



Annual Report

2024

2025

**HBM** Healthcare  
Investments





# 20 g

Who doesn't love the temptation of sweets, candy and chocolate? But are these sweet treats healthy or harmful? Paracelsus, a Swiss physician and alchemist of the early 16<sup>th</sup> century, said about drugs and ingredients: "All things are poison. It is only the dose that makes a thing not poisonous." Finding the right dose has been a cornerstone of pharmacology ever since.

When it comes to sweets, health authorities are unanimous in recommending a maximum of one portion a day – 20 grams. When it comes to drugs and medicines, the issue of dosage is much more complex. Many of the companies in the portfolio of HBM Healthcare Investments spend years working on the correct dose of their active ingredients during clinical development, often balancing efficacy against adverse side effects. Careful consideration and a sense of proportion are also important when assembling the HBM portfolio. Here, too, the dose matters. The experts at HBM Healthcare skilfully combine private and public companies and funds to create a successful investment vehicle with long-term value creation potential – not a temptation, but certainly a sweet deal.



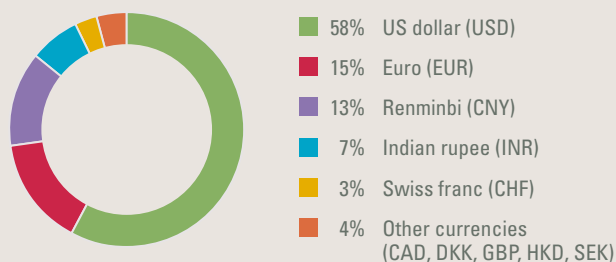
HBM Healthcare Investments actively invests in the human medicine, biotechnology, medical technology and diagnostics sectors and related areas. The company holds and manages an international portfolio of promising companies.

Many of these companies have their lead products already available on the market or at an advanced stage of development. The portfolio companies are closely tracked and actively guided on their strategic directions. This is what makes HBM Healthcare Investments an interesting alternative to investing in big pharma and biotech companies. HBM Healthcare Investments has an international shareholder base and is listed on SIX Swiss Exchange (ticker: HBMN).

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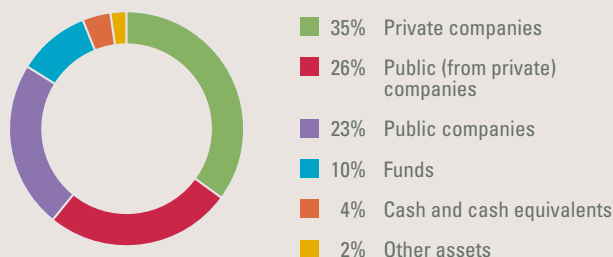
### Currency allocation of assets<sup>1)</sup>

Emphasis on US dollar investments.



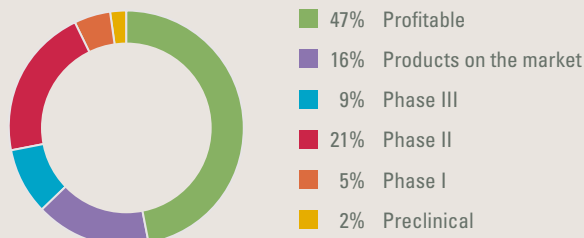
### Allocation of assets<sup>1)</sup>

Mainly invested in private companies or in companies originating from the private companies' portfolio.



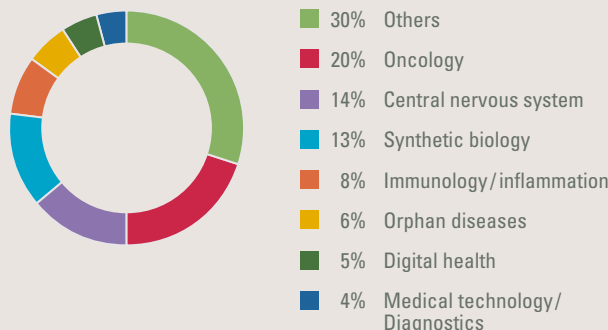
### Development phase of portfolio companies<sup>2)</sup>

Mainly invested in revenue generating companies or in companies with products at an advanced stage of development.



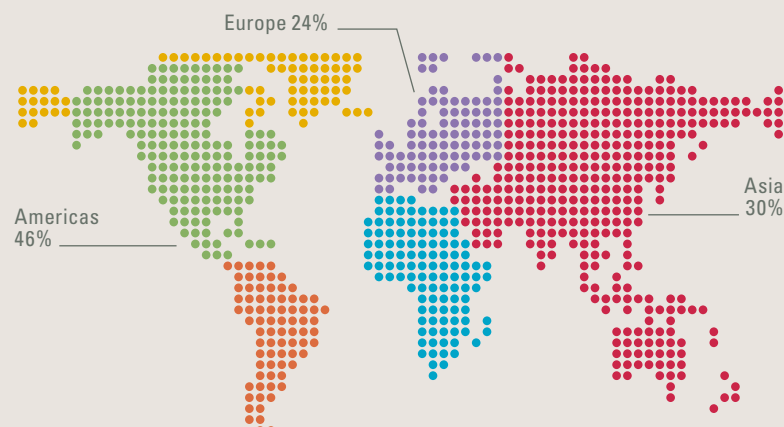
### Therapeutic area of the lead product of portfolio companies<sup>2)</sup>

Broadly diversified areas of activity.



### Investments by regions<sup>2)</sup>

Global portfolio with focus on North America.



1) Total consolidated assets as at 31.3.2025: CHF 1 773 million.

2) Total investments as at 31.3.2025: CHF 1 662 million.

## Key Figures

		31.3.2025	31.3.2024	31.3.2023	31.3.2022	31.3.2021
<b>Net assets</b>	CHF million	<b>1645.4</b>	<b>1703.9</b>	<b>1772.7</b>	<b>1986.5</b>	<b>2151.5</b>
Investments in private companies and funds		792.6	809.4	846.1	790.3	662.8
Investments in public companies		869.6	768.8	847.0	1130.2	1404.2
Cash and cash equivalents (net of liability from market hedging)		66.2	203.4	232.0	223.7	327.0
<b>Net result for the year</b>	CHF million	<b>18.5</b>	<b>-1.1</b>	<b>-146.3</b>	<b>-78.0</b>	<b>756.3</b>
Basic earnings per share	CHF	2.72	-0.16	-21.03	-11.22	108.71
Net asset value (NAV) per share	CHF	244.41	248.10	254.80	285.53	309.25
Share price	CHF	181.00	193.60	214.00	276.00	332.50
<b>Premium (+) / discount (-)</b>	%	<b>-25.9</b>	<b>-22.0</b>	<b>-16.0</b>	<b>-3.3</b>	<b>+7.5</b>
Distribution per share	CHF	7.50 <sup>1)</sup>	7.50	7.50	9.70	12.50 <sup>2)</sup>
Distribution yield	%	4.1	3.9	3.5	3.5	3.8
Shares issued	Registered shares (m)	7.0	7.0	7.0	7.0	7.0
Shares outstanding	Registered shares (m)	6.7	6.9	7.0	7.0	7.0

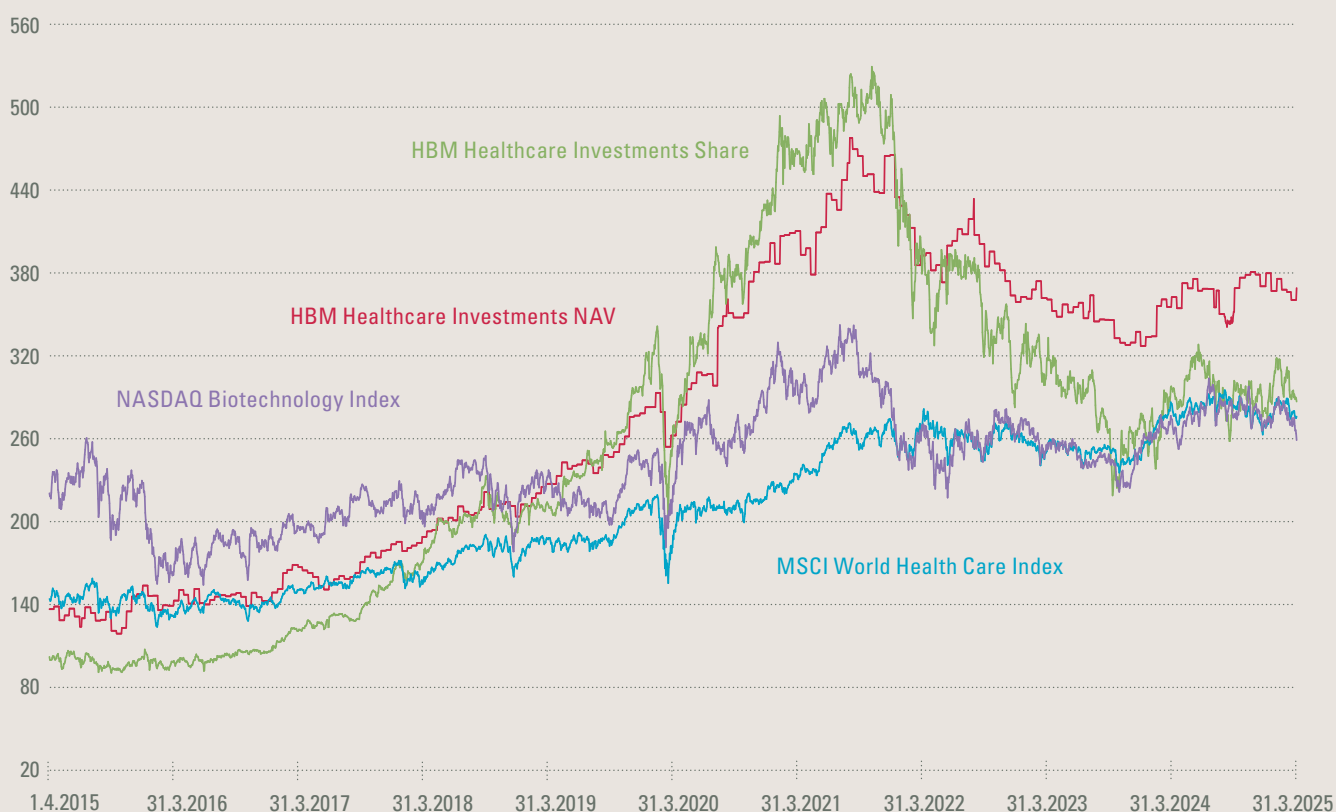
1) Proposal to the Shareholders' Meeting for a cash distribution per registered share entitled to dividend.

2) Thereof CHF 9.50 as ordinary distribution and CHF 3.00 as a special distribution to mark the 20th anniversary of the Company.

## Performance (including distributions)

		2024/2025	2023/2024	2022/2023	2021/2022	2020/2021
Net asset value (NAV)	%	1.5	0.3	-7.4	-3.6	52.2
Registered share HBMN	%	-2.6	-6.0	-18.9	-13.2	79.1

## Indexed performance since launch in CHF (12.7.2001 = 100), distributions reinvested



**USD 1.25 billion**

Johnson & Johnson acquires  
Yellow Jersey Therapeutics  
a spin-off from Swiss company Numab

**CHF 7.50 per share**

proposed cash distribution  
to shareholders

Successful IPO in India

Sai Life Sciences generates  
added value of

**CHF 51 million**

Sanofi acquires development programme from  
Dren Bio for up to

**USD 1.9 billion**

USD 600 million upfront payment  
plus milestone payments

# Letter from the Chairman of the Board of Directors and the Management



HBM Healthcare Investments generated an annual profit of CHF 19 million in the 2024/2025 financial year in a challenging environment. The net asset value per share (NAV) rose by 1.5 percent, while the share price declined slightly by –2.6 percent. The private companies made a clear positive contribution to the result, offsetting the share price losses in the portfolio of public companies. Following several takeovers and IPOs, three new private investments were added to the portfolio to ensure a continued balanced asset allocation. The Board of Directors proposes an unchanged cash distribution of CHF 7.50. The share buy-back programme will be carried on. Given the persistently high level of uncertainty and a subdued market sentiment, HBM Healthcare will continue to pursue its investment strategy of a broadly diversified portfolio, which proved successful in the year under review.

**Dear Shareholders**

The biotechnology sector is going through a challenging period. In addition to macroeconomic headwinds and regulatory uncertainties from the US government, industry-specific issues are contributing to subdued market sentiment. For example, the high number of start-ups and the associated strong increase in clinical development programmes over the past decade has led to increased competition for talent, strategic partners and funding.

The progress made by Chinese companies in medical innovation is further reinforcing this trend, as pharmaceutical and biotechnology companies seeking to acquire or in-licence new drug candidates now have additional candidates to choose from.

At the same time, the number of acquisitions is declining and the IPO environment remains challenging, which is limiting funding and growth opportunities in the sector. The resulting consolidation process is underway but not yet complete.





"Our investment strategy has proven itself even under difficult circumstances."

Hans Peter Hasler  
Chairman of the Board of Directors

Given these significant uncertainties, we remain cautious and are closely monitoring the market for signs of recovery and opportunities as they arise. At the same time, our solid performance compared to the market, shows that our strategy is proving its worth even in a challenging market environment: The portfolio of HBM Healthcare Investments is not only focused on drug development, but is broadly diversified across different market segments, geographical regions and stages of value creation in the healthcare sector.

#### Annual profit of CHF 19 million

HBM Healthcare Investments posted a profit of CHF 19 million for the 2024/2025 financial year ended 31 March 2025. The net asset value per share (NAV) rose by 1.5 percent. The share price declined slightly by –2.6 percent.

The largest contributions to NAV development came from the following investments:

Winners	NAV %	Losers	NAV %
Dren Bio (private)	3.4	Y-mAbs Therapeutics	–2.1
Yellow Jersey Therapeutics (private)	3.4	ConnectRN (private)	–1.7
Swixx (private)	3.1	Upstream Bio (IPO)	–1.5
Sai Life Sciences (IPO)	3.0	Fangzhou (IPO)	–1.3
Cathay Biotech	1.3	Biohaven	–1.2

"With just  
under 50 percent  
allocated to profitable  
companies, our portfolio  
is on a solid footing."

Dr Andreas Wicki  
Chief Executive Officer



### **Private companies as value drivers**

Private companies contributed net income of CHF 114 million, resulting in a 6.7 percent increase in NAV. The main developments were as follows:

Yellow Jersey Therapeutics, a spin-off of the Swiss company Numab, was acquired by Johnson & Johnson for USD 1.25 billion. This resulted in a profit contribution of CHF 59 million. HBM Healthcare Investments continues to hold a stake of approximately 7 percent in Numab, which continues to develop the remaining pipeline of drug candidates.

The US company Dren Bio also sold one of its clinical development programmes. Sanofi made an upfront payment of USD 0.6 billion and agreed milestone payments of up to USD 1.3 billion. This resulted in a profit contribution of CHF 58 million. At the same time, we retain our stake of just under 9 percent in Dren Bio.

Swixx BioPharma and Swixx Healthcare are very successful with their sales activities focused on Eastern Europe and South America. The increase in sales and profits allowed the two investments to be revalued with a total profit contribution of CHF 53 million.





"The biotech sector is consolidating. This makes our market environment challenging."

Erwin Troxler  
Chief Financial Officer

Six IPOs resulted in a total loss in value of CHF –3 million. In India, Sai Life Sciences and OneSource Specialty Pharma – both contract development and manufacturing companies – successfully completed their IPOs and achieved a significant increase in value. In contrast, the Chinese online healthcare platform Fangzhou and the two clinical development companies Upstream Bio and Alumis Therapeutics saw their stock market valuations fall, in some cases significantly, following their IPOs, without any change in the companies' fundamental prospects.

Further impairments on various investments due to financing rounds or inadequate operating performance reduced the result by a total of CHF –53 million. More than half of this, CHF –29 million, is attributable to ConnectRN. The company, which places nursing staff in the United States, has not yet been able to implement its business model profitably in a highly competitive market. The investment has been largely written down.

### Public companies under pressure

Public companies recorded a net impairment of CHF –64 million, resulting in a reduction in NAV of –3.6 percent. CHF –44 million of this was attributable to former private companies and CHF –20 million to other public companies. The main developments were as follows:

- > Cathay Biotech (CHF +22 million, share price +14 percent) completed in April 2025 the capital increase for the strategic partnership with China Merchants Group announced almost two years ago. This reduced our investment to just under 5 percent.

- > Mineralys Therapeutics (CHF +6 million, share price +23 percent) published positive results from two pivotal trials of lorundrostat for the treatment of patients with uncontrolled and resistant hypertension.
- > At Y-mAbs Therapeutics (CHF –35 million, share price –73 percent), sales growth of the cancer treatment Danielza® has slowed. At the same time, data from early clinical trials of radioimmunotherapy are still limited.
- > Biohaven (CHF –21 million, share price –56 percent) presented various positive and negative results from clinical trials in the reporting year. Despite the negative share price performance, the company remains well positioned with its broad pipeline of development programmes.

The funds had a negative impact on the result of CHF –5 million, corresponding to a NAV contribution of –0.3 percent.

Other assets and liabilities resulted in a total impairment of CHF –3 million. The financial result closed with a profit of CHF 3 million. Operating and administrative expenses totalled CHF 26 million.

### **Three new investments refresh private equity portfolio**

Three new investments were made in private companies in the reporting year. We have already reported on the investments in Bluejay Therapeutics (USD 7 million) and OneSource Specialty Pharma (INR 795 million) in previous quarterly letters. In the final quarter of the financial year, we also invested USD 13 million in the US company Curevo. Curevo is developing a new generation of non-mRNA adjuvanted subunit vaccines for the prevention of shingles in adults and chicken-pox in children.

A further CHF 30 million was invested in existing private companies as follow-up financing.

### **Broadly diversified portfolio**

The asset allocation as at the reporting date remains well balanced. Private companies account for 35 percent of total assets. Public companies account for 49 percent (26 percent of which are former private companies), funds account for 10 percent, cash and cash equivalents for 4 percent and other assets for 2 percent.

### **Unchanged cash distribution of CHF 7.50 per share**

The Board of Directors will propose to the Annual General Meeting an unchanged cash distribution of CHF 7.50 per share – CHF 2.60 in the form of a withholding tax-free repayment of par value and CHF 4.90 in the form of an ordinary dividend. The yield on the share price at the end of the financial year was therefore 4.1 percent.

As part of the ongoing share buy-back programme, HBM shares worth CHF 26 million were repurchased in the reporting year.



## Outlook

The new financial year got off to a slow start due to the announcement of US tariffs and the resulting uncertainty in the markets. The specific form and level of tariffs for the healthcare market are not yet known. However, we assume that the impact on the operating business of our portfolio companies will be limited, especially for the two largest portfolio companies, Cathay Biotech and Swixx BioPharma, which are mainly active in China, Eastern Europe and South America.

Cathay Biotech expects significant sales growth in the coming years as a result of its strategic collaboration with China Merchants Group and various projects with other partners in China, including CATL, the world's leading manufacturer of batteries for electric vehicles.

Over the past decade, Swixx BioPharma has rapidly developed into one of the largest, most professional and reliable partners for pharmaceutical and biotech companies in Central and Eastern Europe, Eurasia, Latin America, North Africa and the Middle East. The highly successful company continues to grow strongly and is exploring strategic options for its next growth steps.

With a total of 47 percent of our investments in profitable companies with good growth prospects, we have a solid portfolio component that ensures stability.

For the companies active in drug development, the focus is on advancing their clinical programmes. Most of the portfolio companies are solidly financed and well positioned to achieve their next value-enhancing milestones.

We are confident that our portfolio is well positioned and offers considerable potential for added value, especially in this uncertain market environment. Our dependence on IPOs remains low for the time being, as we have planned our follow-up financing well and anticipated a less receptive capital market.

We would like to thank you, our shareholders, for the trust you have placed in us.



Hans Peter Hasler  
Chairman of the Board of Directors



Dr Andreas Wicki  
Chief Executive Officer



Erwin Troxler  
Chief Financial Officer

Balance sheet (CHF 000)	Notes to IFRS Group Financial Statements <sup>1)</sup>	Consolidated Financials <sup>2)</sup> 31.3.2025 (unaudited)	Translation <sup>3)</sup>	IFRS Group Finan- cial Statements 31.3.2025 (audited)
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents		66 195	– 63 716	2 479
Receivables		62	– 25	37
Financial instruments	(3.2)	4 207	– 4 207	0
<b>Total current assets</b>		<b>70 464</b>	<b>– 67 948</b>	<b>2 516</b>
<b>Non-current assets</b>				
Investments	(3.1)	1 662 240	– 1 662 240	0
Other financial assets	(3.3)	31 117	– 31 117	0
Investment in subsidiary		0	1 745 603	1 745 603
<b>Total non-current assets</b>		<b>1 693 357</b>	<b>52 246</b>	<b>1 745 603</b>
<b>Total assets</b>		<b>1 763 821</b>	<b>– 15 702</b>	<b>1 748 119</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Other liabilities		3 493	– 377	3 116
<b>Total current liabilities</b>		<b>3 493</b>	<b>– 377</b>	<b>3 116</b>
<b>Non-current liabilities</b>				
Provision for deferred tax on capital gain and other taxes	(3.5)	24 169	– 24 169	0
Financial liabilities	(4)	99 572	0	99 572
<b>Total non-current liabilities</b>		<b>123 741</b>	<b>– 24 169</b>	<b>99 572</b>
<b>Shareholders' equity</b>				
Share capital		32 016	0	32 016
Treasury shares		– 50 934	9 169	– 41 765
Capital reserve		157 778	– 14 530	143 248
Retained earnings		1 497 727	14 205	1 511 932
<b>Total shareholders' equity</b>		<b>1 636 587</b>	<b>8 844</b>	<b>1 645 431</b>
<b>Total liabilities and shareholders' equity</b>		<b>1 763 821</b>	<b>– 15 702</b>	<b>1 748 119</b>
Number of outstanding shares (in 000)		6 684	49	6 732
Net asset value (NAV) per share (CHF)		244.87		244.41

1) Details on the individual items can be found in the notes to the audited IFRS Group Financial Statements of the annual report.

2) Consolidated financials of the HBM Healthcare Group with full consolidation of the subsidiary HBM Healthcare Investments (Cayman) Ltd., and its subsidiary HBM Private Equity India Ltd.

3) Reconciliation to the audited IFRS Group Financial Statements. Based on IFRS 10, the subsidiary is not consolidated, but is valued individually at fair value through profit and loss. The differences in equity and net profit for the year result from the shares of the parent company held by the subsidiary. In the consolidated financial statements, these are deducted from equity at their acquisition cost. In the IFRS Group Financial Statements, they are valued at fair value through profit and loss by the subsidiary.



