

Press Release

Zug, 7 August 2011

Cathay Industrial Biotech discontinues its IPO process

Cathay Industrial Biotech has decided not to pursue its planned IPO at this time due to the fragile state of equity markets worldwide. Alternatives to financing the Company in the public market are in place and are being implemented.

Cathay Industrial Biotech, based in Shanghai, was the first Chinese company in the portfolio of HBM BioVentures. A total of USD 28 million was invested in four transactions between May 2006 and October 2008. Cathay replaces chemical production methods with novel biotechnological processes. The company is the recognized market leader in the biotechnological production of diacids for various industries. Key clients include international companies such as DuPont, Ciba and Akzo Nobel. This business division has been working at a profit for many years and shows healthy growth. Cathay has built up a second business area based on the production of bio-butanol, which is in use as a bio-fuel or lubricant in a variety of sectors and generates rapidly growing revenues. According to the IPO prospectus, Cathay generated sales of USD 125 million with a net loss of USD 2.1 million in 2010 (Q1 2011: sales of USD 41 million and net loss of USD 0.9 million). The prospectus is available at www.sec.gov/edgar.shtml.

For further information, please contact Dr. Joachim Rudolf, CFO HBM BioVentures Ltd, tel.: +41 41 768 11 08, joachim.rudolf@hbmbioventures.com.

Brief profile of HBM BioVentures Ltd

HBM BioVentures is invested globally in some 25 mature companies in the biotechnology/ human medicine, diagnostics and medical technology sectors. The lead products of many companies in HBM BioVentures' portfolio are either at an advanced stage of development or already available on the market. The investment focus currently is on follow-on financings for private companies in the portfolio that offer high value-creation potential. HBM BioVentures is an interesting alternative to investments in big pharma and biotech companies. HBM BioVentures has an international shareholder base and is listed on SIX Swiss Exchange (ticker: HBMN).

NOT FOR DISTRIBUTION IN THE USA, CANADA, JAPAN OR AUSTRALIA



Disclaimer

This press release constitutes neither an offer to sell nor an invitation to buy any securities, and does not constitute an offering prospectus within the meaning of article 652a of the Swiss Code of Obligations or a listing prospectus within the meaning of the Listing Rules of the SWX Swiss Exchange. This media release and the information it contains must not be distributed or forwarded to or within the United States of America (USA) or to US persons (including legal entities) or publications with a general circulation in the USA. This media release does not constitute an offer or invitation to purchase any securities in the USA. The securities of HBM BioVentures Ltd have not been registered under United States securities legislation and may not be offered, sold or delivered within the USA or to US persons without prior registration or the corresponding exemption from the registration requirements of US securities legislation. Investors are furthermore advised to consult their bank or financial adviser.

HBM BioVentures Ltd
Bundesplatz 1
CH-6300 Baar/ Switzerland
Tel:+41 41 768 11 08
Fax:+41 41 768 11 09
info@hbmbioventures.com
www.hbmbioventures.com