-private companies

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 305.57

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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