Statement of comprehensive income for the financial year ended 31 March (CHF 000)	Notes to IFRS Group Financial Statements <sup>1)</sup>	Consolidated Financials <sup>2)</sup> 2024/2025 (unaudited)	Translation <sup>3)</sup>	IFRS Group Finan- cial Statements 2024/2025 (audited)
Net result on investments	(3.1)	45 024	– 45 024	0
Change in provision for deferred tax on capital gain and other taxes	(3.5)	– 7 902	7 902	0
Dividend income		1 347	– 1 347	0
Net result from financial instruments	(3.2)	7 443	– 7 443	0
Net result from other financial assets		– 4 015	4 015	0
Dividend income from investment in subsidiary		0	73 000	73 000
Net change in value of investment in subsidiary		0	– 50 678	– 50 678
<b>Result from investment activities</b>		<b>41 897</b>	<b>– 19 575</b>	<b>22 322</b>
Management fee	(3.4)	– 22 507	22 507	0
Personnel expenses	(6)	– 2 372	786	– 1 586
Other operating expenses		– 1 240	323	– 917
<b>Result before interest and taxes</b>		<b>15 778</b>	<b>4 041</b>	<b>19 819</b>
Financial expenses		– 1 326	0	– 1 326
Financial income		3 979	– 3 930	49
Income taxes		0	0	0
<b>Net result for the year</b>		<b>18 431</b>	<b>111</b>	<b>18 542</b>
<b>Comprehensive result</b>		<b>18 431</b>	<b>111</b>	<b>18 542</b>
Number of outstanding shares, time-weighted (in 000)		6 740	65	6 805
Basic earnings per share (CHF)		2.73		2.72

For the footnotes, see page 14.

Statement of cash flows for the financial year ended 31 March (CHF 000)	Consolidated Financials <sup>2)</sup> 2024/2025 (unaudited)	Translation <sup>3)</sup>	IFRS Group Finan- cial Statements 2024/2025 (audited)
Management fee paid	- 22 507	22 507	0
Expenses paid (personnel and other operating expenses)	- 3 492	1 131	- 2 361
<b>Net cash flow from operating activities</b>	<b>- 25 999</b>	<b>23 638</b>	<b>- 2 361</b>
Interest and dividend payments received	5 326	- 5 326	0
Dividend payment from subsidiary received	0	73 000	73 000
Purchase of investments	- 308 219	308 219	0
Sale of investments	259 695	- 259 695	0
Payments received from milestones	4 708	- 4 708	0
Net cash flow from financial instruments for currency hedging	5 147	- 5 147	0
Purchase of other financial instruments	- 14 117	14 117	0
Sale of other financial instruments	14 042	- 14 042	0
<b>Cash flow from investing activities</b>	<b>- 33 418</b>	<b>106 418</b>	<b>73 000</b>
Interest paid	- 1 143	49	- 1 094
Par value repayment	- 50 701	- 501	- 51 202
Purchase of treasury shares	- 47 916	21 825	- 26 091
Sale of treasury shares	23 266	- 23 266	0
<b>Net cash flow from financing activities</b>	<b>- 76 494</b>	<b>- 1 893</b>	<b>- 78 387</b>
<b>Currency translation differences</b>	<b>- 1 308</b>	<b>1 308</b>	<b>0</b>
<b>Net change in cash and cash equivalents</b>	<b>- 137 219</b>	<b>129 471</b>	<b>- 7 748</b>
Cash and cash equivalents at beginning of period	203 414		10 227
Cash and cash equivalents at end of period	66 195		2 479

Statement of changes in equity (CHF 000)	Share capital	Treasury shares	Capital reserve	Retained earnings	Total consolidated shareholders' equity <sup>2)</sup> (unaudited)	Translation <sup>3)</sup>	Total shareholders' equity IFRS (audited)
<b>Balance as at 31 March 2024</b>	<b>84 216</b>	<b>- 26 461</b>	<b>156 139</b>	<b>1 479 296</b>	<b>1 693 190</b>	<b>10 675</b>	<b>1 703 865</b>
Comprehensive result				18 431	18 431	111	18 542
Purchase of treasury shares		- 47 599			- 47 599	21 825	- 25 774
Sale of treasury shares		23 126	140		23 266	- 23 266	0
Par value repayment (9.8.2024)	- 52 200		1 499		- 50 701	- 501	- 51 202
<b>Balance as at 31 March 2025</b>	<b>32 016</b>	<b>- 50 934</b>	<b>157 778</b>	<b>1 497 727</b>	<b>1 636 587</b>	<b>8 844</b>	<b>1 645 431</b>

For the footnotes, see page 14.

# Portfolio Companies





**Dren Bio**  
(fair value CHF 79.0 million /  
4.8% of net assets)

**Merus**  
(fair value CHF 34.1 million / 2.1% of net assets)

**ArriVent BioPharma**  
(fair value CHF 27.1 million /  
1.6% of net assets)

**Mineralys  
Therapeutics**  
(fair value CHF 26.6 million / 1.6% of net assets)

**Biohaven**  
(fair value CHF 21.3 million / 1.3% of net assets)

**Axsome  
Therapeutics** (fair value CHF 21.3 million /  
1.3% of net assets)

**Traverse  
Therapeutics**  
(fair value CHF 20.9 million / 1.3% of net assets)

**Dren Bio**  
Foster City, USA

**USD 1104 million**

Company valuation as at 31.3.2025

**Antibody therapies**  
by pursuing **novel** targets

Potentially **broad**  
use against cancers

**CHF 79 million**

Fair value as at 31.3.2025

Bispecific antibodies are important drivers of medical innovation and generate significant interest from investors and pharmaceutical companies. Dren Bio's bispecific antibody platform uses the body's existing "clean-up" process to destroy disease-causing cells. Over the last 12 months, this research platform was the basis for two pharma deals: a discovery deal with Novartis and an asset acquisition by Sanofi. This second transaction, focused on an early clinical-stage asset, will return a multiple of the invested funds to investors, while preserving Dren as an independent company.

One of the ways in which our immune system protects us from external and internal threats is a process called phagocytosis. During this process, specialised immune cells (also called clean-up cells) recognise a foreign pathogen or aberrant cell as a potential threat, then engulf and destroy it.

The team at Dren Bio leverages this natural mechanism to combat cancer and autoimmune diseases. It does so by directing the immune system to eliminate harmful cells using bispecific antibodies. These antibodies induce the clean-up cells to destroy certain disease-causing cells through phagocytosis, while leaving healthy cells unharmed.

Dren's proprietary "myeloid cell engagement" platform can be applied against a range of different diseases, attracting the interest of several of the world's leading pharmaceutical companies. In the summer of 2024, Novartis entered into an agreement with Dren relating to programs in early discovery stages. In return, Dren received an upfront payment of USD 150 million and is eligible for potential future milestone payments of more than USD 2 billion.

In March 2025, Dren entered into an agreement with Sanofi, with an upfront payment of USD 600 million and potential milestone payments of USD 1.3 billion. Under the terms of the deal, Sanofi will acquire DR-0201 through the acquisition of an affiliate company of Dren Bio. DR-0201 is a bispecific antibody with applications in severe autoimmune diseases such as lupus. The companies expect the transaction to close during Q2 2025.

Following the Sanofi transaction, Dren Bio will continue to operate independently to advance its pipeline of antibody therapeutics for the treatment of cancer, autoimmune, and other serious diseases.



# Merus

Utrecht, The Netherlands

## USD 2903 million

Market capitalisation as at 31.3.2025

Promising **pipeline**  
with bispecific  
monoclonal  
**antibodies**

## CHF 34 million

Fair value as at 31.3.2025

Share price



## NASDAQ

1.4.2024 to 31.3.2025

Bispecific monoclonal antibodies are artificial proteins that can simultaneously bind multiple antigens for more specific targeting, novel mechanisms of action, and higher clinical efficacies. They are a promising type of therapy for the treatment of cancer due to their ability to inhibit several proteins playing a role in cancer progression. Merus' Multiclonics® bispecific and trispecific therapeutics are produced from a proprietary technology platform which exploits unbiased high throughput functional screening to identify novel molecules that retain the qualities of natural human, full-length immunoglobulin G (IgG) antibodies.

Merus' most important program from a value-generating perspective is the EGFR and LGR5 targeting bispecific Petosemtamab currently in phase III development in front line and second line recurrent or metastatic head and neck cancer. The peak sales potential of the medication could be several billion US dollars per year, should it extend overall survival beyond the current median of 12 months. Competitively, the landscape looks pretty scarce with only two other players at the same stage of development. Bicara, another public company, has recently initiated a phase II/III study with its bispecific molecule this year, but is about one year behind Merus. Here, response rate data look competitive so far, but mainly in a subgroup of head and neck cancers whereas Merus has the opportunity for an all comers approach.

The major data catalysts over the coming year is focussed around follow-up phase II efficacy data for Petosemtamab in combination with Keytruda 47 front line metastatic head and neck cancer patients. If the data shows compelling 12-month overall survival landmark percentage against the current standard of care Keytruda then this could lead to an upwards revision of commercial potential given patients will stay on therapy longer once approved. In February of this year, Merus received Breakthrough Therapy Designation (BTD) for first-line head and neck cancer therapy, which is rare for a combination regimen in which one component is still investigational and the dataset is not well-controlled with a comparator arm. Analysts believe this indicates that despite a small dataset the FDA recognizes the combination of Petosemtamab and Pembrolizumab (Keytruda) could represent a new standard of care for this disease.

Later in the year, Merus will present initial data for Petosemtamab in the high unmet need cancer indication colorectal cancer.

# ArriVent BioPharma

Newtown Square, USA

USD **629** million

Market capitalisation as at 31.3.2025

High market potential  
in the field of **targeted**  
cancer therapy

CHF **27** million

Fair value as at 31.3.2025



**NASDAQ**

1.4.2024 to 31.3.2025



For a long time, chemotherapies have been the standard medical treatment for cancer. While these highly toxic substances are effective at inhibiting tumour cells, at the same time they also damage other tissue and often cause serious side effects. By contrast, targeted therapies in the fight against cancer are often likened to snipers. These small molecular substances, which can often be taken as tablets, are targeted at specific genetic changes that play a decisive role in the growth of certain tumours.

ArriVent BioPharma's lead development candidate is Firmonertinib, a selective, orally administered, highly brain-targeted tyrosine kinase inhibitor (TKI) of the epidermal growth factor receptor (EGFR), which targets both classic (exon 19 deletion and L858R) and less common EGFR mutations, such as exon 20 insertion mutations and EGFR PACC mutations, in patients with non-small cell lung cancer (NSCLC). Firmonertinib is approved in China as a cancer therapy for classically EGFR-mutated non-small cell lung cancer among others. The drug is being developed in China by Allist Pharmaceuticals and in the rest of the world by ArriVent BioPharma.

Molecular changes in tyrosine kinase genes such as EGFR, ROS1, NTRK or MET play a role in the development of various subtypes of lung cancer. EGFR mutations are the most common oncogenic drivers in non-small cell lung cancer that can be addressed by tyrosine kinase inhibitors (TKIs). However, not every treatment is equally suitable for every EGFR

mutation. In particular, patients with exon 20 insertion mutations in metastatic NSCLC respond less well to TKI monotherapies.

ArriVent, thanks to its deep experience developing cancer drugs, used data from clinical studies run in China to convince the FDA to test Firmonertinib as a "first line" treatment. The preliminary data presented at conferences in 2024 bode well for its chances of approval as a first line therapy. Currently, Firmonertinib is being studied in several clinical trials, including a pivotal phase III trial (FURVENT) evaluating it as a first-line therapy for NSCLC with specific mutations like the EGFR exon 20 insertion.

The company also recently presented a promising efficacy and safety profile for Firmonertinib as an experimental treatment for NSCLC with EGFR PACC mutations. Firmonertinib was effective for both common and less common mutations. The importance of these results is emphasised by the lack of FDA-approved treatments for NSCLC patients with EGFR PACC mutations. New molecular insights, collected in the laboratory, revealed that Firmonertinib could bind to the surface of the EGFR protein in a way that currently approved EGFR-targeted agents cannot.

# Mineralys

Therapeutics

Radnor, USA

USD **1027** million

Market capitalisation as at 31.3.2025

Potentially **effective**  
treatment of resistant  
hypertension

CHF **27** million

Fair value as at 31.3.2025

Share price



**NASDAQ**

1.4.2024 to 31.3.2025

Hypertension is one of the most common medical conditions, afflicting approximately 1.3 billion people globally. Despite the availability of multiple treatment options, the prevalence of uncontrolled hypertension continues to grow. At the same time, studies have shown an increased risk of all-cause and cardiovascular disease mortality. Given this significant and growing unmet medical need, a new class of anti-hypertensive treatment – aldosterone synthase inhibitors (ASIs) – are currently under development.

In the United States, over 30 million hypertensive patients are unable to achieve their blood pressure goal despite various treatment options. As demonstrated by multiple large-scale studies, these patients all have a significantly elevated risk of developing heart disease, stroke and kidney disease, and in turn a higher mortality.

This large and growing unmet medical need has triggered significant development efforts. Yet, no new class of antihypertensive treatment has been approved by the FDA within the last fifteen years. A new approach currently under development is targeting abnormally elevated aldosterone levels, a key factor in driving hypertension in approximately 25 percent of hypertensive patients.

Developing an effective hypertension therapy that targets aldosterone synthase remains a significant challenge, given the tight homology between the enzymes that regulate aldosterone and cortisol synthesis, as well as aldosterone's role in regulating

potassium. Several large pharmaceutical companies have tried to develop ASIs, but their efforts have been hampered due to insufficient selectivity for aldosterone, resulting in off-target toxicities associated with cortisol inhibition. These challenges have led to the discontinuation of many ASIs in development to date.

Mineralys' product candidate Lorundrostat, licensed from pharma company Mitsubishi Tanabe, is an orally administered, highly selective ASI that is designed to reduce aldosterone levels by inhibiting CYP11B2, the enzyme responsible for producing the hormone.

In March 2025 the pivotal clinical trials ADVANCE and LAUNCH read out positively with a statistically significant and clinically meaningful reduction in blood pressure. The clinical trials met their primary and secondary endpoints and the company plans to submit a market approval application for the treatment of hypertension based on these data.

Furthermore, the company also started a phase II trial for Lorundrostat in chronic kidney disease which is supposed to read out in Q2 2025 and in addition recently started a clinical phase II trial in obstructive sleep apnoea.



# Biohaven

New Haven, USA

USD **2453** million

Market capitalisation as at 31.3.2025

Drugs with focus on

**immunology** and central  
**nervous system**

CHF **21** million

Fair value as at 31.3.2025

Share price

**NASDAQ**



1.4.2024 to 31.3.2025

Immunology, neuroscience and oncology are among the most important therapeutic areas in the biopharma industry. There is an extraordinary amount of research and development going on in these areas, resulting in numerous innovations and technologies that allow for more targeted treatment of diseases. Investing in companies that are developing or using disruptive technologies can be very interesting because, if successful, they will be at the forefront of medical progress and thus offer the prospect of very attractive returns. Biohaven is such an example.

In 2022, Pfizer acquired Biohaven for a total consideration of nearly USD 11.6 billion. This acquisition included Biohaven's portfolio of preclinical CGRP (calcitonin gene-related peptide) assets and Nurtec ODT (Rimegepant).

Following the acquisition, a new company was spun out, continuing to operate under the Biohaven name. This new entity was capitalized with USD 275 million and holds the right to receive tiered royalties from Pfizer on annual net sales of Rimegepant and Zavegepant in the US. The company focuses on the Kv7 platform and the IgG/IgA degrader.

The current pipeline includes a diverse range of projects targeting neurological and neuropsychiatric illnesses, such as Kv7 ion channel modulation for

epilepsy and mood disorders; extracellular protein degradation for immunological diseases; and TYK2/JAK1 inhibition for neuroinflammatory disorders. Several key clinical catalyst data are expected within the next two years, exemplified on their Kv7 ion channel modulation BHV-7000. In the brain, Kv7 ion channels regulate neuronal excitability; their dysfunction can lead to increased neuronal firing, characteristic of epilepsy. BHV-7000 targets these channels, aiming to stabilize their activity, thus potentially reducing seizure frequency in epilepsy. With its high affinity to this specific ion channel, BHV-7000 has best in class potential. Phase II/III studies are currently ongoing with BHV-7000 in epilepsy and major depressive disorder.

BHV-1300 is a leading candidate for treating IgG-mediated autoimmune disorders, aiming to eliminate pathogenic IgG antibodies responsible for such conditions. Unlike traditional treatments that block IgG recycling, BHV-1300 uses a Molecular Degradation of Extracellular Proteins (MoDE) approach, directly targeting and rapidly removing IgG through liver processing. In the first quarter of 2025, Biohaven has shown that their degrader can achieve >80 percent sustained IgG reduction in phase I, hinting to best in class potential. Given this significant reduction in total IgG seen with subcutaneous BHV-1300, Biohaven plans to launch a phase II study for Graves' disease in mid-2025, with additional studies in other autoimmune diseases to follow.

# Axsome

New York, USA

## Therapeutics

USD **5722** million

Market capitalisation as at 31.3.2025

Drugs in **commercial**  
stage  
against  
neurological diseases

CHF **21** million

Fair value as at 31.3.2025



**NASDAQ**

1.4.2024 to 31.3.2025



It is an incredible number: there are around 100 trillion synapses in the brain of an adult human being. Whether it is speaking, thinking or feeling – nothing works without the synapses that connect the countless nerve cells. This makes neurological diseases all the more serious. Disruptions in neural firing and wiring can lead to significant neuropsychiatric conditions, affecting cognition, emotion, and behaviour. The need for effective therapies is growing and new technologies are providing ever deeper insights into the causes and mechanisms of these diseases.

Axsome has successfully brought transformative therapies to market, including Auvelity, a rapid-acting oral antidepressant approved for major depressive disorder (MDD). This therapy, which acts through NMDA receptor antagonism and sigma-1 receptor agonism, has demonstrated rapid and sustained efficacy in treating MDD. Already in its third year of launch, Auvelity has positioned itself as new potential blockbuster and continuously grows its market share even in early lines of treatment.

The next leg of growth for Auvelity will be its potential approval in agitation in Alzheimer's Disease. In 2024, Axsome has completed several pivotal trials and will file an sNDA (supplemental new drug application) in 2025. It is expected, that Auvelity peak sales in both indications will reach up to USD 3 billion.

Their second commercial product is Sunosi, approved and commercialized for adults with excessive daytime sleepiness (EDS) due to obstructive sleep apnoea (OSA). This drug is also in pivotal trial for MDD and ADHD (attention-deficit/hyperactivity syndrome). If trials read out positive for ADHD, this could be transformative for patients, as they often have to rely on stimulants which have an unfavourable risk profile.

Just some weeks ago Axsome launched its third product, Symbravo, an extended-release COX-2 inhibitor, with rizatriptan, a 5-HT<sub>1B/1D</sub> receptor agonist, offering a unique dual-mechanism approach to migraine relief.

Several other potential products targeting hard-to-treat CNS (central nervous system) diseases are in late stage development, such as AXS-12 (reboxetine) for narcolepsy or AXS-14, a norepinephrine reuptake inhibitor being developed for fibromyalgia.

In addition to its ongoing clinical programs, Axsome continues to explore new applications of its existing platform, expanding into adjacent CNS indications. The company anticipates multiple key clinical read-outs over the next two years.



# Traverse Therapeutics

San Diego, USA

USD **1595** million

Market capitalisation as at 31.3.2025

Promising therapy  
against **rare**  
**kidney diseases**

CHF **21** million

Fair value as at 31.3.2025

Share price



**NASDAQ**

1.4.2024 to 31.3.2025

Doctors are sounding the alarm: kidney disease is too often overlooked. They are calling for the development of therapies to improve kidney function and delay the progression of kidney disease. Traverser's mission is to develop and commercialise innovative treatments for rare diseases that address significant unmet medical needs. Immunoglobulin A nephropathy (IgAN) is such a progressive, rare kidney disease and the most common primary glomerular disease in young adults. There is currently no targeted treatment available.

Traverser's lead asset, Filspari, is a first-in-class, dual endothelin and angiotensin receptor antagonist which has been approved in IgA nephropathy (IgAN) and is in late-stage clinical development for the treatment of another rare kidney disease, focal segmental glomerulosclerosis (FSGS). Competitively, while other players are developing alternative therapies targeting similar pathways, Filspari's dual mechanism of action and strong clinical data position it favourably against competitors. The therapy has demonstrated high efficacy in reducing proteinuria and preserving kidney function, positioning it as a chronic background therapy in the former indication and a potential breakthrough therapy in the latter indication, respectively.

Regulatory advancements have been a major catalyst for Traverser's recent growth. The FDA granted Filspari accelerated approval for IgAN in 2023. In 2024, the first full year of launch, Filspari generated USD 132 million in sales. Filspari received regulatory approval in Europe at the beginning of 2024 via its partner CSL Vifor adding for continued sales growth through regional expansion in 2025 and beyond.

For FSGS, Traverser is actively engaged in regulatory discussions with the FDA and submitted an sNDA (Supplemental New Drug Application) in March 2025, with a potential approval and launch by the last quarter of 2025. Traverser is the only company with data from the randomized phase III (DUPLEX) study in this indication. With no other therapies available for this disease and with no developmental programs in late clinical stages, an approval in this indication would represent a hugely transformative event for patients dealing with this disease. Similarly to IgAN, it is expected that European regulatory filings are expected to follow shortly thereafter, thereby expanding access to this much-needed therapy for patients.

# Corporate Governance



**HBM Healthcare Investments Ltd (HBM Healthcare or the Company) emphasises the systematic implementation of a corporate governance policy as a key component of its corporate culture. The objective of corporate governance is to ensure transparent business policy and the responsible use of deployed resources by the Company's Board of Directors and Management. It establishes a system of transparency, checks and balances that is tailored to the size and complexity of HBM Healthcare.**

This Corporate Governance Report contains the information, effective 31 March 2025, that is required by the "Directive on Information Relating to Corporate Governance (DCG)" issued by SIX Exchange Regulation Ltd, and the content and scope, which are required under the provisions on board member and executive compensation in listed companies pursuant to the Swiss Civil Code (Swiss Code of Obligations "CO", Art.732–735), and is structured in accordance with these directives.

## 1. Group structure and shareholders

### 1.1 Group structure

HBM Healthcare Investments (Group) holds and manages an international portfolio of promising companies in the human medicine, biotechnology, medical technology and diagnostics sectors, and related areas.

The Group comprises HBM Healthcare Investments Ltd, Zug, and its subsidiary HBM Healthcare Investments (Cayman) Ltd., Grand Cayman, Cayman Islands, wholly-owned by HBM Healthcare Investments Ltd. In addition, HBM Private Equity India Ltd, Ebène City, Republic Mauritius, is a wholly-owned subsidiary of HBM Healthcare Investments (Cayman) Ltd.

### HBM Healthcare Investments Ltd

HBM Healthcare is a holding company established under Swiss law and domiciled in Zug. The objective of the company is to purchase, hold and sell positions in other companies, as well as to manage and finance such positions.

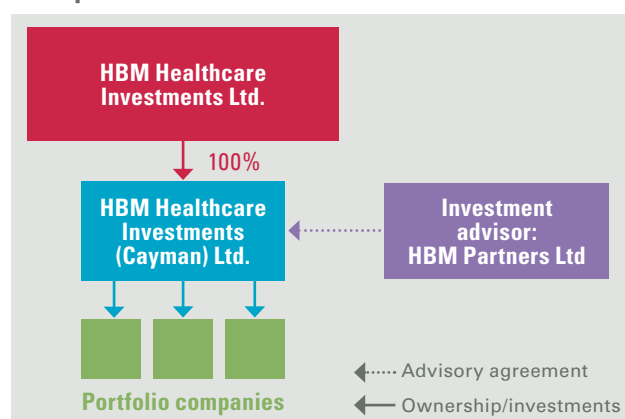
The Company's shares are listed on SIX Swiss Exchange (ISIN CH0012627250). The market capitalisation of the Company amounted to CHF 1 260 million as at 31 March 2025.

### HBM Healthcare Investments (Cayman) Ltd.

All investments in portfolio companies are held via HBM Healthcare Investments (Cayman) Ltd., some of them indirectly via the above mentioned subsidiary HBM Private Equity India Ltd.

The share capital of HBM Healthcare Investments (Cayman) Ltd. was CHF 846 million as at 31 March 2025.

### Group structure





### **HBM Private Equity India Ltd**

The company holds a portfolio of private Indian portfolio companies. The share capital of HBM Private Equity India Ltd was USD 1000 as at 31 March 2025.

#### **1.2 Investment advisor**

The role of investment advisor to HBM Healthcare Investments (Cayman) Ltd. and its subsidiary is performed by HBM Partners Ltd, based in Zug, Switzerland (HBM Partners). As a manager of collective assets in accordance with Art. 24 para. 1 a FinIA, HBM Partners is subject to supervision by the Swiss Financial Market Supervisory Authority FINMA.

HBM Partners provides as an investment advisor a variety of services to HBM Healthcare Investments (Cayman) Ltd. and its subsidiary under the terms of an advisory agreement, specifically the identification and evaluation of possible investment targets, the coordination and implementation of due diligence and contractual negotiations in respect of investments, the support of portfolio companies, the monitoring of portfolio holdings and the assessment of potential exit strategies.

#### **1.3 Significant shareholders**

As at the balance sheet date, the Company had 3779 registered shareholders. Shareholders are institutional and private investors.

For details of shareholders with equity holdings of three percent or more, see note 5.3 "Significant shareholders" to the Group Financial Statements in accordance with IFRS Accounting Standards on page 83.

A complete overview of all disclosures received and published by the Company is available on the websites of HBM Healthcare (<https://www.hbmhealthcare.com/en/investors/information>) and SIX Exchange Regulation Ltd ([https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#](https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/)). The Company is not

aware of the existence of any shareholder pooling agreements.

## **2. Capital structure**

### **2.1 Share capital and changes to share capital**

The Company's share capital of CHF 32016000 consists of 6960000 fully paid up registered shares with a par value of CHF 4.60 each. No share certificates are issued.

A review of the Company's changes in capital since 31 March 2022 is provided in the parent company's "Statement of changes in equity" on page 94.

### **2.2 Rights attached to shares**

Each registered share carries one vote at the Shareholders' Meeting (with exemption of the following note 2.3). There are no shares which carry preferential voting rights. Shareholders are entitled to dividends and to other rights as laid down in the Swiss Code of Obligations (CO).

### **2.3 Limitations on transferability**

The Board of Directors may refuse the transfer of shares if the number of registered shares held by the prospective buyer exceeds ten percent of the total number of registered shares pursuant to the Commercial Register. A number of purchasers acting in a group or in a coordinated manner in order to circumvent registration restrictions are deemed to be a single share purchaser. The Company may also refuse entry in the share register if the share purchasers do not explicitly confirm upon request that they have acquired the shares under their own name and for their own account, and that there is no agreement on the redemption or the return of corresponding shares and that they bear the economic risk associated with the shares. These limitations on transferability are laid down in the Articles of Association and can be lifted only by an absolute majority of the votes cast at the Shareholders' Meeting.

### 3. Board of Directors

#### 3.1 Members of the Board of Directors

As at 31 March 2025, the Board of Directors was composed of the following members:

Board of Directors	First elected
Hans Peter Hasler, Chairman	2009
Mario G. Giuliani	2012
Dr Elaine V. Jones	2021
Dr Rudolf Lanz	2003
Dr Stella X. Xu	2020

Specific knowledge of the healthcare and financial sector is needed to ensure the active monitoring of the Company's business activities. The members of the Board of Directors cover the following areas of expertise: Hans Peter Hasler: sector and marketing strategies, market approval (FDA); Mario G. Giuliani: management, production, audit; Dr Elaine V. Jones: sector and venture capital expertise; Dr Rudolf Lanz: finance, M&A transactions, audit; Dr Stella X. Xu: research and development.

The Board of Directors is elected by an absolute majority of the votes cast at the Shareholders' Meeting (i.e. at least half of the valid votes cast plus one vote). There are no limitations on its tenure. Further information on the members of the Board of Directors is given on pages 43 to 45.

The Shareholders' Meeting appoints the independent proxy-holder for a period of office that lasts until the close of the next ordinary Shareholders' Meeting. They may be reappointed. If the Company does not have an independent proxy-holder, one will be appointed by the Board of Directors for the next Shareholders' Meeting.

#### 3.2 Internal organisation

The Board of Directors shall consist of five or more members. The Board of Directors consists of a Chairman and members, who shall be appointed to various committees. In the current reporting period 2024/2025 the following committees have been in place:

- > Audit Committee;
- > Compensation Committee;
- > Nominating Committee.

The Shareholders' Meeting elects the members of the Board of Directors and the Chairman of the Board of Directors individually for a term of office that lasts until the close of the next ordinary Shareholders' Meeting. They may be reappointed. If the position of Chairman or Chairwoman is vacant, the Board of Directors will nominate one of its members to serve as Chairman until the close of the next ordinary Shareholders' Meeting. With the exception of the election of the Chairman and the members of the Compensation Committee, the Board of Directors constitutes itself. It appoints a secretary, who need not be a member of the Board of Directors.

Board meetings are convened by the Chairman or, in his absence, by another member of the Board of Directors. Individual members of the Board of Directors may, stating their reasons, demand that the Chairman call a meeting immediately. Prior to the meetings, the members of the Board of Directors receive comprehensive documentation on the agenda items to be discussed. Board meetings may be held by way of telephone or video conference.

The Board of Directors passes its resolutions by a majority of votes cast, whereby the Chairman has the deciding vote in the event of a tie. The Board of Directors is quorate when the majority of its members takes part in a Board meeting. No quorum is required for resolutions on statements about capital increases that have already taken place. Resolutions of the Board of Directors or of a Board Committee may also be passed by way of written consent to a proposal, i.e. by ordinary mail or via e-mail (circular resolution), provided that (1) all members of the respective body have been given prior notification of the text of the resolution and provided that (2) no member requests oral deliberation within the period stipulated for the vote. The resolution requires the approval by the majority of the votes of the entire respective body.

Four meetings of the Board of Directors took place during the 2024/2025 financial year. The Company’s Chief Executive Officer and Chief Financial Officer, as well as Dr Benedikt Suter, in his function as the Board’s secretary, attended all Board meetings.

The rule with respect to the number of permissible external mandates of members of the Board of Directors can be found in Art. 26 of the Articles of Association. The Articles of Association are available on the Company’s website (<https://www.hbmhealthcare.com/en/investors/information>).

**Audit Committee**

The Audit Committee supports the Board of Directors in the supervision of the Company’s business activities in the following domains, in accordance with written guidelines:

- > financial reporting;
- > auditing and controlling;
- > compliance with laws, directives and corporate governance.

In performing its function, the Audit Committee reviews how the Company’s largest financial exposures and risks are handled, as well as the independence and performance of the Company’s auditors. The Audit Committee does not have decision-making power.

The members of the Audit Committee are appointed by the Board of Directors. Their term of office corresponds to the term of office on the Board of Directors. They may be reappointed. The Audit Committee constitutes itself. It appoints one of its members as its Chairman. The members of the Audit Committee are:

<b>Audit Committee</b>		First appointed to the committee
Hans Peter Hasler		2021
Dr Rudolf Lanz		2003

The Audit Committee held four meetings during the 2024/2025 financial year. All of the meetings were also attended by the Company’s Management, as well as by the Audit Committee’s secretary. The members of the Audit Committee report to the full Board of Directors on the issues they have discussed. Minutes of Audit Committee meetings are sent for information to all members of the Board of Directors.

**Compensation Committee**

Members of the Compensation Committee were appointed by the Shareholders’ Meeting in June 2024. The Compensation Committee comprises at least two members of the Board of Directors. The Shareholders’ Meeting appoints the members of the Compensation Committee individually for a period of office that lasts until the close of the next ordinary Shareholders’ Meeting. They may be reappointed. If there is a vacancy or vacancies on the Compensation Committee, the Board of Directors will nominate one or more of its members to serve on the Compensation Committee until the close of the next ordinary Shareholders’ Meeting. The Compensation Committee constitutes itself. It appoints one of its members as its Chairman. The Board of Directors issued rules on the organisation of the Compensation Committee and how it passes its resolutions.

The Compensation Committee supports the Board of Directors with the determination and review of compensation policy and guidelines and performance targets, as well as with the preparation of proposals to the Shareholders’ Meeting concerning the compensation to be paid to the Board of Directors and Management. It may submit proposals to the Board of Directors on other compensation-related matters. The Compensation Committee has the right to make proposals but no decision-making power. The Chairman of the Board of Directors, (other) members of the Board of Directors and the Management may attend the meetings of the Compensation Committee.

The Board of Directors has determined in a set of regulations those functions of the Board of Directors and Management for which the Compensation Committee, with the Chairman of the Board of Directors or alone, shall propose performance objectives, target figures and compensation, or shall determine performance objectives, target figures and compensation itself as provided for in the Articles of Association and in the guidelines on compensation issued by the Board of Directors. The Board of Directors may allocate further duties to the Compensation Committee. The members of the Compensation Committee are:

<b>Compensation Committee</b>	<b>First appointed to the committee</b>
Mario G. Giuliani	2014
Dr Elaine V. Jones	2021
Dr Stella X. Xu	2021

The Compensation Committee held one video call during the reporting period.

### **Nominating Committee**

The Nominating Committee was established in September 2008. It is concerned with the composition of the Board of Directors and, jointly with the Chairman, supports the Board in implementing a process for the nomination of new members. The members of the Nominating Committee are appointed by the Board of Directors. Their term of office corresponds to their term of office on the Board of Directors. They may be reappointed. The members of the Nominating Committee are not compensated separately. The members of the Nominating Committee are:

<b>Nominating Committee</b>	<b>First appointed to the committee</b>
Mario G. Giuliani	2021
Dr Elaine V. Jones	2021
Dr Stella X. Xu	2021

The Nominating Committee held no meeting during the 2024/2025 financial year.

### **3.3 Authorities and responsibilities of the Board of Directors and Management**

The Board of Directors is the Company's highest governing body and is also charged with supervising and monitoring the activities of the Management. Furthermore, the Board of Directors passes resolutions on all matters which are not the preserve of the Shareholders' Meeting by law or the Articles of Association.

As the Company's highest governing body, the Board of Directors is responsible for the following, in particular:

- > defining the strategy;
- > issuing the organisational regulations;
- > appointing the members of Management;
- > issuing accounting policies;
- > passing resolutions on motions to be put to the Shareholders' Meeting.

The supervision and monitoring of management activities includes the following specific tasks:

- > annual risk assessment;
- > setting up an appropriate system of internal checks and balances;
- > receiving regular reports on the Company's business performance;
- > examining the Group Financial Statements IFRS, statutory and interim financial statements and the compensation report;
- > examining the reports produced by the statutory auditors.

The members of the Board of Directors do not hold executive positions; neither has any member of the Board of Directors held an executive position with HBM Healthcare in the past. In particular, the Company's Board of Directors does not, in the context of regular business operations, take any decisions with regard to investments in, or disposals of, individual companies.



### 3.4 Information and control instruments with regard to Management

The Board of Directors has adopted directives on all of the major aspects of business activities. The key directives are:

- > Organisational Regulation;
- > the Investment Guidelines, see pages 49 and 50;
- > the Operations Manual, which governs the investment and disposal processes and the monitoring of portfolio companies;
- > guidelines on own-account trading for members of governing bodies and members of staff;
- > guidelines on trading in the Company's own shares for members of governing bodies and members of staff.

#### Guidelines on own-account trading

The Company has issued restrictive guidelines for members of HBM Healthcare's governing bodies on trading for their own accounts. These guidelines also apply to HBM Partners and its staff as well as to HBM Partners' contractual partners and their staff. In principle, own-account trading involving private companies in the human medicine, biotechnology, medical technology, diagnostics, and related sectors are prohibited. In addition to a number of other regulations, own-account trading in public companies is subject to the rule that the interests of the Group must not be infringed upon. Own-account trading involving private companies may be authorised in exceptional cases.

#### Guidelines on trading in the Company's own shares

The Company has issued restrictive guidelines for members of HBM Healthcare's governing bodies on trading in the Company's own shares. These guidelines also apply to HBM Partners and its staff as well as to HBM Partners' contractual partners and their staff. Trading in the Company's own shares is prohibited for the persons mentioned above (Insiders) if unpublished information exists which would probably be of significance in an investor's decision to buy or sell such shares. Furthermore, Insiders are not permitted to trade within defined time windows.

#### Trading black-out periods

The Company has established so-called trading windows. Trading in Company's own shares is restricted during 10 trading days prior to publication of quarterly, half-year and annual results (black-out period).

From time to time, the Company may, if considered in the best interest of the Company, prohibit the purchase or sale of Company's own shares during such trading windows. In such events, Insiders may not engage in any transaction involving the purchase or sale of Company's own shares and may not disclose to others the fact of such suspension of trading window.

Share buy-back programmes, as well as other exemptions as provided for by Swiss law, remain exempt.

#### Transactions with related parties

Details of transactions with related parties are given in note 9 to the Group Financial Statements IFRS on page 88.

#### Information instruments

In addition to the Company's comprehensive external reporting, prior to each of its meetings, the Board of Directors receives detailed documentation from the Management about the performance of the Company and its advisory organisation. Among the issues reported upon at each meeting of the Board of Directors are financial performance, financial risk management (see note 8 on pages 84 to 88), major portfolio events, liquidity planning, new developments in the advisory organisation, and compliance with own-account and insider trading guidelines. Regular meetings are held between the Chairman of the Board and the Management.

### External review mandates

The Board of Directors has issued the following review mandates to the auditors as a complement to the external audit of the financial statements that is required by law:

- > review of the Corporate Governance section of the annual report;
- > review of the Compensation Report;
- > audit procedures required by law in relation to the par value repayment of 9.8.2024.

The auditors must submit a written report on their findings to the Board of Directors. The findings of audits and reviews are also discussed with the auditors in the context of the Audit Committee.

## 4. Management

### 4.1 Members of Management

As at 31 March 2025 the Management was composed of the following members:

- > Dr Andreas Wicki, Chief Executive Officer;
- > Erwin Troxler, Chief Financial Officer.

The rule with respect to the number of permissible external mandates of members of the Management can be found in Art. 26 of the Articles of Association. The Articles of Association are available on the Company's website (<https://www.hbmhealthcare.com/en/investors/information>).

Further information on the members of Management is given on page 46.

### 4.2 Advisory agreement

HBM Healthcare Investments (Cayman) Ltd. has entered into an advisory agreement with HBM Partners. Information on the core elements of the advisory agreement and on the scope of remuneration is provided in the Compensation Report (section 9) on pages 56 and 57.

## 5. Remuneration and share allotments

### 5.1 Remuneration paid to serving members of governing bodies; method of determination

Details of the remuneration paid to serving members of governing bodies, as well as how this remuneration is determined, can be found in the Compensation Report (sections 3 and 4) on pages 53 to 55.

The rules governing the approval by the Shareholders' Meeting of the remuneration of the members of the Board of Directors and the Management, the additional amount as well as the principles governing the remuneration of the members of the Board of Directors and the Management can be found in Art. 24, 24a and 24b of the Articles of Association. Rules under the Articles of Association concerning loans, credits and pension benefits can be found in the Compensation Report (section 11.2) on page 59.

### 5.2 Disclosure of share transactions and ownership of governing bodies

HBM Healthcare publishes each purchase or sale of Company shares by members of the Board of Directors or the Management within three trading days. This information is available on the website of SIX Exchange Regulation Ltd (<https://www.ser-ag.com/en/resources/notifications-market-participants/management-transactions.html#/>).

Details of the shares owned by serving members of governing bodies can be found in the notes to the Parent Company Financial Statements on page 96.

## 6. Shareholder co-determination rights

### 6.1 Voting rights

The right to vote may be exercised by anyone who is entered in the share register as a shareholder with voting rights on the cut-off date determined by the Board of Directors, provided they do not sell their shares before the end of the Shareholders' Meeting. Shareholders who hold their shares via nominee entries are not entitled to vote.

## 6.2 Submission of agenda items

Shareholders who alone or together hold at least 0.5 percent of the share capital or the votes may request that an item be included on the agenda or that a motion on an item be included in the notice convening the Shareholders' Meeting.

The Shareholders' Meeting itself may decide to permit the debate of motions on matters not properly submitted for discussion as described above. No resolution on the matter in question may be passed until the next Shareholders' Meeting, however. Motions to call an extraordinary Shareholders' Meeting or to conduct a special audit are not subject to this regulation.

No advance notice is required to propose a motion in connection with matters already tabled for discussion and to conduct negotiations without a resolution.

## 6.3 Entries in the share register

Entry in the share register requires evidence of the purchase of title to registered shares or of a right of usufruct. No entries are made in the share register between the cut-off date determined by the Board of Directors and the day following the Shareholders' Meeting.

## 7. Change of control and defensive measures

No rules regarding change of control and defensive measures have been made in the Articles of Association.

## 8. Auditors

### 8.1 Duration of mandate and term of office of auditor in charge

The Shareholders' Meeting appoints the Company's auditors for each financial year. Ernst & Young Ltd was appointed as the Company's statutory and group auditors for the first time for the 2001/2002 financial year. As required by Swiss law, rotation of auditor in charge applies after a maximum of seven years. Rico Fehr has been auditor in charge since the 2021/2022 financial year.

### 8.2 Audit fees

The fee paid to Ernst & Young Ltd for auditing the Company's Statutory Financial Statements and Group Financial Statements IFRS amounted to CHF 176 800 (previous year: CHF 171 000) in the reporting year. The fee for auditing the par value repayment amounted to CHF 8 300 (previous year: CHF 8 300). Additional fees for reviewing the corporate governance disclosures in the annual report, the compensation report as well as other audit related services amounted to CHF 6 900 (previous year: CHF 6 900).

### 8.3 Supervision and control instruments with regard to the auditors

The independence, objectivity and performance of the auditors are reviewed by the Audit Committee by using the following criteria: technical, operational and sector specific expertise; sufficient availability and adequate use of resources; ability to provide effective, practical recommendations; open and effective communication as well as coordination with the Audit Committee and the Management.

The auditors are instructed to issue audit reports on the Group Financial Statements IFRS and the Statutory Financial Statements, on their review of the corporate governance section of the annual report and the Compensation Report, as well as to run the audit procedures required by law in relation to the par value repayment of 9.8.2024. In addition, the Board of Directors receives a management letter from the auditors if required, and a comprehensive report following the annual audit. These documents are discussed by the Audit Committee with the auditors. Representatives of the auditors attended three of the total of four Audit Committee meetings in the 2024/2025 financial year.

## 9. Sustainability

The Company's investment strategy is inherently consistent with environmental, social and governance (ESG) factors as well as Goal 3 of the UN Sustainable Development Goals (SDG) – Good Health and Well-Being.

The Company primarily invests in emerging enterprises whose products are still in the development stage. These companies are mostly active in research and development. Greenhouse gas emissions and the consumption of natural resources are low compared to other industries and their negative impact on the environment is correspondingly minor.

By investing exclusively in the healthcare sector, the Company provides capital for innovative businesses. These enterprises develop breakthrough therapies that help improve the health and well-being of people around the world. This also creates jobs, usually in young, dynamic companies that offer a modern working environment with equal rights and opportunities for their employees.

## 10. Information policy

Every year, the Company publishes an annual report, a half-year report and two quarterly reports. The Swiss Official Gazette of Commerce (Schweizerisches Handelsamtsblatt) is the Company's official publication for announcements. The current net asset value (NAV) is published twice monthly on the Company's website ([www.hbmhealthcare.com](http://www.hbmhealthcare.com)). The Company is subject to the ad hoc publicity disclosure rules of SIX Exchange Regulation Ltd.

The Company's contact address is:  
HBM Healthcare Investments Ltd  
Bundesplatz 1, 6300 Zug, Switzerland  
Phone +41 41 710 75 77  
[info@hbmhealthcare.com](mailto:info@hbmhealthcare.com)  
[www.hbmhealthcare.com](http://www.hbmhealthcare.com)

## 11. Inapplicability/negative declaration

It is hereby stated expressly that all information that is not contained or mentioned in the corporate governance section is deemed inapplicable or is to be understood as a negative declaration.





## Hans Peter Hasler

Chairman, Member of the Board of Directors since 2009, Member of the Audit Committee, Swiss national

### Career

Swiss Federal Commercial Diploma, Marketing Certificate, Swiss School of Business Administration SIB, Zurich; CEO of Vicarius Pharma (2017 to 2020). Prior to this, international management positions at Wyeth Pharmaceuticals (1993 to 2001, Germany and USA), Biogen Inc. (2001 to 2009, Boston) and Elan Corporation (2012 to 2013, Dublin and San Francisco)

### Directorships

Chairman of the Board of Directors Shield Therapeutics plc since 2018. Member of the Board of Directors Gain Therapeutics since 2020 and Minerva Neurosciences since 2017



## Mario G. Giuliani

Member of the Board of Directors since 2012, Member of the Compensation and of the Nominating Committees, Swiss national

### Career

Economist; executive positions and directorships at Giuliani SpA (1996 to 2014), Recordati SpA (2011 to 2014), Nogra Group SA (2015 to 2016), Fair-Med Healthcare AG (2013 to 2017) and Jukka LLC (2015 to 2019)

### Directorships

President and Member of the Board of Directors MGG Strategic SICAF SIF since 2022 and MGG Capital SAM since 2015. Member of the Board of Directors GISEV Family Office SA since 2023, Philos & Partners AG since 2022, CMB Monaco since 2021, ElevateBio LLC since 2020, Giuliani Group since 2010 and Anse du Portier since 2016



### Dr Elaine V. Jones

Member of the Board of Directors since 2021, Member of the Compensation and of the Nominating Committees, US national

#### Career

Ph.D. in Microbiology from the University of Pittsburgh and B.Sc. from Juniata College; Director Scientific Licensing and Research Scientist at Smith-Kline Beecham Pharmaceuticals, Vice President S.R. One (Enterprise Fund GlaxoSmithKline, 1999 to 2003), General Partner Venture Fund EuclidSR Partners (2003 to 2008), Vice President Pfizer Ventures (2008 to 2019)

#### Directorships

Chairwoman of the Board of Directors Mironid Ltd since 2019. Member of the Board of Directors Myeloid Therapeutics since 2021, Novartis Venture Fund since 2020, CytomX Therapeutics since 2019 and NextCure since 2016. Member of the Product Development Review Council CPRIT (Cancer Prevention and Research Institute of Texas) since 2022 and Trustee Juniata College since 2014



### Dr Rudolf Lanz

Member of the Board of Directors since 2003, Member of the Audit Committee, Swiss national

#### Career

Economist, doctorate in law; Advisor, Member of the Executive Board and Partner at Ernst & Young Ltd (1980 to 2000); Co-founder, Partner and Chairman of the Board of Directors The Corporate Finance Group AG (2000 to 2009)

#### Directorships

Chairman of the Board of Directors Interlakes Pferdemedizin AG since 2020 and Dr Rudolf Lanz AG since 2005. Member of the Board of Directors Myelin AG since 2021



## **Dr Stella X. Xu**

Member of the Board of Directors since 2020, Member of the Compensation and of the Nominating Committees, US national

### **Career**

Ph.D. in Immunology from Northwestern University and B.Sc. in Biophysics from Peking University; since 2017 managing director of Quan Capital. Previously at Roche (2002 to 2017), McKinsey & Company (1998 to 2002) and Innovent Pharmaceuticals (1996 to 1998)

### **Directorships**

Member of the Board of Directors of Theroma since 2021 and Zidan Medical since 2018



## Dr Andreas Wicki

Chief Executive Officer since 2001,  
Swiss national

### Career

Doctorate in chemistry and biochemistry; since 2001 Chief Executive Officer HBM Healthcare Investments Ltd and HBM Partners Ltd. Prior to this, chief executive of several pharmaceutical companies (1988 to 2001), investment and venture capital advisor (1993 to 2001)

### Directorships

Member of the Board of Directors Harmony Biosciences since 2017, HBM Healthcare Investments (Cayman) Ltd. since 2001 and Buchler GmbH (FAGUS Group) since 2000



## Erwin Troxler

Chief Financial Officer since 2011,  
Swiss national

### Career

Economist and Swiss Certified Public Accountant; since 2005 HBM Healthcare Investments Ltd and HBM Partners Ltd, since 2011 Chief Financial Officer. Prior to this, auditor PricewaterhouseCoopers Ltd (1996 to 2002) and Julius Baer Family Office Ltd (2002 to 2005)

### Directorships

Chairman of the Swiss Association of Investment Companies (SAIC) since 2014





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To the Board of Directors of  
**HBM Healthcare Investments Ltd, Zug**

Zurich, 14 May 2025

## **Review Report for the Corporate Governance disclosures**

In accordance with your instructions, we have reviewed the Corporate Governance disclosures of HBM Healthcare Investments Ltd according to the Directive Corporate Governance (DCG) issued by the SIX Swiss Exchange (pages 34 bis 46) for the year ended 31 March 2025.

These disclosures are the responsibility of the Board of Directors. Our responsibility is to issue a report on these disclosures based on our review.

We conducted our review in accordance with Swiss Auditing Standard 910 applicable to review engagements. This standard requires that we plan and perform the review to obtain assurance that the Corporate Governance disclosures are free from material misstatements, although not with the same level of assurance obtained from an audit. A review is limited primarily to inquiries of personnel and analytical procedures applied to the disclosures. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the Corporate Governance disclosures of HBM Healthcare Investments Ltd are not complete with regard to the Directive Corporate Governance (DCG) issued by the SIX Swiss Exchange, contain material misstatements or are not in compliance with it.

Ernst & Young Ltd

**Rico Fehr**  
Licensed audit expert  
(Auditor in charge)

**David Schuler**  
Licensed audit expert

# Investment Guidelines



The Investment Guidelines determine the investment activities of HBM Healthcare Investments Ltd and its subsidiary HBM Healthcare Investments (Cayman) Ltd. In particular, they set out the overall investment strategy, the tolerance of risk and the general risk management philosophy.

### 1. Investment objective

HBM Healthcare Investments' objective is to generate longterm capital gains with investments in private and public companies in the human medicine, biotechnology, medical technology and diagnostics sectors, and related areas.

### 2. Investment strategy

Within its target sector, HBM Healthcare Investments invests predominantly in later-stage private companies which are attractively valued and have a convincing business model, including their product pipeline, technology and management:

- > The initial investment is typically made in the later stages of clinical development, and where profitable or cash flow-neutral companies require financing for their expansion. There must be an attractive ratio between value-creation potential and the risk of the investment. HBM Healthcare Investments must also be able to influence the portfolio company, particularly with regard to its exit from the investment.

- > HBM Healthcare Investments may acquire majority participations in portfolio companies.
- > The amount of the investment may be increased in follow-on financing rounds provided the value-creation potential remains intact.
- > HBM Healthcare Investments has the flexibility to increase its investment further at the time of or after the portfolio company's IPO.

### Geographical focus

Investments are made worldwide – primarily in Europe, Asia and North America.

### Availability of funds

HBM Healthcare Investments maintains adequate short-term funds to ensure that it is able to satisfy all of its commitments, including follow-on financing for portfolio companies. Cash and cash equivalents are held with a variety of top-rated banks.

### Debt financing

With the approval of the Board of Directors, HBM Healthcare Investments Ltd may obtain debt financing totalling no more than 20 percent of net assets at any time. Where possible, the repayment dates for this borrowed capital will be staggered over time.

### Hedging

HBM Healthcare Investments may hedge all or part of its investment risks using derivatives or other appropriate financial instruments. Such transactions must be aimed at reducing overall portfolio risk.

### Investment instruments

HBM Healthcare Investments' investments are made primarily in equities. HBM Healthcare Investments may also invest in other instruments including, but not limited to, convertible bonds and, exceptionally, debt securities and derivatives.

### 3. Investment categories

HBM Healthcare Investments continually optimises the composition of its portfolio in line with its sector focus and prevailing market circumstances. HBM Healthcare Investments holds a diversified portfolio of high-quality companies with considerable potential. Without the consent of the Board of Directors of HBM Healthcare Investments Ltd, the acquisition cost of any single investment may not exceed 10 percent of net assets.

#### Private companies

The majority of the capital that is realised and available from the portfolio flows through an investment cycle into direct participations in private companies with a convincing business model. HBM Healthcare Investments may acquire majority holdings in portfolio companies, and guides and supports them.

#### Public companies

HBM Healthcare Investments may increase its investment in a portfolio company at the time of or after the latter's IPO. HBM Healthcare Investments may also make investments in public companies. Increases in the value of existing holdings – following private portfolio company IPOs, for example – may result in a significant proportion of net assets being held in public companies.

#### Financial instruments (not related to hedging)

HBM Healthcare Investments may hold "long" positions in options, and "short" positions in put options. Based on the principal amount, these positions may cumulated amount to up to 20 percent of the net assets of HBM Healthcare Investments. Selling of uncovered call options is not allowed. Holdings in sold call options which are covered by the corresponding portfolio holdings may be entered into additionally.

### 4. Investment decisions

Investment and disposal decisions in relation to individual companies are taken by the Board of Directors of the investing HBM Healthcare Investments entity, HBM Healthcare Investments (Cayman) Ltd., based on the recommendations of the investment advisor, HBM Partners Ltd. Within the scope of HBM Healthcare Investments' ordinary business activities, the Board of Directors of HBM Healthcare Investments Ltd does not make any company-specific investment or disposal decisions.

### 5. Application of and changes to the Investment Guidelines

The original Investment Guidelines were adopted by the Board of Directors of HBM Healthcare Investments Ltd on 6 December 2001, revised on 14 May 2004, on 7 July 2006, on 25 June 2010, on 12 May 2014 and passed in their present form on 11 February 2015. These Investment Guidelines define and regulate the investment activities of HBM Healthcare Investments Ltd and its subsidiary HBM Healthcare Investments (Cayman) Ltd. The Investment Guidelines may be amended within the limits of the Articles of Association of HBM Healthcare Investments Ltd by its Board of Directors at any time.



# Compensation Report



**This Compensation Report for the 2024/2025 financial year sets out the compensation system for, and the compensation paid to, the members of the Board of Directors and the Management of HBM Healthcare Investments Ltd (HBM Healthcare or the Company). The content and scope of the disclosures comply with the provisions on board member and executive compensation in listed companies pursuant to the Swiss Civil Code (Swiss Code of Obligations "CO", Art. 732–735), and SIX Exchange Regulation Ltd's Directive on Corporate Governance (DCG).**

### **1. Introductory remarks on the specific structure of HBM Healthcare as an investment company**

HBM Healthcare is an exchange-listed investment company in the form of a company limited by shares in the sense of Art. 2 para. 3 of the Collective Investment Schemes Act (CISA) and Art. 65 et seqq. of the Listing Rules of SIX Exchange Regulation Ltd.

As an investment company, HBM Healthcare invests worldwide, via its subsidiaries, in the human medicine, biotechnology, medical technology, and diagnostic sectors and related areas. Investments are focused on Europe, Asia and North America, and may be made in both, individual private and public companies, as well as in other investment vehicles specialising in the sectors listed above. The Company does not pursue any commercial or operational activity other than that described here.

As is common for investment companies, in accordance with Art. 716b para. 2 CO and Art. 21 of the Company's Articles of Association, the Board of Directors has transferred asset management to a specialist service provider, HBM Partners Ltd, Zug (Investment Advisor), under the terms of an advisory agreement. As a rule, investment decisions are made by the Board of Directors of HBM Healthcare's subsidiary. The Board of Directors of HBM Healthcare remains responsible for monitoring the Investment Advisor, taking key investment policy decisions and for other inalienable tasks. The Investment Advisor manages various collective investment funds which focus on the healthcare sector. As a manager of collective assets in accordance with Art. 24 para. 1 a FinIA, the Investment Advisor is subject to supervision by the Swiss Financial Market Supervisory Authority FINMA. For details of the advisory agreement, please refer to section 9 of this Compensation Report.

In accordance with Art. 716b para. 1 CO and Art. 21 of the Company's Articles of Association, the Board of Directors has delegated day-to-day business to the Management, comprising a Chief Executive Officer (CEO) and a Chief Financial Officer (CFO), under the terms of the Company's organisational regulations.

### **2. Responsibility and authority with regard to compensation**

The full Board of Directors is responsible for ensuring that the compensation process is fair and transparent, and subject to effective supervision. The chosen compensation process should serve to provide pay commensurate with the services provided, as well as appropriate incentives, to the individual members of the Board of Directors and Management, taking due account of the longer-term interests of the shareholders and the Company's performance.

In particular, subject to the approval of the Shareholders' Meeting, the full Board of Directors determines the following:

- > The principles of the compensation strategy;
- > The level and composition of compensation paid

to the Chairman of the Board of Directors, and other members of the Board of Directors;

- > The level of compensation paid to the members of the committees of the Board of Directors;
- > The level and composition of total and individual compensation paid to the members of Management.

The Compensation Committee supports the Board of Directors with the determination and review of compensation policy and guidelines, as well as performance targets, and with the preparation of proposals to the Shareholders' Meeting concerning the compensation to be paid to the Board of Directors and Management. The Compensation Committee submits its proposals in this regard to the full Board of Directors for the latter to adopt a resolution.

In addition, the full Board of Directors decides on the conclusion, cancellation or amendment of the agreement with the Investment Advisor, and thus in particular also on the level of fees to be paid under that agreement.

### 3. Compensation to members of the Board of Directors

#### 3.1 Basis and elements

The compensation paid to members of the Board of Directors depends on the scope of the individual member's activities and the responsibility and functions that they hold (chairmanship of the Board of Directors, membership of the Board of Directors and membership of committees).

Compensation to the Board of Directors is made up of the following elements:

- > Fixed director's fee (equity and cash payment);
- > Fixed fee for committee membership (cash payment);
- > Legally required social security contributions (employer's contribution).

The Board of Directors has decided to change the compensation system for the members of the Board of Directors, effective from the 2023/2024 financial year, so that only fixed compensation will be paid and the previously practised variable compensation will no longer apply. Also, separate board meeting fees will no longer be paid.

For the 2024/2025 reporting year, the Board of Directors set the fixed compensation for its members as follows:

<b>Fixed compensation to Board of Directors (in CHF)</b>	<b>2024/2025</b>	<b>2023/2024</b>
Chairman of the Board of Directors	280 000	280 000
Member of the Board of Directors	200 000	200 000
Member of the Audit Committee	30 000	30 000
Member of the Compensation Committee	10 000	10 000
Member of the Nominating Committee	0	0

50 percent of the fixed board compensation will be paid in the form of company shares.

The director's fees reflect the time commitment and responsibility of the individual members of the Board.

As a rule, the full Board of Directors decides once a year on the level of fees to be paid on the basis of a proposal from the Compensation Committee. The decision is subject to the approval of the Shareholders' Meeting.

### 3.2 Compensation paid to the individual members of the Board of Directors during the reporting year

During the 2024/2025 financial year, the five members of the Board of Directors together received compensation totalling CHF 1 185 595 (previous year: CHF 1 186 120). Of this figure, CHF 1 170 000 (previous year: CHF 1 170 000) was paid out in the form of fixed directors' fees for services on the Board of Directors and Board Committees. Legally required social security contributions (employer's contribution) totalled CHF 15 595 (previous year: CHF 16 120).

The individual members of the Board of Directors received the following compensation:

Compensation to Board of Directors 2024/2025 financial year 1 April 2024 – 31 March 2025 (in CHF)	Committee <sup>1)</sup>			Fixed fee	Committee fee	Social security contributions & duties	Total
	AC	CC	NC				
Hans Peter Hasler, Chairman	x			280 000	30 000	0	310 000
Mario G. Giuliani, Member		x	x	200 000	10 000	15 595	225 595
Dr Elaine V. Jones, Member		x	x	200 000	10 000	0	210 000
Dr Rudolf Lanz, Member	x			200 000	30 000	0	230 000
Dr Stella X. Xu, Member		x	x	200 000	10 000	0	210 000
Total Board of Directors				1 080 000	90 000	15 595	1 185 595

1) AC: Audit Committee / CC: Compensation Committee / NC: Nominating Committee

Compensation to Board of Directors 2023/2024 financial year 1 April 2023 – 31 March 2024 (in CHF)	Committee <sup>1)</sup>			Fixed fee	Committee fee	Social security contribu- tions & duties	Total
	AC	CC	NC				
Hans Peter Hasler, Chairman	x			280 000	30 000	0	310 000
Mario G. Giuliani, Member		x	x	200 000	10 000	16 120	226 120
Dr Elaine V. Jones, Member		x	x	200 000	10 000	0	210 000
Dr Rudolf Lanz, Member	x			200 000	30 000	0	230 000
Dr Stella X. Xu, Member		x	x	200 000	10 000	0	210 000
Total Board of Directors				1 080 000	90 000	16 120	1 186 120

1) AC: Audit Committee / CC: Compensation Committee / NC: Nominating Committee



## 4. Compensation to members of Management

### 4.1 Basis and elements

With the exception of asset management, which is delegated to the Investment Advisor under the terms of the advisory agreement, the Board of Directors has delegated day-to-day operational tasks to the Management. In the reporting year, the Management comprised a Chief Executive Officer (CEO) and a Chief Financial Officer (CFO), both of whom are employed in the same roles at the Investment Advisor. Their relationship of employment with HBM Healthcare is governed by a separate employment contract, and covers 40 percent of the standard working week in each case.

The members of Management are compensated according to the scope of their individual activities and roles. This compensation comprises the following elements:

- > Fixed salary (cash payment);
- > Legally required social security contributions (employer's contribution).

As a rule, the full Board of Directors decides once a year on the level of compensation to be paid, on the basis of a proposal from the Compensation Committee. Any adjustments to the fixed salary are made effective 1 July, within the total amount approved in advance by the Shareholders' Meeting.

The two members of Management are also in a relationship of employment with the Investment Advisor. They participate as minority shareholders in the Investment Advisor.

### 4.2 Total compensation paid to members of Management in the reporting year

During the 2024/2025 financial year, the two members of Management together received compensation totalling CHF 331 167 (previous year: CHF 328 543). Of this figure, CHF 306 240 (previous year: CHF 304 790) was paid out in the form of fixed salaries. Legally required social security contributions (employer's contribution) totalled CHF 24 927 (previous year: CHF 23 753).

The members of Management received the following compensation:

#### Compensation to Management 2024/2025 financial year 1 April 2024 – 31 March 2025 (in CHF)

	Working hours	Fixed salary	Social security contributions	Total
Dr Andreas Wicki, CEO	40%	182 000	11 486	193 486
Erwin Troxler, CFO	40%	124 240	13 441	137 681
<b>Total Management</b>		<b>306 240</b>	<b>24 927</b>	<b>331 167</b>

#### Compensation to Management 2023/2024 financial year 1 April 2023 – 31 March 2024 (in CHF)

	Working hours	Fixed salary	Social security contributions	Total
Dr Andreas Wicki, CEO	40%	181 160	13 797	194 956
Erwin Troxler, CFO	40%	123 630	9 956	133 587
<b>Total Management</b>		<b>304 790</b>	<b>23 753</b>	<b>328 543</b>

## 5. Loans and credits to members of the Board of Directors and Management

As at 31 March 2025, there were no loans or credits outstanding which HBM Healthcare had granted to current or former members of the Board of Directors or Management, or parties related to them (previous year: none).

## 6. Compensation to related parties on non-market terms

During the 2024/2025 reporting year, the Company did not pay any compensation to related parties which did not conform to normal market terms (previous year: none).

## 7. Compensation to former members of the Board of Directors and Management

No payments were made to former members of the Board of Directors or Management during the 2024/2025 reporting year (previous year: none).

## 8. Contractual conditions upon leaving HBM Healthcare

No member of the Board of Directors or Management has a contract with HBM Healthcare which grants them severance pay should they leave the Company.

## 9. Advisory agreements

The HBM Healthcare Investments (Cayman) Ltd. subsidiary has entered into an advisory agreement with HBM Partners (Investment Advisor), under which the Investment Advisor will provide asset management and other defined services to HBM Healthcare, specifically identifying and valuing investment opportunities, coordinating and conducting due diligence and contractual negotiations in respect of investments, supporting portfolio companies, monitoring portfolio holdings, and evaluating potential exit strategies, as well as bookkeeping and financial reporting. Investment decisions are not delegated to the Investment Advisor with the exception of the management of a discretionary portfolio of equities in public companies, the monetary size of which is limited, and which must be managed according to

guidelines defined by HBM Healthcare. The advisory agreement runs at least until 30 June 2027, and is automatically extended by 24 months if it is not terminated by notice. Any notice of termination must be served at least 18 months before the end of the contract term.

The compensation paid to the Investment Advisor is determined by the advisory agreement, and comprises a fixed management fee, as well as a performance-related component.

The fixed management fee is 0.75 percent per year of the Company's assets, plus 0.75 percent per year of its market capitalisation, payable quarterly at the beginning of the quarter. Company assets are calculated from shareholders' equity reported in accordance with IFRS Accounting Standards as at the end of the previous quarter, plus borrowed capital. Market capitalisation corresponds to the market value of the Company on SIX Swiss Exchange, less the Company's holdings of its own shares acquired as part of a share buy-back programme in order to reduce its capital.

HBM Healthcare has agreed with the Investment Advisor that no management fee will be owed for the entire term of the bond with a par value of CHF 100 million, issued in July 2021.

The management fee paid to the Investment Advisor for the 2024/2025 financial year came to CHF 22.5 million (previous year: CHF 22.7 million).

The performance fee paid to the Investment Advisor amounts to 15 percent of the value growth achieved over and above the high water mark. The determining high water mark is that which was applied to the payment of the most recent performance fee, adjusted for any dividend payments or capital repayments that have been made to shareholders in the interim. The performance fee is calculated on an annual basis on net assets reported on the reporting date, and the number of shares outstanding. It is

paid out at the end of the financial year providing value growth has exceeded the high water mark by more than five percent.

For the 2024/2025 financial year, the net asset value per share before provision for the performance fee, i.e. the relevant figure for the calculation of the performance fee, stood at CHF 244.41, and thus did not exceed the high water mark of CHF 290.57. Therefore, no variable compensation is owed for the 2024/2025 financial year. At the beginning of the 2025/2026 financial year, the high water mark for all outstanding shares will remain at CHF 290.57 (adjusted for any future dividend payments or capital repayments made to shareholders).

If HBM Healthcare terminates the agreement by regular notice (i.e. not applying the default provisions), the Investment Advisor will continue to be eligible to participate, for a defined period, in the value growth achieved on certain existing holdings: for all holdings in private companies, for five years following termination of the agreement, such participation being ten percent of the difference between the sale proceeds and the reported book value, or acquisition cost if higher, at the time the agreement is terminated; for all holdings in public companies which are subject to restrictions on sale, for twelve months following termination of the agreement, such participation being ten percent of the difference between the market value of the holding upon expiry of the sale restriction and the reported book value, or acquisition cost if higher, at the time the agreement is terminated.

## 10. External mandates of the Board of Directors and the Management

As at 31 March 2025, the members of the Board of Directors and the Management held the following external mandates in comparable functions at other companies with an economic purpose (Art. 626 para. 2 section 1 CO), which must be disclosed in the remuneration report in accordance with Art. 734e CO.

### 10.1 Board of Directors

#### Hans Peter Hasler

- > Chairman of the Board of Directors, Shield Therapeutics plc
- > Member of the Board of Directors, Gain Therapeutics
- > Member of the Board of Directors, Minerva Neurosciences

#### Mario G. Giuliani

- > President and Member of the Board of Directors, MGG Capital SAM
- > President and Member of the Board of Directors, MGG Strategic SICAF SIF
- > Member of the Board of Directors, GISEV Family Office SA
- > Member of the Board of Directors, Philos & Partners AG
- > Member of the Board of Directors, CMB Monaco
- > Member of the Board of Directors, ElevateBio LLC
- > Member of the Board of Directors, Giuliani Group
- > Member of the Board of Directors, Anse du Portier

#### Dr Elaine V. Jones

- > Chairwoman of the Board of Directors, Mironid Ltd
- > Chairwoman of the Board of Directors, Gritstone bio
- > Member of the Board of Directors, Myeloid Therapeutics
- > Member of the Board of Directors, Novartis Venture Fund
- > Member of the Board of Directors, CytomX Therapeutics
- > Member of the Board of Directors, NextCure
- > Member of the Product Development Review Council, CPRIT (Cancer Prevention and Research Institute of Texas)
- > Trustee, Juniata College

#### Dr Rudolf Lanz

- > Chairman of the Board of Directors, Interlakes Pferdemedizin AG
- > Chairman of the Board of Directors, Dr. Rudolf Lanz AG
- > Member of the Board of Directors, Myelin AG

#### Dr Stella X. Xu

- > Member of the Board of Directors, Therorna
- > Member of the Board of Directors, Zidan Medical

### 10.2 Management

#### Dr Andreas Wicki

- > Member of the Board of Directors, Harmony Biosciences
- > Member of the Board of Directors, Buchler GmbH (FAGUS Group)

#### Erwin Troxler

- > Chairman, Swiss Association of Investment Companies (SAIC)



## 11. Rules under the Articles of Association

### 11.1 Rules under the Articles of Association concerning certain components of compensation

Under the Articles of Association, members of the Board of Directors and Management may be paid variable compensation that is determined by the achievement of certain performance objectives. Such performance objectives may be personal, corporate and division-specific, or objectives set relative to the market, to other companies or to comparable benchmarks, taking into account the role and level of responsibility of the recipient of such variable compensation. The compensation may take the form of cash, shares, options, comparable instruments or units, payment in kind, or services.

The Board of Directors or the Compensation Committee determines the weighting of performance targets, the individual target values, the terms of allocation and exercise, as well as exercise periods and any retention periods, and the terms that apply at maturity. It may provide that, should certain predetermined events take place, such as a change of control or the termination of an employment or mandate relationship, exercise terms and periods and holding periods may be shortened or cancelled, compensation may be paid on the assumption that target figures have been reached, or that compensation already paid out is forfeited.

Where an individual joins Management, or is promoted within Management, after compensation has been approved by the Shareholders' Meeting, the Board of Directors may approve an additional amount if the compensation that has been approved is not sufficient to cover the compensation to this individual. For each compensation period and member this additional amount may not exceed 60 percent of the most recently approved total maximum amounts for fixed and variable compensation to Management. No additional amount has been paid (previous year: none).

### 11.2 Rules under the Articles of Association concerning loans, credits and pension benefits

Under the Articles of Association, loans to members of the Board of Directors and Management may be granted on market terms only and may not exceed the amount of one year's compensation for each member. No pension benefits may be paid outside of occupational pension schemes. No loans, credits and pension benefits have been granted during the reporting year (previous year: none).

### 11.3 Rules under the Articles of Association concerning the Shareholders' Meeting's vote on compensation

Under the Articles of Association, the approval of the Shareholders' Meeting is required for each of the proposals of the Board of Directors that concern total amounts

- > for the maximum fixed part of compensation to members of the Board of Directors for the period up to the next ordinary Shareholders' Meeting;
- > for the variable part of compensation to members of the Board of Directors for the financial year just ended;
- > for the maximum fixed part of compensation to members of Management for the period from 1 July of the current calendar year to 30 June of the following calendar year;
- > for the variable part of compensation to members of Management for the financial year just ended.

The Board of Directors may submit alternative and additional proposals with regard to the same or other time periods to the Shareholders' Meeting. Should the Shareholders' Meeting reject one of the proposals of the Board of Directors, the Board of Directors will consider all of the relevant circumstances and set a corresponding maximum amount or several maximum sub-amounts, and must submit this (or these) to the Shareholders' Meeting for approval. Subject to its retroactive authorisation, HBM Healthcare may pay out compensation prior to its approval by the Shareholders' Meeting.

To the General Meeting of  
HBM Healthcare Investments Ltd, Zug

Zurich, 14 May 2025

## Report of the statutory auditor on the audit of the Compensation report



### Opinion

We have audited the Compensation report of HBM Healthcare Investments Ltd (the Company) for the year ended 31 March 2025. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) contained in the tables of section 3.2 and 4.2 as well as sections 5 to 8 and 10 of the Compensation report.

In our opinion, the information pursuant to Art. 734a-734f CO in the Compensation report complies with Swiss law and the Company's articles of incorporation.



### Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the Compensation report" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



### Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the tables of section 3.2 and 4.2 as well as sections 5 to 8 and 10 of the Compensation report, the Group financial statements, the stand-alone financial statements and our auditor's reports thereon.

Our opinion on the Compensation report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Compensation report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the Compensation report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



### Board of Directors' responsibilities for the Compensation report

The Board of Directors is responsible for the preparation of a Compensation report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the

preparation of a Compensation report that is free from material misstatement, whether due to fraud or error. It is also responsible for designing the compensation system and defining individual compensation packages.



### **Auditor's responsibilities for the audit of the Compensation report**

Our objectives are to obtain reasonable assurance about whether the information pursuant to Art. 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this compensation report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ identify and assess the risks of material misstatement in the Compensation report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Ernst & Young Ltd

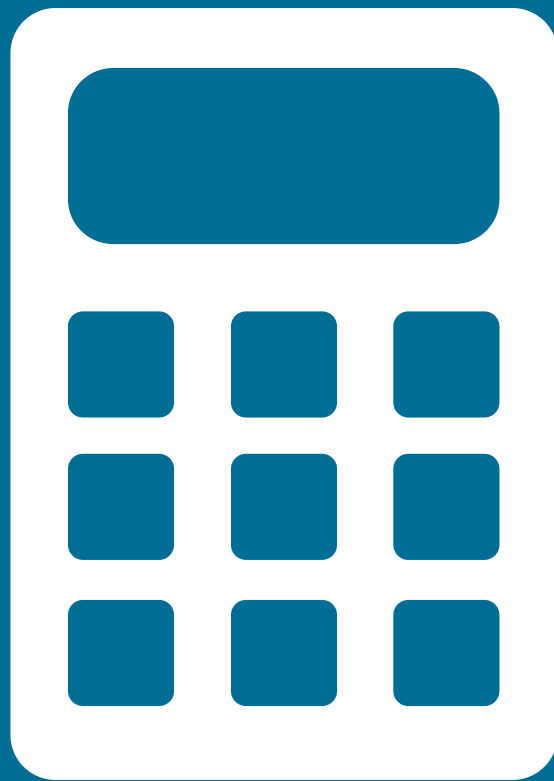


Rico Fehr  
Licensed audit expert  
(Auditor in charge)



David Schuler  
Licensed audit expert

# Financial Report



Balance sheet (CHF 000)	Notes	31.3.2025	31.3.2024
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		2 479	10 227
Receivables		37	60
<b>Total current assets</b>		<b>2 516</b>	<b>10 287</b>
<b>Non-current assets</b>			
Investment in subsidiary	(3)	1 745 603	1 796 281
<b>Total non-current assets</b>		<b>1 745 603</b>	<b>1 796 281</b>
<b>Total assets</b>		<b>1 748 119</b>	<b>1 806 568</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Other liabilities		3 116	3 314
<b>Total current liabilities</b>		<b>3 116</b>	<b>3 314</b>
<b>Non-current liabilities</b>			
Financial liabilities	(4)	99 572	99 389
<b>Total non-current liabilities</b>		<b>99 572</b>	<b>99 389</b>
<b>Shareholders' equity</b>			
Share capital	(5.1)	32 016	84 216
Treasury shares	(5.2)	–41 765	–15 991
Capital reserve		143 248	142 250
Retained earnings		1 511 932	1 493 390
<b>Total shareholders' equity</b>		<b>1 645 431</b>	<b>1 703 865</b>
<b>Total liabilities and shareholders' equity</b>		<b>1 748 119</b>	<b>1 806 568</b>
Number of outstanding shares (in 000)		6 732	6 868
Net asset value (NAV) per share (CHF)		244.41	248.10



**Statement of comprehensive income  
for the financial year ended 31 March (CHF 000)**

	Notes	2024/2025	2023/2024
Dividend income from investment in subsidiary	(3)	73 000	125 000
Net change in value of investment in subsidiary	(3)	–50 678	–122 018
<b>Result from investment activities</b>		<b>22 322</b>	<b>2 982</b>
Personnel expenses	(6)	–1 586	–1 604
Other operating expenses		–917	–858
<b>Result before interest and taxes</b>		<b>19 819</b>	<b>520</b>
Financial expenses		–1 326	–1 697
Financial income		49	94
<b>Net Result for the year</b>		<b>18 542</b>	<b>–1 083</b>
<b>Comprehensive result</b>		<b>18 542</b>	<b>–1 083</b>
Number of outstanding shares, time-weighted (in 000)		6 805	6 932
Basic earnings per share (CHF)		2.72	–0.16

As the Company does not have options or similar instruments outstanding, diluted earnings per share are identical to basic earnings per share.

# Statement of cash flows

for the financial year ended 31 March (CHF 000)

	2024/2025	2023/2024
Expenses paid (personnel and other operating expenses)	-2 361	-1 705
<b>Net cash flow from operating activities</b>	<b>-2 361</b>	<b>-1 705</b>
Dividend payment from subsidiary received	73 000	125 000
<b>Net cash flow from investing activities</b>	<b>73 000</b>	<b>125 000</b>
Interest paid	-1 094	-2 302
Redemption of financial liabilities	0	-50 000
Par value repayment	-51 202	-52 151
Purchase of treasury shares	-26 091	-14 347
<b>Net cash flow from financing activities</b>	<b>-78 387</b>	<b>-118 800</b>
<b>Currency translation differences</b>	<b>0</b>	<b>0</b>
<b>Net change in cash and cash equivalents</b>	<b>-7 748</b>	<b>4 495</b>
Cash and cash equivalents at beginning of period	10 227	5 732
Cash and cash equivalents at end of period	2 479	10 227

Statement of changes in equity (CHF 000)	Share capital	Treasury shares	Capital reserve	Retained earnings	Total shareholders' equity
<b>Balance as at 31 March 2023</b>	<b>136 416</b>	<b>-402</b>	<b>142 201</b>	<b>1 494 473</b>	<b>1 772 688</b>
Comprehensive result				-1 083	-1 083
Purchase of treasury shares		-15 589			-15 589
Par value repayment (7.8.2023)	-52 200		49		-52 151
<b>Balance as at 31 March 2024</b>	<b>84 216</b>	<b>-15 991</b>	<b>142 250</b>	<b>1 493 390</b>	<b>1 703 865</b>
Comprehensive result				18 542	18 542
Purchase of treasury shares		-25 774			-25 774
Par value repayment (9.8.2024)	-52 200		998		-51 202
<b>Balance as at 31 March 2025</b>	<b>32 016</b>	<b>-41 765</b>	<b>143 248</b>	<b>1 511 932</b>	<b>1 645 431</b>

## General Statements

### 1. Information about the Company and its business

HBM Healthcare Investments Ltd (HBM Healthcare or Company) is a SIX Swiss Exchange-listed holding company domiciled at Bundesplatz 1, Zug (Switzerland). The purpose of the Company is the acquisition, holding and sale of positions in other companies as well as the management and financing of such positions in the human medicine, biotechnology, medical technology and diagnostics sectors, and related areas.

### 2. Accounting policies

The material accounting policies adopted in the preparation of the Group Financial Statements are set out below. The Group Financial Statements comprise HBM Healthcare Investments Ltd and the non-consolidated investment in the HBM Healthcare Investments (Cayman) Ltd. subsidiary (Subsidiary).

#### 2.1 Basis of preparation – Group Financial Statements

The Group Financial Statements have been prepared in accordance with the IFRS Accounting Standards, as published by the International Accounting Standards Board (IASB), and the provisions of the Listing Rules of SIX Swiss Exchange that apply to investment companies. They are considered Group Financial Statements according to the Swiss Code of Obligations (CO) and are presented in Swiss francs (CHF). These financial statements have been prepared as the only IFRS financial statements of HBM Healthcare Investments Ltd (Group Financial Statements). Unless indicated otherwise, the values are in thousands of CHF.

The preparation of the Group Financial Statements is based on the acquisition cost principle, with the exception of the non-consolidated investment in the Subsidiary, which is carried at fair value through profit and loss (note 2.7).

### 2.2 Changes in accounting policies

The same accounting policies and valuation principles as in the previous year have been applied in the preparation of these Group Financial Statements.

#### 2.2.1 New or amended standards and interpretations applied for the first time during the year under review

The following new or amended standards and interpretations were applied for the first time during the financial year.

##### IAS 1 "Classification of liabilities as current or non-current" (1 January 2024)

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

##### IAS 1 "Non-Current Liabilities with Covenants" (1 January 2024)

The amendment clarifies how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.

##### IAS 7 / IFRS 7 "Finance Arrangements" (1 January 2024)

The amendments add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements.

##### IFRS 16 "Lease Liability in a Sale and Leaseback" (1 January 2024)

The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale.

The Board of Directors evaluated the implications of the amended and newly introduced standards for the Company and its subsidiaries. The result shows that the aforementioned standards and interpretations have no impact on the accounting principles and overall financial positions.

### **2.2.2 New standards and interpretations which have not yet been applied**

The following new and revised standards and interpretations, which could be relevant for HBM Healthcare, are only applicable to future financial years and have not been applied ahead of schedule in the present Group Financial Statements.

- > IAS 21 (1 January 2025) – Lack of Exchangeability
- > IFRS 9 / IFRS 7 (1 January 2026) – Classification and Measurement of Financial Instruments
- > IFRS 18 (1 January 2027) – Presentation and Disclosure in Financial Statements
- > IFRS 19 (1 January 2027) – Subsidiaries without Public Accountability: Disclosures

The implications for HBM Healthcare's Group Financial Statements are currently still being reviewed. Based on a preliminary analysis, no significant impact is expected.

### **2.3 Significant accounting judgements, estimates and assumptions**

The preparation of the Group Financial Statements requires Management to make estimates which affect reported earnings, expenditure, assets, liabilities and investment commitments as at the balance sheet date. If the estimates made by Management to the best of their knowledge at the balance sheet date subsequently be shown to differ from actual circumstances, the original estimates will be adjusted accordingly during the reporting year in which circumstances have changed. A degree of uncertainty is attached specifically to estimating the fair value of the non-consolidated investment in the Subsidiary.

This affects mainly investments in private companies and funds. The fair value of investments and other financial assets ("Claims to purchase price payments") that are not traded in an active market are determined by using appropriate methods in accordance with the valuation policies (note 2.7.2 "Investments" and note 2.7.4 "Other financial assets"). The use of valuation techniques requires estimates made by the Management. Changes in assumptions could affect the disclosed fair value of these investments (note 8.6 "Valuation risks and fair values").

### **2.4 Status of HBM Healthcare as an investment entity as defined in IFRS 10**

HBM Healthcare is an investment company with a broad shareholder base. It is listed on SIX Swiss Exchange. The purpose of the Company is the acquisition, holding and sale of positions in other companies, as well as the management and financing of such positions in the human medicine, biotechnology, medical technology and diagnostics sectors, and related areas. HBM Healthcare values and reports these positions, which are held indirectly via its Subsidiary, at fair value through profit and loss. As a parent company, HBM Healthcare thus meets the typical criteria of an investment entity within the meaning of IFRS 10.

As it provides investment management services to the parent company, the wholly-owned HBM Healthcare Investments (Cayman) Ltd. subsidiary also qualifies as an investment entity under IFRS 10, despite the absence of some of the typical characteristics of an investment entity (such as more than one investor, and investors that are not related parties of the entity). It still fulfils the general definition laid down in the IFRS 10 standard, and must therefore be classified as such. As a result, the Subsidiary will not be consolidated, instead the investment will be carried at fair value through profit and loss.

## 2.5 Foreign currencies

The functional currency for the Company is the Swiss franc (CHF). Transactions in foreign currencies are booked at the exchange rate on the date of the transaction. Monetary assets and liabilities in foreign currencies are converted into Swiss francs at the exchange rates prevailing on the balance sheet date. The resulting foreign currency gains or losses are booked to the statement of comprehensive income. The Company does not hold any non-monetary assets acquired through transactions in a foreign currency (note 2.7).

The following exchange rates were used in the preparation of the financial statements:

Exchange rates (CHF)	31.3.2025	31.3.2024
CAD	0.6147	0.6657
CNY	0.1219	0.1248
DKK	0.1282	0.1304
EUR	0.9565	0.9726
GBP	1.1423	1.1378
HKD	0.1137	0.1152
INR	0.0103	0.0108
SEK	0.0881	0.0846
USD	0.8843	0.9014

## 2.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments which can be converted to a known amount of cash within 90 days and are subject to insignificant change in value.

## 2.7 Investment in Subsidiary

The investment in the Subsidiary is carried at fair value through profit and loss. This fair value is measured on the basis of its net asset value on the balance sheet date. To establish net assets, the financial assets (investments, financial instruments and other financial assets) and liabilities (financial instruments and other financial liabilities) held by the Subsidiary are recognised and reported in accordance with the following policies:

### 2.7.1 Recognition of additions and disposals

All regular purchases and sales of financial instruments and investments are recognised on the trade date, i.e. on the date on which the Subsidiary commits to purchasing or selling the asset in question. Regular purchases and sales are purchases and sales of financial assets that require the latter's delivery within a time frame laid down by law or by the conventions of the marketplace.

Sales of investments and financial instruments are booked out at the anticipated sale proceeds on the date of sale. Claims to performance-related milestone payments, which result in cash flows only at a later date, are carried under "Other financial assets" (note 2.7.4).

### 2.7.2 Investments

Investments comprise equity positions in and convertible bonds issued by portfolio companies. They are recognised at their acquisition cost and subsequently carried according to the following policies at fair value through profit and loss.

The fair value of investments in private companies is determined using the "International Private Equity and Venture Capital Valuation Guidelines (IPEV)". For this purpose, the acquisition cost in the investment currency is used as the best approximation of the fair value of the private company in question, except where

- > the company has been valued higher or lower in connection with a new round of financing with a third party (except with a strategic investor), in which case the company is valued according to the new financing round, whereby the various shareholder categories rights are taken into account in the valuation;
- > the company is performing significantly below expectations or is facing long-term problems, leading to a permanent diminution in value, in which case the relevant position is written off in intervals of 25, 50, 75, or 100 percent, or revalued at its net realisable value;



> the company is generating significant sales and profits, in which case an appropriate price/sales or price/earnings multiple is applied ("sales and earnings multiple method").

The fair values of private companies are reviewed regularly for a possible diminution in value.

Investments in funds are valued based on the net asset value of the fund in question. The calculation uses the latest (audited) net asset value of the fund, adds capital calls and deducts distributions from the capital account balance of the investment reported in the latest (audited) annual report of the fund. Adjustments refer to the cash flows during the latest quarter up to the financial year-end of HBM Healthcare.

The fair values of private companies and funds are determined by Management and approved by the Board of Directors. Given the uncertainty inherent in valuing such investments in general, the reported fair values may differ from the values that might have been used had an active market existed for the investments. This difference may be material in the case of certain individual investments.

For investments in public companies, the fair value is determined by the market price on the balance sheet date.

The "Realised gains or losses on investments" disclosed in note 3.1 are calculated as the difference between the sale proceeds of an investment and the capital invested. Unrealised gains and losses recorded in previous years on investments that have been sold are eliminated and, together with the value adjustments on investment holdings for the current fiscal year, are reported under "Changes in unrealised gains and losses".

For IPOs of private companies that occur during the financial year, the carrying amount of the investments is reclassified from Level 3 to Level 1 at the beginning of the financial year (note 3.1 "Investments" and note 8.6 "Valuation risks and fair values").

A provision is made for any tax on capital gain that may arise on the sale of investments in individual countries (note 3.5 "Provision for deferred tax on capital gain and other taxes").

### 2.7.3 Financial instruments

The Subsidiary buys and sells derivative financial instruments and trading positions in the course of its ordinary business activities and as part of its risk management. These instruments include the short selling of index funds and ETFs (Exchange Traded Funds) via securities lending for hedging purposes as well as futures and options on foreign currencies, indices and securities.

Derivative financial instruments are held for trading purposes and are reported at fair value through profit and loss. For listed derivatives, fair value equals market value, which is determined by the market closing price as at the balance sheet date. The fair value of unlisted derivatives is determined using customary market methods.

The "Net result from financial instruments" disclosed in note 3 is reported as "Gains and losses from currency hedging transactions", "Gains and losses from market hedging transactions" or as "Gains and losses from other financial instruments" in note 3.2.

#### 2.7.4 Other financial assets

Other financial assets comprise contractual claims on the sale proceeds of portfolio companies that are tied to contractual obligations and the achievement of predefined objectives. These claims are measured at fair value through profit and loss, which is determined by the expected risk-weighted and discounted payments. The risk-weighted approach is based on the assessment of the probability of occurrence of certain future events, referring to commonly used industry statistics as well as own guidelines and estimates.

The "Net result from other financial assets" disclosed in note 3 includes changes in value (and currency effects) on contractual claims arising from the sale of portfolio companies, which are presented under "Other financial assets" (note 3.3), as well as foreign currency gains and losses on cash and cash equivalents.

#### 2.8 Financial liabilities

Financial liabilities (with the exception of derivatives) are measured initially at their fair value net of transaction costs. They are subsequently carried at amortised cost using the effective interest method. Any discount, corresponding to the difference between the net proceeds received and the nominal value repayable upon maturity, is amortised over the term of the financial liability and charged to financial expenses.

#### 2.9 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, a reliable estimate can be made of the amount of the obligation and its anticipated financial value exceeds the value of the asset encumbered with the obligation.

#### 2.10 Treasury shares

Treasury shares held by HBM Healthcare are reported as deductions from shareholders' equity. Purchasing costs, proceeds from onward sales and other transactions in treasury shares are reported as changes in shareholders' equity.

Shares of the parent company held by the Subsidiary are recognised at fair value through profit and loss.

#### 2.11 Net asset value and earnings per share

The net asset value per share (NAV) is calculated from the shareholders' equity reported as at the balance sheet date, divided by the number of shares outstanding on that date.

Earnings per share are calculated by dividing the net result for the year that is due to shareholders by the time-weighted average number of shares in circulation during the same period.

Diluted earnings per share are calculated by dividing the net result for the year that is due to shareholders by the time-weighted average number of shares in circulation during the same period, adjusted for costs and for the potential issue of new shares in connection with outstanding convertible bonds, share options and similar instruments.

#### 2.12 Segment reporting

HBM Healthcare's business activities are limited to the acquisition, holding and sale of investments in companies in the human medicine, biotechnology, medical technology and diagnostics sectors, and related areas. The Group Financial Statements therefore correspond to the segment reporting format.

## Notes to the Balance Sheet and Statement of Income

### 3. Investment in Subsidiary

The fair value of the investment in the Subsidiary HBM Healthcare Investments (Cayman) Ltd. developed as follows in the year under review:

Development fair value investment (CHF 000)	2024/2025	2023/2024
<b>Fair value at the beginning of financial year</b>	<b>1 796 281</b>	<b>1 918 299</b>
Change in value, gross	22 322	2 982
Dividend payment to parent company	- 73 000	- 125 000
<b>Fair value at the end of financial year</b>	<b>1 745 603</b>	<b>1 796 281</b>

Net assets of the investment in the Subsidiary comprised the following as at the balance sheet date:

Composition net assets (CHF 000)	Notes	31.3.2025	31.3.2024
Cash and cash equivalents		63 716	193 187
Receivables		25	29
Investments	(3.1)		
Private companies		617 401	635 252
Funds		175 243	174 146
Public companies		869 596	768 763
Shares of parent company		8 844	10 675
Financial instruments	(3.2)	4 207	1 836
Other financial assets	(3.3)	31 117	29 055
<b>Total assets</b>		<b>1 770 149</b>	<b>1 812 943</b>
Provision for deferred tax on capital gain and other taxes	(3.5)	- 24 169	- 16 267
Other current liabilities		- 377	- 395
<b>Total net assets at fair value</b>		<b>1 745 603</b>	<b>1 796 281</b>

During the reporting period, the net assets of the investment in the Subsidiary have developed as follows:

Change in net assets at fair value (CHF 000)	Notes	2024/2025	2023/2024
Net result on investments	(3.1)	45 024	– 751
Change in provision for deferred tax on capital gain and other taxes		– 7 902	9 634
Dividend income		1 347	1 531
Net result from financial instruments	(3.2)	7 443	1 626
Net result from other financial assets		– 4 015	11 749
Net result from shares of parent company		111	– 596
<b>Result from investing activities</b>		<b>42 008</b>	<b>23 193</b>
Management fee	(3.4)	– 22 507	– 22 719
Personnel and other operating expenses		– 1 109	– 1 182
Financial result		3 930	3 690
<b>Change in value, gross</b>		<b>22 322</b>	<b>2 982</b>
Dividend payment to parent company		– 73 000	– 125 000
<b>Net change in value of investment</b>		<b>– 50 678</b>	<b>– 122 018</b>

For details of individual items of net assets (balance and change) please refer to the following explanations.

### 3.1 Investments

The investments held by the Subsidiary comprised the following and they performed as follows:

Development of investments, financial year (CHF 000)	Private companies	Funds	Public companies	Total investments
<b>Fair value as at 31 March 2024</b>	<b>635 252</b>	<b>174 146</b>	<b>768 763</b>	<b>1 578 161</b>
Reclassification owing to IPO (Alumis Therapeutics)	– 2 253		2 253	0
Reclassification owing to IPO (Fangzhou)	– 41 954		41 954	0
Reclassification owing to IPO (Upstream Bio)	– 32 901		32 901	0
Reclassification owing to IPO (Sai Life Sciences)	– 14 525		14 525	0
Reclassification owing to IPO (Visen Pharmaceuticals)	– 3 380		3 380	0
<b>Fair value as at 31 March 2024 (after reclassification)</b>	<b>540 239</b>	<b>174 146</b>	<b>863 776</b>	<b>1 578 161</b>
Purchases	48 494	14 667	256 122	319 283
Sales	– 114 904	– 9 055	– 156 269	– 280 228
Realised gains	100 613	5 010	36 748	142 371
Realised losses	– 15 572	– 279	– 34 411	– 50 262
Changes in unrealised gains/losses	58 531	– 9 246	– 96 370	– 47 085
Net result on investments	143 572	– 4 515	– 94 033	45 024
<b>Fair value as at 31 March 2025</b>	<b>617 401</b>	<b>175 243</b>	<b>869 596</b>	<b>1 662 240</b>

<b>Development of investments, previous year (CHF 000)</b>	<b>Private companies</b>	<b>Funds</b>	<b>Public companies</b>	<b>Total investments</b>
<b>Fair value as at 31 March 2023</b>	<b>671 994</b>	<b>174 060</b>	<b>847 019</b>	<b>1 693 073</b>
Reclassification owing to IPO (ArriVent BioPharma)	-10 984		10 984	0
<b>Fair value as at 31 March 2023 (after reclassification)</b>	<b>661 010</b>	<b>174 060</b>	<b>858 003</b>	<b>1 693 073</b>
Purchases	34 997	13 776	198 099	246 872
Sales	-725	-3 696	-356 612	-361 033
Realised gains	101	112	139 894	140 107
Realised losses	-1 708	-5 711	-59 911	-67 330
Changes in unrealised gains/losses	-58 423	-4 395	-10 710	-73 528
Net result on investments	-60 030	-9 994	69 273	-751
<b>Fair value as at 31 March 2024</b>	<b>635 252</b>	<b>174 146</b>	<b>768 763</b>	<b>1 578 161</b>

Details on investments can be found on pages 74 to 76.

Net result on investments comprised the following:

<b>Net result on investments, financial year (CHF 000)</b>	<b>Private companies</b>	<b>Funds</b>	<b>Public companies</b>	<b>Total</b>
Gains	210 430	6 189	145 545	362 164
Losses	-66 858	-10 704	-239 578	-317 140
<b>Total 2024/2025 financial year</b>	<b>143 572</b>	<b>-4 515</b>	<b>-94 033</b>	<b>45 024</b>
<b>Net result on investments, previous year (CHF 000)</b>	<b>Private companies</b>	<b>Funds</b>	<b>Public companies</b>	<b>Total</b>
Gains	28 142	6 527	238 767	273 436
Losses	-88 172	-16 521	-169 494	-274 187
<b>Total 2023/2024 financial year</b>	<b>-60 030</b>	<b>-9 994</b>	<b>69 273</b>	<b>-751</b>

The net gain on investments of CHF 45.0 million (previous year: net loss of CHF 0.8 million) includes net currency losses of CHF 35.7 million (previous year: net currency losses of CHF 44.8 million).



Private companies	Domicile	Investment currency	Amount disbursed 31.3.2024	Changes in reporting year	Amount disbursed 31.3.2025	Fair value 31.3.2025	Ownership 31.3.2025	Fair value 31.3.2025	Fair value 31.3.2024
			IC IC million	IC million	IC million	IC million	%	CHF 000	CHF 000
Swixx BioPharma <sup>1)</sup>	CH	EUR	34.8	–8.8	26.0	219.3	25.1	209 739	174 920
Dren Bio <sup>2)</sup>	US	USD	15.0		15.0	89.3	8.1	78 966	20 481
Neurelis	US	USD	24.4		24.4	56.2	10.3	49 721	50 682
NiKang Therapeutics	US	USD	20.0		20.0	25.2	5.3	22 326	22 757
Nuance Biotech	CN	USD	14.0		14.0	21.5	3.6	19 006	16 831
Swixx Healthcare <sup>1)</sup>	CH	EUR	0.0	8.8	8.8	19.6	25.1	18 723	0
Tata 1mg	IN	INR	1 130.1		1 130.1	1 791.7	4.0	18 538	19 364
Valo Health	US	USD	17.5		17.5	17.5	1.3	15 475	15 774
Numab Therapeutics/ Yellow Jersey Therapeutics <sup>3)</sup>	CH	CHF	22.1	–6.0	16.1	15.4	8.3	15 393	22 127
River Renal	US	USD	14.0	2.0	16.0	16.0	13.9	14 149	12 620
Odyssey Therapeutics	US	USD	14.3		14.3	15.3	2.3	13 504	13 765
Shape Memory Medical	US	USD	11.8	0.5	12.3	14.5	16.3	12 833	12 596
Curevo	US	USD	0.0	13.3	13.3	13.3	5.9	11 765	0
Cure Everlife Holdings	MU	USD	7.3	0.1	7.4	13.2	6.9	11 671	12 754
Fore Biotherapeutics	US	USD	14.5	2.1	16.6	12.9	9.0	11 442	9 763
Aculys Pharma	JP	USD	6.0	0.8	6.8	11.6	4.9	10 269	8 929
Genalyte (BaseHealth)	US	USD	8.8	0.9	9.7	10.6	3.6	9 331	8 743
Mahzi Therapeutics	US	USD	8.0	0.5	8.5	8.5	9.7	7 485	7 211
C-Ray Therapeutics <sup>4)</sup>	CN	CNY	64.9		64.9	55.2	2.8	6 726	8 150
Parabilis Medicines (FogPharma)	US	USD	9.4	1.0	10.4	7.2	1.5	6 410	5 122
Ignis Therapeutics	CN	USD	7.0		7.0	7.0	1.5	6 190	6 310
Arrakis Therapeutics	US	USD	7.0		7.0	7.0	4.6	6 190	6 310
Bluejay Therapeutics	US	USD	0.0	7.0	7.0	7.0	1.8	6 190	0
Karius	US	USD	17.7		17.7	6.7	4.0	5 891	6 005
Farmalatam	PA	USD	30.6	0.5	31.1	5.3	42.6	4 643	4 282
1000Farmacie	IT	EUR	5.5		5.5	4.0	14.5	3 853	3 918
ADARx Pharmaceuticals	US	USD	4.0		4.0	4.0	0.5	3 537	3 606
Neuron23	US	USD	8.0	1.0	9.0	3.9	1.9	3 479	7 314
Others								13 956	59 905
<b>Total private companies</b>								<b>617 401</b>	<b>540 239</b>

1) Swixx BioPharma had spun off Swixx Healthcare during the reporting year.

2) Dren Bio's clinical-stage program DR-0201 was acquired by Sanofi and the transaction will be completed after the reporting year. Following completion of the transaction, HBM Healthcare continues to hold a stake of around 8 percent in Dren Bio.

3) Yellow Jersey Therapeutics had been demerged from Numab Therapeutics and had been acquired by Johnson & Johnson. The transaction had been completed during the reporting year. HBM Healthcare continues to hold a stake in Numab Therapeutics.

4) The company has moved its registered office from the Cayman Islands to China in the reporting year and as a result the investment currency has changed from USD to CNY.

Funds	Invest- ment currency	Total commit- ment	Payments in reporting year	Repayments in reporting year	Cumulative payments 31.3.2025	Cumulative repayments 31.3.2025	Fair value 31.3.2025	Fair value 31.3.2025	Fair value 31.3.2024
	IC	IC million	IC million	IC million	IC million	IC million	IC million	CHF 000	CHF 000
HBM Genomics	USD	26.8	1.6		26.8	3.5	43.7	38 631	41 426
120 Capital	USD	25.0	2.5		25.0	0.0	27.3	24 111	20 159
MedFocus Fund II	USD	26.0			26.0	25.0	21.8	19 254	20 097
Tata Capital Healthcare Fund II	USD	20.0	6.1	0.9	22.1	2.5	21.1	18 630	12 909
C-Bridge Healthcare Fund V	USD	15.0	4.5	2.0	16.6	2.8	18.2	16 116	13 633
C-Bridge Healthcare Fund IV	USD	10.0	0.1	0.2	10.2	0.5	15.7	13 882	13 725
HBM Genomics II	USD	15.0			10.8	0.0	10.4	9 219	8 844
WuXi Healthcare Ventures II	USD	20.0			20.0	6.4	9.0	7 915	11 387
6 Dimensions Capital	USD	25.0		5.5	25.0	37.9	8.9	7 869	11 646
LYZZ Capital Fund II	USD	15.0	1.6		9.0	0.0	8.5	7 523	6 329
Tata Capital HBM Fund I	USD	10.0		0.7	9.9	7.6	5.9	5 203	5 805
Others								6 890	8 186
<b>Total funds</b>								<b>175 243</b>	<b>174 146</b>

Public companies	Invest- ment currency	Balance 31.3.2024	Changes in reporting year	Balance 31.3.2025	Share price 31.3.2025	Ownership 31.3.2025	Fair value 31.3.2025	Fair value 31.3.2024
	IC	Number of shares	Number of shares	Number of shares	IC	%	CHF 000	CHF 000
<b>Companies originating from private companies portfolio</b>								
Cathay Biotech <sup>1)</sup>	CNY	35 621 436	0	35 621 436	50.32	6.1	218 421	196 236
Harmony Biosciences	USD	2 147 943	0	2 147 943	33.19	3.8	63 042	65 016
Sai Life Sciences <sup>2)</sup>	INR	10 557 320	-6 417 196	4 140 124	760.85	2.0	32 591	14 525
Fangzhou (Jianke) <sup>2)</sup>	HKD	58 420 980	2 718 980	61 139 960	4.08	4.6	28 352	41 954
ArriVent BioPharma	USD	1 126 385	528 954	1 655 339	18.49	4.9	27 066	18 134
Mineralys Therapeutics	USD	2 246 332	-351 439	1 894 893	15.88	2.9	26 609	26 141
Upstream Bio <sup>2)</sup>	USD	2 252 262	462 794	2 715 056	6.12	5.1	14 694	32 901
Y-mAbs Therapeutics	USD	3 297 800	0	3 297 800	4.43	7.3	12 919	48 335
OneSource Specialty Pharma <sup>2)</sup>	INR	0	622 861	622 861	1 752.25	0.5	11 292	0
Pacira BioSciences	USD	451 324	0	451 324	24.85	1.0	9 918	11 887
Alumis Therapeutics <sup>2)</sup>	USD	170 399	1 107 899	1 278 298	6.14	2.7	6 941	2 253
Monte Rosa Therapeutics	USD	1 407 040	0	1 407 040	4.64	2.3	5 773	8 942
Visen Pharmaceuticals <sup>2)</sup>	HKD	681 818	0	681 818	53.15	0.6	4 119	3 380
Others							7 849	30 307
<b>Total companies originating from private companies portfolio</b>							<b>469 586</b>	<b>500 011</b>

<b>Various companies</b>								
Merus	USD	748 203	169 208	917 411	42.09	1.3	34 146	30 370
Argenx (ADR)	USD	50 000	0	50 000	591.87	0.1	26 169	17 745
Argenx	EUR	50 000	0	50 000	540.60	0.1	25 853	17 804
Biohaven	USD	576 280	423 720	1 000 000	24.04	1.0	21 259	28 409
Axsome Therapeutics	USD	166 053	40 000	206 053	116.63	0.4	21 251	11 944
Zymeworks	USD	1 519 259	477 241	1 996 500	11.91	2.9	21 027	14 407
Traverse Therapeutics	USD	1 500 000	-182 398	1 317 602	17.92	1.5	20 880	10 425
Aurobindo Pharma	INR	1 604 630	8 738	1 613 368	1 160.50	0.3	19 372	18 881
Natera	USD	200 000	-50 000	150 000	141.41	0.1	18 757	16 488
Laurus Labs	INR	2 304 700	0	2 304 700	613.40	0.4	14 627	9 773

Continued on page 76.

Public companies	Invest- ment currency	Balance 31.3.2024	Changes in reporting year	Balance 31.3.2025	Share price 31.3.2025	Ownership 31.3.2025	Fair value 31.3.2025	Fair value 31.3.2024
	IC	Number of shares	Number of shares	Number of shares	IC	%	CHF 000	CHF 000
BiolInvent	SEK	5 075 000	-2 844	5 072 156	30.80	7.7	13 760	7 296
Benitec Biopharma	USD	0	1 191 669	1 191 669	13.01	4.7	13 710	0
Vicore Pharma	SEK	10 874 727	10 295 977	21 170 704	7.05	9.0	13 147	13 501
Intra-Cellular Therapeutics <sup>3)</sup>	USD	0	110 000	110 000	131.92	0.1	12 832	0
Dishman Carbogen	INR	5 560 116	34 535	5 594 651	217.79	3.6	12 607	14 154
Legend Biotech	USD	0	300 000	300 000	33.93	0.2	9 001	0
Oculis	USD	0	500 000	500 000	19.03	1.1	8 414	0
Jubilant Pharmova	INR	835 522	35 894	871 416	895.90	0.6	8 077	5 146
Neurocrine Biosciences	USD	0	80 000	80 000	110.60	0.1	7 824	0
Kura Oncology	USD	500 000	710 000	1 210 000	6.60	1.5	7 062	9 613
Hutchmed China	HKD	2 575 000	0	2 575 000	23.85	0.3	6 980	7 935
Teva Pharmaceuticals	USD	0	374 467	374 467	15.37	<0.1	5 090	0
Others							58 165	129 874
Total various companies							400 010	363 765
<b>Total public companies</b>							<b>869 596</b>	<b>863 776</b>
<b>Total investments</b>							<b>1 662 240</b>	<b>1 578 161</b>

1) The tax on capital gain and other taxes owed on the sale of the investment in China are accrued separately (note 3.5).

2) The company went public during the reporting year. The investment was listed under private companies in previous reports.

3) The company was acquired during the reporting year. The transaction will be completed after the reporting year.

The following tables show the gains and losses (realised and unrealised) on single investments for the 2024/2025 and 2023/2024 financial years. Investments are listed individually only if the change in value in terms of the investment currency results

in a gain or loss that is greater than CHF 10 million. Those investments for which a gain or loss of more than CHF 10 million is due solely to currency fluctuations are not listed individually.

<b>Gains on investments</b>		2024/2025	
(realised and unrealised per company) <sup>1)</sup>		IC	CHF 000
<b>Private companies</b>			
Numab/Yellow Jersey Therapeutics	CHF	59.1	59 117
Dren Bio	USD	66.6	58 486
Swixx BioPharma	EUR	39.4	34 810
Sai Life Sciences <sup>2)</sup>	INR	3 213.4	33 370
Swixx Healthcare	EUR	19.5	18 693
Others			5 954
<b>Total private companies</b>			<b>210 430</b>
<b>Funds</b>			
Others			6 189
<b>Total funds</b>			<b>6 189</b>
<b>Public companies</b>			
<b>Positions originating from private companies portfolio</b>			
Cathay Biotech <sup>3)</sup>	CNY	220.1	22 185
Sai Life Sciences	INR	1 780.2	18 068
Others			5 897
Total positions originating from private companies portfolio			46 150
<b>Various companies</b>			
Traverse Therapeutics	USD	16.6	14 576
Insmid	USD	12.5	11 094
Natera	USD	11.5	10 097
Others			63 628
Total various companies			99 395
<b>Total public companies</b>			<b>145 545</b>
<b>Total gains on investments</b>			<b>362 164</b>

<b>Losses on investments</b>		2024/2025	
(realised and unrealised per company) <sup>1)</sup>		IC	CHF 000
<b>Private companies</b>			
ConnectRN	USD	32.0	28 740
Others			38 118
<b>Total private companies</b>			<b>66 858</b>
<b>Funds</b>			
Others			10 704
<b>Total funds</b>			<b>10 704</b>
<b>Public companies</b>			
<b>Positions originating from private companies portfolio</b>			
Y-mAbs Therapeutics	USD	39.0	35 416
Upstream Bio	USD	27.3	24 968
ALX Oncology	USD	19.0	17 202
Fangzhou (Jianke)	HKD	130.8	15 517
Alumis Therapeutics	USD	12.1	11 077
Others			18 734
Total positions originating from private companies portfolio			122 914
<b>Various companies</b>			
Biohaven	USD	22.8	20 992
Kura Oncology	USD	14.0	12 513
Rocket Pharmaceuticals	USD	13.3	12 067
Others			71 092
Total various companies			116 664
<b>Total public companies</b>			<b>239 578</b>
<b>Total losses on investments</b>			<b>317 140</b>

1) Amounts in Swiss francs include gains and losses on foreign currencies.

2) A portion of the shares held by HBM Healthcare had been placed as part of the existing shareholders' offering in the IPO.

3) Taking into account the increase in the provision for deferred tax on capital gain, the net gain of the position amounts to CHF 24.5 million.

### Gains on investments

(realised and unrealised per company)<sup>1)</sup>

2023/2024

IC IC million CHF 000

#### Private companies

Upstream Bio	USD	14.0	12 326
Swixx BioPharma	EUR	14.3	10 686
Others			5 130

**Total private companies** **28 142**

#### Funds

Others			6 527
<b>Total funds</b>			<b>6 527</b>

#### Public companies

##### Positions originating from private companies portfolio

Y-mAbs Therapeutics	USD	37.1	33 213
Longboard Pharmaceuticals	USD	22.9	19 341
Ambrx Biopharma	USD	11.6	10 131
Others			10 723

Total positions originating from private companies portfolio 73 408

#### Various companies

Biohaven	USD	23.2	20 622
ImmunoGen	USD	21.8	19 284
Cytokinetics	USD	18.2	14 898
Merus	USD	15.6	13 889
Others			96 666

Total various companies 165 359

**Total public companies** **238 767**

**Total gains on investments** **273 436**

### Losses on investments

(realised and unrealised per company)<sup>1)</sup>

2023/2024

IC IC million CHF 000

#### Private companies

Farmalatam	USD	28.8	26 154
ConnectRN	USD	26.0	24 030
Others			37 988

**Total private companies** **88 172**

#### Funds

Others			16 521
<b>Total funds</b>			<b>16 521</b>

#### Public companies

##### Positions originating from private companies portfolio

Cathay Biotech <sup>2)</sup>	CNY	617.8	98 498
Others			19 033
Total positions originating from private companies portfolio			117 531

#### Various companies

Others			51 963
Total various companies			51 963

**Total public companies** **169 494**

**Total losses on investments** **274 187**

1) Amounts in Swiss francs include gains and losses on foreign currencies.

2) Taking into account the decrease in the provision for deferred tax on capital gain, the net loss of the position amounts to CHF 88.9 million.



### 3.2 Financial instruments

The Subsidiary buys and sells derivative financial instruments in the course of its ordinary business

activities and as part of its risk management. The following positions were held as at the balance sheet date:

Financial instruments (CHF 000)	31.3.2025	31.3.2024
<b>Other financial instruments</b>		
Purchased call and put options	4 207	1 836
<b>Total financial instruments long</b>	<b>4 207</b>	<b>1 836</b>

As at the balance sheet date, no foreign currency and general market risk hedge were in place.

The following gains and losses resulted from derivatives transactions conducted during the period under review:

Income from financial instruments (CHF 000)	2024/2025	2023/2024
Gains from currency hedging transactions	5 147	0
Gains from other financial instruments	3 344	1 672
<b>Total gains from financial instruments</b>	<b>8 491</b>	<b>1 672</b>
Losses from other financial instruments	– 1 048	– 46
<b>Total losses from financial instruments</b>	<b>– 1 048</b>	<b>– 46</b>
<b>Net result from financial instruments</b>	<b>7 443</b>	<b>1 626</b>

### 3.3 Other financial assets

Other financial assets, held by the Subsidiary, consist primarily of contractual claims to purchase price payments from earlier trade sales that are contingent on the achievement of defined targets (milestone payments). These claims are recognised at fair value through profit and loss by applying a probability-

weighted valuation approach based on the assessment of the likelihood of attaining the underlying targets. These claims are discounted over time at a discount rate of 11.0 percent (previous year: 11.0 percent). The valuation measures applied refer to commonly used industry statistics as well as own guidelines and estimates.

The book value of contractual claims to purchase price payments developed as follows in the reporting year:

<b>Claims to purchase price payments</b> (CHF 000)	Total from investments held directly
<b>Amount as at 31 March 2024</b>	<b>29 055</b>
Addition	6 866
Payments received	– 4 708
Realised and unrealised gains/losses	– 96
<b>Amount as at 31 March 2025</b>	<b>31 117</b>

The total book value as at 31 March 2025 of CHF 31.1 million was carried as other financial assets.

If the companies concerned are successful, these contractual claims could result in future payments which are many times the reported book value.

The following summary shows the value carried in the balance sheet compared to the potential cash flows:

<b>Balance sheet value and potential cash flows</b> (CHF million)	Book value as at 31.3.2025	Cash flows minimum	Cash flows maximum	Expected period of payment
Surface Logix <sup>1)</sup>	13.0	0.0	24.5	2025–2030
Numab / Yellow Jersey Therapeutics	7.5	8.7	8.7	2025
Corvidia Therapeutics	6.4	0.0	38.9	2026–2029
Vitaeris	3.8	0.0	79.0	2028–2032
Tandem Life (Cardiac Assist)	0.2	0.2	0.2	2025
Forbius (Formation Biologics)	0.2	0.2	0.2	2025
<b>Total</b>	<b>31.1</b>	<b>9.1</b>	<b>151.5</b>	

1) The valuation is based on a previous sale of license rights, formerly owned by Surface Logix, to Kadmon Pharmaceuticals, which was acquired by Sanofi. HBM Healthcare is entitled to receive royalty payments on sales.

### 3.4 Management fee and performance fee

The Subsidiary has entered into an advisory agreement with HBM Partners Ltd (HBM Partners or Investment Advisor). This agreement requires HBM Partners to provide services in relation to the investment activities of HBM Healthcare. The compensation under the agreement includes a management fee and a performance fee.

In the 2024/2025 financial year, the management fee and the performance fee were as follows:

<b>Management fee (CHF 000)</b>	<b>2024/2025</b>	<b>2023/2024</b>
Management fee to HBM Partners	22 507	22 719
<b>Total management fee</b>	<b>22 507</b>	<b>22 719</b>

<b>Performance fee (CHF 000)</b>	<b>2024/2025</b>	<b>2023/2024</b>
Performance fee	0	0
<b>Total performance fee</b>	<b>0</b>	<b>0</b>

#### 3.4.1 Management fee

The management fee due to HBM Partners amounts to 0.75 percent per year of the Company's assets plus 0.75 percent per year of its market capitalisation, each payable quarterly at the beginning of a quarter. Company assets are calculated from the shareholders' equity reported in accordance with IFRS Accounting Standards as at the end of the previous quarter, plus borrowed capital. Market capitalisation corresponds to the market value of the Company on SIX Swiss Exchange, less the Company's holdings of its own shares acquired as part of a share buy-back programme in order to reduce its capital.

HBM Healthcare has agreed with the Investment Advisor that no management fee will be owed for the entire term of the bond with a par value of CHF 100 million, issued in July 2021.

Regarding the investments made by the Subsidiary in HBM BioCapital I USD and in HBM BioCapital II, it has been agreed with the Investment Advisor since the beginning that HBM Healthcare's share of the management and performance fees (carried interest)

charged by HBM BioCapital I USD and HBM BioCapital II will be reimbursed in full so that fees are not levied twice.

The management fees essentially cover all expenses incurred by HBM Partners in connection with its investment advisory services as part of regular operating activities. The management fees do not cover third-party costs for the evaluation and review of investment opportunities, purchase and sale agreements, charges and duties payable on trading in exchange-listed securities, expenditures on taxes and stamp duties, and similar charges.

#### 3.4.2 Performance fee

Based on the increase in net asset value, HBM Partners is entitled to an annual performance fee.

Net asset value is calculated once a year as at the balance sheet date.

The performance fee amounts to 15 percent of the increase in value of net assets above the high water mark. The applicable high water mark corresponds to the net assets that were used as a calculation basis to pay out the last fee, adjusted for dividends and capital repayments paid out to shareholders in the meantime. The performance fee is calculated annually based on net assets and the number of outstanding shares reported at the balance sheet date and is paid after the end of the financial year, provided the value increase exceeds the high water mark by five percent or more.

The calculation basis for the performance fee is the net asset value per share before provision is made for the performance fee and amounted to CHF 244.41 not exceeding the high water mark of CHF 290.57 per share for the 2024/2025 financial year. For the 2024/2025 financial year, no performance fee is due to the Investment Advisor. With the beginning of the 2025/2026 financial year, the high water mark for all outstanding shares thus remains at CHF 290.57 (adjusted for any future dividend payments or capital repayments made to shareholders).

### 3.5 Provision for deferred tax on capital gain and other taxes

Provisions in the amount of CHF 24.2 million (as at 31 March 2024: CHF 16.3 million) are recognised for any tax on capital gain and other taxes owed in China that arise from the sale of the investment in Cathay Biotech as well as owed in India that arise from the sale of investments in Indian companies. The tax on capital gain is calculated on the difference between the relevant tax base and the disclosed fair value or the price realised on the sale of shares up to the reporting date, respectively. In addition, a sales tax may arise from the sale of the investment in Cathay Biotech in China, which is calculated on the difference between the potential selling price and the issue price of the shares at the IPO.

### 3.6 Off-balance-sheet commitments

The Subsidiary had the following investment commitments as at the balance sheet date:

<b>Investment commitments</b> (CHF 000)	<b>31.3.2025</b>	<b>31.3.2024</b>
Private companies	12 465	16 383
Funds	10 681	19 524
Public companies	660	0
<b>Total investment commitments</b>	<b>23 806</b>	<b>35 907</b>

### 4. Financial liabilities

The following financial liability was outstanding as at the balance sheet date: one straight bond listed on SIX Swiss Exchange with a par value of CHF 100 million, coupon of 1.125 percent and maturing on 12 July 2027; to be redeemed at 100 percent of par value.

The bond could become due for early repayment, if the outstanding investment commitments to investment funds exceed the amount of CHF 200 million, or the fair value of all investments in public portfolio companies plus cash and cash equivalents is less than two and a half times the amount of the interest-bearing financial liabilities.

The straight bond is carried at amortised cost, subject to the effective interest method. The difference between the net proceeds and the amount repayable when the bond falls due for redemption is amortised over the term of the bond and charged to financial expenses along with the interest that has been paid. The effective interest rate applied is 1.32 percent.

The interest paid in relation with the straight bond amounts to CHF 1.1 million (previous year: CHF 1.1 million), the effective interest expense totals CHF 1.3 million (previous year: CHF 1.3 million).

The fair value of the straight bond amounts to CHF 99.9 million (previous year: CHF 97.7 million) with a carrying amount of CHF 99.6 million (previous year: CHF 99.4 million). The bond is recognised under non-current liabilities.

## 5. Shareholders' equity

### 5.1 Share capital and capital reserve

As at the balance sheet date, the Company's share capital stood at CHF 32.0 million (previous year: CHF 84.2 million), divided into 6960000 registered shares (previous year: 6960000) at a par value of CHF 4.60 each (previous year: CHF 12.10).

The Shareholders' Meeting of 17 June 2024 approved a cash distribution of CHF 7.50 per share by means of a withholding tax-exempt par value repayment.

The Board of Directors proposes to the Shareholders' Meeting of 23 June 2025 a cash distribution of CHF 2.60 per share eligible for dividend by means of a withholding tax-exempt par value repayment and an ordinary dividend of CHF 4.90 (up to a maximum of CHF 52.2 million).

### 5.2 Treasury shares

The Shareholders' Meeting of 10 June 2022 authorised the Board of Directors to repurchase a maximum of 696000 of the Company's own shares via a second trading line. The aim of this share buy-back programme is to cancel the shares as part of a capital reduction. It will be completed no later than 27 June 2025 ("2022 share buy-back programme").

The Company holds 227620 of its own shares (previous year: 92270) as at the balance sheet date of 31 March 2025. During the 2024/2025 financial year, 135350 of the Company's own shares were acquired at an average share price of CHF 190.43 (previous year: 89360 at CHF 174.46).

#### Holdings from second trading line (Number of own shares)

	2024/2025	2023/2024
<b>Beginning of financial year</b>	<b>92 270</b>	<b>2 910</b>
Acquired via second trading line under share buy-back programme	135 350	89 360
<b>End of financial year</b>	<b>227 620</b>	<b>92 270</b>

In addition, the subsidiary HBM Healthcare Investments (Cayman) Ltd. holds 48857 treasury shares (previous year: 55 139), acquired via the regular

trading line. During the reporting period, the Subsidiary acquired a total of 116488 treasury shares via the regular trading line at an average price of CHF 187.35 per share (previous year: 101 599 at CHF 185.13) and sold 122 770 treasury shares at an average price of CHF 189.51 per share (previous year: 83 040 at CHF 179.98).

### 5.3 Significant shareholders

Based on information received by the Company, the following shareholders reported equity holdings in HBM Healthcare Investments Ltd of three percent or more as at 31 March 2025:

#### Shareholding

15–20 %	Nogra Pharma Invest S.à r.l., Luxemburg / Nogra Two S.à r.l., Luxemburg
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Mario G. Giuliani, who serves as member of the Board of Directors of HBM Healthcare Investments Ltd owns all shares of Nogra Pharma Invest S.à r.l., Luxemburg / Nogra Two S.à r.l., Luxemburg, together with Giammaria Giuliani.

## 6. Personnel expenses

Personnel expenses were composed as follows during the reporting year:

Personnel expenses (CHF 000)	2024/2025	2023/2024
Fixed compensation to Board of Directors	1 170	1 170
Wages and salaries	306	305
Social insurance contributions and duties	41	40
Other personnel expenses	69	89
<b>Total personnel expenses</b>	<b>1 586</b>	<b>1 604</b>

Members of the Management of HBM Healthcare are integrated into the affiliation agreement with the collective BVG pension foundation of HBM group companies.

Details on compensation to the Board of Directors and the Management can be found in note 9.1 "Payments to members of governing bodies and related parties".

## 7. Taxes

Income from investment activities is generated exclusively by the Subsidiary in the Cayman Islands. Due to the applicable tax law, no income taxes (previous year: none) will arise. The Company had no deductible loss carry-forwards as at 31 March 2025 (previous year: none).

## Other Disclosures

Information provided in the following note 8 incorporates information on risks, to which the Company is exposed either directly or through its non-consolidated investment in the HBM Healthcare Investments (Cayman) Ltd. subsidiary.

## 8. Financial risk management

HBM Healthcare and its subsidiary are exposed to various financial risks. These risks, which are a result of the companies' investment and financing activities, are monitored continuously. The Board of Directors conducts an annual assessment of business risks. The basis of the analysis is a risk matrix that identifies and evaluates significant risks and defines necessary measures to monitor and mitigate these risks.

The Investment Guidelines set out the overall investment strategy, the tolerance of risk and the general risk management philosophy. HBM Healthcare has also established processes for the careful and timely monitoring and controlling of its financial instruments and investments. The Board of Directors reviews these guidelines on investment activities on an annual basis. Management ensures compliance with them by reviewing portfolio composition continuously.

### 8.1 Risk of limited market liquidity

HBM Healthcare invests in privately held companies. Such investments are mostly illiquid by nature and are often subject to contractual transfer restrictions. In addition, investments in public companies can be subject to selling constraints. These restrictions may, under certain circumstances, prevent HBM Health-

care from selling such investments without the support of the portfolio company and the consent of major co-investors. All of these restrictions on liquidity may prevent the successful sale of holdings in these portfolio companies and/or reduce the proceeds that might be realised from a sale. HBM Healthcare endeavours to reduce market liquidity risk by means of thorough investment analyses, careful construction of the portfolio and dialogue and cooperation with the portfolio companies and co-investors concerned.

### 8.2 Market risks

General economic and political market factors, as well as the situation on the relevant public equity markets, are factors that impact directly on the prospects of HBM Healthcare's financial instruments and investments. Given the maturity of HBM Healthcare's portfolio, which should provide exit opportunities (sale to other operating companies or investors, as well as IPOs) for several private portfolio companies within the next few years, public equity markets have a direct impact. A receptive public equity environment is helpful for a company in successfully executing a trade sale or public offering, and the pricing of a company correlates positively with the valuation of its publicly traded peers. By contrast, a negative public equity market makes a sale or an IPO more difficult. The valuation of HBM Healthcare's public portfolio also generally increases and decreases in line with valuations on public equity markets as a whole.

The value-creation potential of HBM Healthcare's portfolio positions may depend in part on demand from strategic buyers for companies with promising drugs and medical technology products.

For HBM Healthcare's portfolio of private companies that are still at a relatively early stage of development, the availability of funding is crucial to the continuation of their business activities and to reaching their development objectives. The liquidity provided by the private equity market thus impacts positively on these companies' financing costs.



The healthcare sector as a whole depends on society's ability and willingness to pay for drugs, treatments and innovations that help to address health issues. If certain countries, specifically the United States of America as the largest market worldwide for drug and medical technology products, were to increase or reduce spending on such treatment options materially, HBM Healthcare's portfolio companies might be impacted significantly. Political developments in countries in which the operations of some portfolio companies are located, such as China or India, might affect the ability of the companies in question to execute their business plans and attain their growth targets.

HBM Healthcare endeavours to reduce market risks by means of thorough investment analyses and close cooperation with the portfolio companies concerned. In addition, market risks are hedged selectively with financial instruments depending on the Company's market assessment.

### 8.3 Liquidity risks

The Investment Guidelines oblige HBM Healthcare to maintain an appropriate level of short-term funds in order to participate in follow-on financing for portfolio companies and to ensure that the Company is able to meet all of its liabilities and investment commitments. When determining the necessary level of liquidity, the most important factors are (1) the expected due dates of HBM Healthcare's investment commitments, (2) due dates for the repayment of borrowed capital under compliance with bond terms and/or the possibility of refinancing, (3) expected payment dates of other contractual obligations, (4) expected follow-on financing rounds at private portfolio companies, including their anticipated timing, (5) the trading liquidity of public portfolio companies, (6) expected cash flows from the sale of private portfolio companies and (7) the extent of share buy-backs and cash distributions to shareholders.

The following table analyses the liabilities and off-balance-sheet investment commitments of HBM Healthcare and its Subsidiary as at the balance sheet date with regard to the due dates of contractual cash flows (including interest on financial liabilities):

<b>Liquidity risks</b> (CHF million)	<b>Book value as at balance sheet date<sup>1)</sup></b>	<b>Total contractual cash flows</b>	<b>Due within 3 months</b>	<b>Due within 3–12 months</b>	<b>Due within 12–24 months</b>	<b>Due within &gt;24 months</b>
<b>Balance sheet liabilities</b>						
Other current liabilities	3.5	3.5	2.7	0.8	0.0	0.0
Non-current financial liabilities	99.6	103.3	0.0	1.1	1.1	101.1
<b>Total liabilities as at 31 March 2025</b>	<b>103.1</b>	<b>106.8</b>	<b>2.7</b>	<b>1.9</b>	<b>1.1</b>	<b>101.1</b>
Total liabilities as at 31 March 2024	103.1	108.2	2.9	1.9	1.1	102.3
<b>Off-balance-sheet investment commitments<sup>2)</sup></b>						
Expected drawdowns funds	10.7	10.7	2.5	5.0	3.2	0.0
Expected maturities investment commitments to private and public companies	13.1	13.1	5.7	7.4	0.0	0.0
<b>Total investment commitments as at 31 March 2025</b>	<b>23.8</b>	<b>23.8</b>	<b>8.2</b>	<b>12.4</b>	<b>3.2</b>	<b>0.0</b>
Total investment commitments as at 31 March 2024	35.9	35.9	15.1	15.5	5.3	0.0

1) Positions held by parent company and Subsidiary.

2) Due dates are estimates.

Given the maturity of HBM Healthcare's portfolio, the Board of Directors anticipates that a favourable market environment will provide regular exit opportunities for the sale of the Company's private and public investments, at the corresponding levels of added value. HBM Healthcare manages its liquidity by means of comprehensive liquidity planning.

#### 8.4 Foreign currency risks

A significant proportion of the HBM Healthcare portfolio is held through the Subsidiary in foreign currency. The value of these investments and other assets held in foreign currencies is subject to risks emanating from exchange rate fluctuations. As a general rule, HBM Healthcare does not hedge these risks. It may, however, be appropriate to hedge currency exposure in full or in part from time to time.

As at the balance sheet date, 98 percent of HBM Healthcare's total assets were subject to foreign currency risk (previous year: 97 percent).

The following table demonstrates the sensitivity of HBM Healthcare's annual result to a possible fluctuation in foreign exchange rates of +/- 10 percent compared to the foreign exchange rates used for the Group Financial Statements as at the balance sheet date:

31 March 2025 (CHF million)	Fair value	Foreign exchange rates	
		+10%	-10%
Net assets in USD	1 025.7	102.6	-102.6
Net assets in EUR	271.5	27.2	-27.2
Net assets in CNY	206.7	20.7	-20.7
Net assets in INR	120.8	12.1	-12.1
Net assets held in other foreign currencies	78.2	7.8	-7.8

#### 31 March 2024 (CHF million)

Net assets in USD	1 149.4	114.9	-114.9
Net assets in EUR	226.3	22.6	-22.6
Net assets in CNY	224.1	22.4	-22.4
Net assets in INR	92.3	9.2	-9.2
Net assets held in other foreign currencies	57.0	5.7	-5.7

#### 8.5 Interest rate risks

HBM Healthcare's exposure to interest rate risk is low, or significantly reduced, because the Company holds only short-term positions in cash and cash equivalents, and the interest rate for debt financing is determined in advance for the entire term.

#### 8.6 Valuation risks and fair values

Given the uncertainties inherent in valuing private companies, the net asset value (NAV) reported by HBM Healthcare may differ temporarily from the actual fair value of individual investments. As a result of valuation differences owing to the unavailability of information, the estimated values of individual investments may diverge significantly from values that would have been calculated had an active market for such securities existed. Furthermore, the estimated values of individual investments as at a certain balance sheet date may differ significantly from the values which could potentially be realised by means of an exit, an IPO or another event with a participating third-party (i.e. financing round) at any later point in time. Such differences might have a material effect on the valuation of individual investments in the Group Financial Statements of HBM Healthcare.

Valuations of difficult-to-assess investments are made by HBM Healthcare in accordance with its accounting policies, as described in note 2.7.2 "Investments", and are determined by the Management and approved by the Board of Directors.

The following summary analyses assets and liabilities valued at their fair values, in accordance with their place in the valuation hierarchy:

Level 1: Market prices (unadjusted) on active markets for identical assets and liabilities ("quoted prices").

Level 2: Valuation methods that are directly or indirectly observable for all major parameters ("observable inputs").

Level 3: Valuation methods covering major parameters that are not based on observable market data ("unobservable inputs").

The IPO of Alumis Therapeutics, Fangzhou (Jianke), Upstream Bio, Sai Life Sciences and Visen Pharmaceuticals resulted in assets amounting to CHF 95.0 million being reclassified from level 3 to level 1 during the 2024/2025 financial year.

No sensitivity analysis of "Level 3" investments has been disclosed, as the determination of their fair values is based on a large number of investment-specific factors, which in total can have an impact on the reported fair values, however these are not exclusively attributable to a single determination factor.

<b>Assets at fair value as at 31 March 2025</b> (CHF million)	Level 1 "Quoted prices"	Level 2 "Observable inputs"	Level 3 "Unobser- vable inputs"	Total
<b>Investments</b>				
Private companies			617.4	617.4
Funds			175.2	175.2
Public companies	869.6			869.6
Shares of parent company <sup>1)</sup>	8.8			8.8
Financial instruments		3.6	0.6	4.2
Other financial assets			31.1	31.1
<b>Total assets at fair value</b>	<b>878.4</b>	<b>3.6</b>	<b>824.3</b>	<b>1706.3</b>

<b>Assets at fair value as at 31 March 2024</b> (CHF million)				
<b>Investments</b>				
Private companies			635.3	635.3
Funds			174.1	174.1
Public companies	768.8			768.8
Shares of parent company <sup>1)</sup>	10.7			10.7
Financial instruments		1.2	0.6	1.8
Other financial assets			29.1	29.1
<b>Total assets at fair value</b>	<b>779.5</b>	<b>1.2</b>	<b>839.1</b>	<b>1619.8</b>

1) Held by Subsidiary.

As at 31 March 2025, there were no liabilities that were carried at fair value.

### 8.7 Credit risks

Credit risks with regard to all HBM Healthcare assets relate to the risk that a debtor may become unable to meet its liabilities. In order to minimise this risk, HBM Healthcare holds cash and cash equivalents, listed securities, foreign exchange and derivatives only with top-rated financial institutions. In addition, risks are diversified across a number of

different counterparties. Credit risks mainly relate to cash and cash equivalents and contractual claims on the sale proceeds of portfolio companies disclosed in note 2.7.4 "Other financial assets" and amount to CHF 97.3 million (previous year: CHF 232.5 million). As at the balance sheet date, there were no receivables overdue, and there were no recorded losses on receivables during the 2024/2025 financial year.

## 8.8 Capital management

The Company manages its shareholders' equity within the limits of the law and in accordance with its investment strategy and its liquidity planning. Details of current share buy-back programmes and the number of treasury shares held by the Company are given in note 5.2 "Treasury shares".

The Investment Guidelines limit borrowing to 20 percent of net assets.

The Company has issued regular cash distributions to shareholders since 2012. These correspond to a return of 3 to 5 percent on the share price.

## 9. Transactions with related parties

### 9.1 Payments to members of governing bodies and related parties

Members of the Board of Directors are entitled to a fixed Directors' fee and a fee for committee membership. 50 percent of the Directors' fixed fee will be paid in the form of company shares.

The fixed fee for the Chairman amounts to CHF 280 000 (previous year: CHF 280 000) in the reporting year. The fixed fees for the other four members of the Board of Directors amount to CHF 200 000 (previous year: CHF 200 000) each per year. In addition, the two members of the Audit Committee receive a fixed fee of CHF 30 000 each per year (previous year: CHF 30 000) and the three members of the Compensation Committee each receive a fixed fee of CHF 10 000 per year (previous year: CHF 10 000). No additional fee is paid to the members of the Nominating Committee (previous year: none).

The Board of Directors has decided to change the compensation system for the members of the Board of Directors, effective from the 2023/2024 financial year, so that only a fixed compensation will be paid and the previously practised variable compensation will no longer apply. Also, separate board meeting fees will no longer be paid.

The five members of the Board of Directors received fixed directors' remuneration totalling CHF 1 080 000 for the 2024/2025 financial year (previous year: CHF 1 080 000). For their Committee activities, the two members of the Audit Committee and the three members of the Compensation Committee received fees totalling CHF 90 000 (previous year: CHF 90 000). The legally required social security contributions (employer's contribution) and duties paid by the Company on these fees came to a total of CHF 15 595 (previous year: CHF 16 120).

During the reporting period, the members of Management, who are also employed by HBM Partners, received 40 percent (previous year: 40 percent) of their total fixed fee paid out from HBM Healthcare. For the 2024/2025 reporting year, these payments totalled CHF 331 167 (previous year: CHF 328 543), including legally required social security contributions (employer's contribution). No performance fee was paid to the members of Management (previous year: none).

The two members of Management are also in a relationship of employment with the Investment Advisor. They participate as minority shareholders in the Investment Advisor.

A detailed overview of the total compensation paid to individual members of the Board of Directors and Management is shown in the compensation report on pages 54 and 55.

## 10. Events after the balance sheet date

The Board of Directors of the Company approved these Group Financial Statements on 14 May 2025. No events occurred between the balance sheet date and the date of approval of these Group Financial Statements that impact on the informational value of the latter.

To the General Meeting of  
HBM Healthcare Investments Ltd, Zug

Zurich, 14 May 2025

## Report of the statutory auditor

### Report on the audit of the Group Financial Statements



#### Opinion

We have audited the Group Financial Statements of HBM Healthcare Investments Ltd (the Company), which comprise the balance sheet as at 31 March 2025 and the statement of comprehensive income, statement of cash flows and statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the Group Financial Statements (pages 63 to 88) give a true and fair view of the financial position of the Company as at 31 March 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standard and comply with Swiss law.



#### Basis for opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the “Auditor’s responsibilities for the audit of the Group Financial Statements” section of our report. We are independent of the Group in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession, as well as those of the International Ethics Standards Board for Accountants’ *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



#### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Group Financial Statements of the current period. These matters were addressed in the context of our audit of the Group Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the “Auditor’s Responsibilities for the Audit of the Group Financial Statements” section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Group Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the Group Financial Statements.

### Valuation of the investment in the subsidiary

<b>Risk</b>	<p>HBM Healthcare Investments Ltd’s only financial asset is a wholly owned investment in HBM Healthcare Investments (Cayman) Ltd. This, in turn, has many financial assets, all of which are classified as financial assets at fair value through profit or loss. This also includes assumptions used in valuations due to financing rounds and when recognizing impairments in stages. This requires estimates to be made by the management board and the investment advisor and could lead to values that may differ from those calculated using other generally accepted valuation principles.</p> <p>Owing to the uncertainty involved in measuring investments in private, non-listed companies and venture capital funds, the estimated fair value calculated in accordance with the International Private Equity and Venture Capital Valuation Guidelines (“IPEV Guidelines”) can differ from the values that would have been used, had an active market for these investments existed.</p> <p>These risks could have an effect on the fair value of the investment in the subsidiary HBM Healthcare Investments (Cayman) Ltd.</p> <p>The valuation principles are disclosed under “Investments” (note 2.7.2) and details about the profits recognized can be found under “Investment in a subsidiary” (note 3) and “Investments” (note 3.1).</p>
<b>Our audit response</b>	<p>We performed various audit procedures on the fair value of the investments held by the subsidiary. These included the following:</p> <p>We obtained an understanding of the Company’s process in respect of investments in private companies and their valuation.</p> <p>Furthermore, we audited the estimates and assumptions made by the management board for significant investments based on interviews and the documentation that serves as the basis for the estimate (“monitoring sheets”), in particular in respect of the development of significant venture capital.</p> <p>We compared the value adjustments due to financing rounds with the underlying documents, such as share purchase agreements.</p> <p>Our audit did not lead to any reservations relating to the valuation of the investment in the subsidiary.</p>





### Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the Group Financial Statements, the stand-alone financial statements, the Compensation report and our auditor's reports thereon.

Our opinion on the Group Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Group Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Group Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



### Board of Directors' responsibilities for the Group Financial Statements

The Board of Directors is responsible for the preparation of the Group Financial Statements that give a true and fair view in accordance with IFRS Accounting Standard and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of Group Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Group Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.



### Auditor's responsibilities for the audit of the Group Financial Statements

Our objectives are to obtain reasonable assurance about whether the Group Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISAs and Swiss Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Group Financial Statements.

A further description of our responsibilities for the audit of the Group Financial Statements is located at the website of EXPERTsuisse: <http://www.expertsuisse.ch/en/audit-report-for-public-companies>. This description forms part of our auditor's report.

## Report on other legal and regulatory requirements



In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the Group Financial Statements according to the instructions of the Board of Directors.

We recommend that the Group Financial Statements submitted to you be approved.

Ernst & Young Ltd



Rico Fehr  
Licensed audit expert  
(Auditor in charge)



David Schuler  
Licensed audit expert

Balance sheet (CHF 000)	Notes	31.3.2025	31.3.2024
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		2 479	10 227
Receivables		37	60
<b>Total current assets</b>		<b>2 516</b>	<b>10 287</b>
<b>Non-current assets</b>			
Investment in subsidiary		846 000	846 000
<b>Total non-current assets</b>		<b>846 000</b>	<b>846 000</b>
<b>Total assets</b>		<b>848 516</b>	<b>856 287</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Other liabilities		3 116	3 314
<b>Total current liabilities</b>		<b>3 116</b>	<b>3 314</b>
<b>Non-current liabilities</b>			
Financial liabilities		100 000	100 000
<b>Total non-current liabilities</b>		<b>100 000</b>	<b>100 000</b>
<b>Shareholders' equity</b>			
Share capital		32 016	84 216
Legal capital reserve			
Reserve from capital brought in		0	0
Legal retained earnings			
General legal reserve		85 410	85 410
Reserve for treasury shares <sup>1)</sup>	(2.4)	9 169	10 470
Voluntary retained earnings		74 396	72 097
Treasury shares	(2.4)	-41 765	-15 991
Retained earnings			
Profit carried forward		516 771	395 633
Net result for the year		69 403	121 138
<b>Total shareholders' equity</b>		<b>745 400</b>	<b>752 973</b>
<b>Total liabilities and shareholders' equity</b>		<b>848 516</b>	<b>856 287</b>

1) For treasury shares held by Subsidiary.

Statement of income for the financial year ended 31 March (CHF 000)	2024/2025	2023/2024
<b>Income</b>		
Financial income	49	94
Income from participations	73 000	125 000
<b>Total income</b>	<b>73 049</b>	<b>125 094</b>
<b>Expenses</b>		
Financial expenses	1 143	1 494
Personnel expenses	1 586	1 604
Administration expenses	917	858
<b>Total expenses</b>	<b>3 646</b>	<b>3 956</b>
<b>Net result for the year</b>	<b>69 403</b>	<b>121 138</b>

Statement of changes in equity (CHF 000)	Number of shares	Share capital	Reserve from capital brought in	General legal reserve	Reserve for treasury shares	Voluntary retained earnings	Treasury shares	Retained earnings	Total share-holders' equity
<b>Balance as at 31 March 2022</b>	<b>6 960 000</b>	<b>203 928</b>	<b>331</b>	<b>85 410</b>	<b>4 796</b>	<b>77 363</b>	<b>-402</b>	<b>327 937</b>	<b>699 363</b>
Par value repayment (1.9.2022)		-67 512				28			-67 484
Change in reserve for treasury shares <sup>1)</sup>					3 521	-3 521			0
Net result for the year								67 696	67 696
<b>Balance as at 31 March 2023</b>	<b>6 960 000</b>	<b>136 416</b>	<b>331</b>	<b>85 410</b>	<b>8 317</b>	<b>73 870</b>	<b>-402</b>	<b>395 633</b>	<b>699 575</b>
Purchase of treasury shares							-15 589		-15 589
Par value repayment (7.8.2023)		-52 200				49			-52 151
Change in reserve for treasury shares <sup>1)</sup>					2 153	-2 153			0
Reclassification <sup>2)</sup>			-331			331			0
Net result for the year								121 138	121 138
<b>Balance as at 31 March 2024</b>	<b>6 960 000</b>	<b>84 216</b>	<b>0</b>	<b>85 410</b>	<b>10 470</b>	<b>72 097</b>	<b>-15 991</b>	<b>516 771</b>	<b>752 973</b>
Purchase of treasury shares							-25 774		-25 774
Par value repayment (9.8.2024)		-52 200				998			-51 202
Change in reserve for treasury shares <sup>1)</sup>					-1 301	1 301			0
Reclassification <sup>2)</sup>			0						0
Net result for the year								69 403	69 403
<b>Balance as at 31 March 2025</b>	<b>6 960 000</b>	<b>32 016</b>	<b>0</b>	<b>85 410</b>	<b>9 169</b>	<b>74 396</b>	<b>-41 765</b>	<b>586 174</b>	<b>745 400</b>

1) For treasury shares held by Subsidiary.

2) Reclassification due to the acquisition of treasury shares partially made from the reserve from capital brought in. The balance of the capital brought in account was confirmed by the Swiss Federal Tax Administration (FTA) as at 12 March 2024.

## 1. General

The financial statements of HBM Healthcare Investments Ltd, Zug (Company), are prepared in accordance with the provisions of Swiss company law.

## 2. Accounting policies

The Parent Company Financial Statements have been prepared in accordance with the provisions of Swiss law on companies limited by shares.

The significant accounting policies adopted in the preparation of the financial statements are set out below.

### 2.1 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments which can be converted to a known amount of cash within 90 days and are subject to insignificant change in value.

### 2.2 Investment in Subsidiary

The investment in the Subsidiary is recognised at acquisition cost less valuation adjustment at maximum.

### 2.3 Liabilities

Liabilities are recognised under current liabilities if they fall due for payment within twelve months or under non-current liabilities if their maturity exceeds twelve months.

### 2.4 Treasury shares

The Company's holdings of its own shares are deducted from shareholders' equity. A reserve for treasury shares is held for those treasury shares which are held via the HBM Healthcare Investments (Cayman) Ltd. subsidiary. This reserve corresponds to the equivalent of those shares' acquisition costs.

## 3. Financial liabilities

The following financial liability was outstanding as at the balance sheet date: one straight bond with a par value of CHF 100 million, coupon of 1.125 percent and maturing on 12 July 2027; to be redeemed at 100 percent of par value. The bond is carried at

par value. Transaction costs are charged to financial expenses.

## 4. Treasury shares

The Shareholders' Meeting of 10 June 2022 authorised the Board of Directors to repurchase a maximum of 696 000 of the Company's own shares via a second trading line. The aim of this share buy-back programme is to cancel the shares as part of a capital reduction. It will be completed no later than 27 June 2025 ("2022 share buy-back programme").

The Company holds 227 620 of its own shares (previous year: 92 270) as at the balance sheet date of 31 March 2025. During the 2024/2025 financial year, 135 350 of the Company's own shares were acquired at an average share price of CHF 190.43 (previous year: 89 360 at CHF 174.46)).

<b>Holdings from second trading line</b> (Number of own shares)		
	2024/2025	2023/2024
<b>Beginning of financial year</b>	<b>92 270</b>	<b>2 910</b>
Acquired via second trading line under share buy-back programme	135 350	89 360
<b>End of financial year</b>	<b>227 620</b>	<b>92 270</b>

In addition, the subsidiary HBM Healthcare Investments (Cayman) Ltd. holds 48 857 treasury shares (previous year: 55 139), acquired via the regular trading line. During the reporting period, the Subsidiary acquired a total of 116 488 treasury shares via the regular trading line at an average price of CHF 187.35 per share (previous year: 101 599 at CHF 185.13) and sold 122 770 treasury shares at an average price of CHF 189.51 per share (previous year: 83 040 at CHF 179.98).

## 5. Significant shareholders

Based on information received by the Company, the following shareholders reported equity holdings in HBM Healthcare Investments Ltd of three percent or more as at 31 March 2025:

<b>Shareholding</b>	
15–20 %	Nogra Pharma Invest S.à r.l., Luxembourg / Nogra Two S.à r.l., Luxembourg

Mario G. Giuliani, who serves as member of the Board of Directors of HBM Healthcare Investments Ltd owns all shares of Nogra Pharma Invest S.à r.l., Luxemburg / Nogra Two S.à r.l., Luxemburg, together with Giammaria Giuliani.

## 6. Major subsidiaries

The Company owns 100 percent of the shares in the following company:

(CHF 000)	Capital as at 31.3.2025	Capital as at 31.3.2024
HBM Healthcare Investments (Cayman) Ltd., Cayman Islands	846 000	846 000

The objective of the Subsidiary is to enter into and hold investments in the human medicine, biotechnology, medical technology and diagnostics sectors, and related areas.

HBM Healthcare Investments Ltd holds investments in private and public companies, as well as in funds, indirectly via its HBM Healthcare Investments (Cayman) Ltd. subsidiary. Owing to the lack of immediately available fair values, the fair valuations of the private companies and funds held by the Subsidiary are determined by the Management on the basis of the "International Private Equity and Venture Capital Valuation Guidelines (IPEV)" and approved by the Board of Directors. Given the uncertainty inherent in valuing such investments in general, the reported valuations of individual investments may differ from the values that might have resulted had an active market existed for those investments.

The CHF 846.0 million book value of the investment in HBM Healthcare Investments (Cayman) Ltd. reported in the balance sheet of HBM Healthcare Investments Ltd reflects the resulting valuations of the investments held by the Subsidiary. Changes in the valuations of the Subsidiary's underlying investments thus could have an impact on the book value of this investment in the HBM Healthcare Investments Ltd balance sheet.

## 7. Shares held by the Board of Directors and Management

Shares held directly or indirectly by governing bodies (number of registered shares)	31.3.2025	31.3.2024
<b>Board of Directors<sup>1)</sup></b>		
Hans Peter Hasler, Chairman	10 147	9 384
Mario G. Giuliani, Member <sup>2)</sup>	1 105 207	1 104 662
Dr Elaine V. Jones, Member	1 075	530
Dr Rudolf Lanz, Member	2 535	1 430
Dr Stella X. Xu, Member	1 683	1 138
<b>Management</b>		
Dr Andreas Wicki, CEO	44 707	44 707
Erwin Troxler, CFO	5 250	5 000

1) Numbers after share-based payment as at 31 March 2025.

2) Shares are held mainly by Nogra Pharma Invest S.à r.l. Luxemburg / Nogra Two S.à r.l., Luxemburg ("Nogra"). Mario G. Giuliani is owning all shares of Nogra together with Giammaria Giuliani.

## 8. Other disclosures required by law

### 8.1 Declaration of full-time equivalents

The annualised average number of full-time equivalents employed by the Company during the 2024/2025 financial year was less than one (previous year: less than one).

### 8.2 Contingent liabilities

As at 31 March 2025, the Company did not have any outstanding contingent liabilities (previous year: none).

### 8.3 Business review and statement of cash flows

Since the Company prepares Group Financial Statements in accordance with a recognised financial reporting standard (IFRS Accounting Standards) it has decided, in accordance with the applicable provisions in law, that it will not publish a business review or statement of cash flows.

## 9. Events after the balance sheet date

The Board of Directors of the Company authorised these Statutory Annual Financial Statements on 14 May 2025. No events occurred between the balance sheet date and the date of approval of the annual financial statements that impact on the informational value of the latter.



## Proposals of the Board of Directors

### 1. Appropriation of earnings

The Board of Directors proposes to the Ordinary Shareholders' Meeting that retained earnings of CHF 586.2 million be used as follows:

Retained earnings (CHF)	2024/2025
<b>Beginning of financial year</b>	<b>516 771 019</b>
Net result for the year	69 403 463
<b>At the disposal of the Shareholders' Meeting</b>	<b>586 174 482</b>
Proposed appropriation	
Ordinary dividend, CHF 4.90 per share on 6 960 000 shares (previous year: none) <sup>1)</sup>	-34 104 000
<b>End of financial year (carried forward)</b>	<b>552 070 482</b>

1) Depending on the number of shares outstanding as at the last trading day with entitlement to receive the dividend.  
No dividend is paid on shares held by HBM Healthcare.

### 2. Cash distribution from a par value reduction and payment of an ordinary dividend

The Board of Directors proposes to the Shareholders' Meeting a cash distribution of CHF 2.60 per share eligible for dividend by means of a withholding tax-exempt par value repayment and an ordinary dividend of CHF 4.90 (up to a maximum of CHF 52.2 million). The cash distribution from a par value reduction will be paid out after the expiration of the legal deadlines.

To the General Meeting of  
HBM Healthcare Investments Ltd, Zug

Zurich, 14 May 2025

## Report of the statutory auditor

### Report on the audit of the financial statements



#### Opinion

We have audited the financial statements of HBM Healthcare Investments Ltd (the Company), which comprise the balance sheet as at 31 March 2025, the statement of income and the statement of changes in equity for the year then ended, and notes to the financial statements (pages 92 bis 96), including a summary of significant accounting policies.

In our opinion, the financial statements comply with Swiss law and the Company's articles of incorporation.



#### Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



#### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the financial statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

## Valuation of the investment in the subsidiary

**Risk** The wholly owned investment of HBM Healthcare Investments Ltd in HBM Healthcare Investments (Cayman) Ltd. is recognized at no more than cost less any impairments. All investments held by HBM Healthcare Investments (Cayman) Ltd. are classified by this company as financial assets at fair value through profit or loss. The fair value of these investments is also taken into account when assessing any impairment at the level of HBM Healthcare Investments Ltd. This also includes assumptions used in valuations due to financing rounds and when recognizing impairments in stages. This requires estimates to be made by the management board and the investment advisor and could lead to values that may differ from those calculated using other generally accepted valuation principles.

These risks could have an effect on the fair value of the investment in the subsidiary HBM Healthcare Investments (Cayman) Ltd. and the investments held by this company, which, in turn, could have an effect on the carrying amount of investments at HBM Healthcare Investments Ltd. The valuation principles are disclosed under “Investment in subsidiary” (note 2.2) and the details about the investments and profits recognized can be found under “Major subsidiaries” (note 6).

## Our audit response

We performed various audit procedures on the fair value of the investments held by the subsidiary. These included the following:

We obtained an understanding of the Company’s process in respect of investments in private companies and their valuation.

Furthermore, we audited the estimates and assumptions made by the management board for significant investments based on interviews and the documentation that serves as the basis for the estimate (“monitoring sheets”), in particular in respect of the development of significant venture capital.

We compared the value adjustments of existing investments due to financing rounds with the underlying documents, such as share purchase agreements.

Our audit did not lead to any reservations relating to the valuation of the investment in the subsidiary.



## Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the Group Financial Statements, the stand-alone financial statements, the Compensation report and our auditor’s reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



#### **Board of Directors' responsibilities for the financial statements**

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the website of EXPERTsuisse: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

## Report on other legal and regulatory requirements



In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

Based on our audit in accordance with Art. 728a para. 1 item 2 CO, we confirm that the proposal of the Board of Directors complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd



Rico Fehr  
Licensed audit expert  
(Auditor in charge)



David Schuler  
Licensed audit expert

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Company website

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SIX Swiss Exchange Ticker

### Significant shareholders

Based on the notifications received by the Company, the following shareholders reported equity holdings in HBM Healthcare Investments Ltd of three percent or more as at 31 March 2025:

### Shareholding

15–20% Nogra Pharma Invest S.à r.l., Luxembourg/  
Nogra Two S.à r.l., Luxembourg

### Fees

Management fee (paid quarterly):  
0.75% of Company assets plus  
0.75% of the Company's market capitalisation  
Performance fee (paid annually):  
15% on increase in value above the high water mark  
High water mark (per share for all outstanding shares)  
for financial year 2025/2026:  
NAV of CHF 290.57

### Board of Directors and Management

Hans Peter Hasler, Chairman

Mario G. Giuliani, Member

Dr Elaine V. Jones, Member

Dr Rudolf Lanz, Member

Dr Stella X. Xu, Member

Dr Benedikt Suter, Secretary

Dr Andreas Wicki, Chief Executive Officer

Erwin Troxler, Chief Financial Officer

### Investment Advisor

HBM Partners Ltd, Zug [www.hbmpartners.com](http://www.hbmpartners.com)



## **Credits**

Editorial

HBM Healthcare Investments Ltd

Photography

Creation Studio

Getty Images

Concept and realisation

Weber-Thedy Strategic Communication

Design

Küng Art Direction

Layout and print

DAZ

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The Annual Report is published in English and German.

The German version is binding in all matters of interpretation.



