

Media Release

Zug, 16 March 2016

Skyepharma to merge with Vectura Group

Skyepharma plc (LSE: SKP), the largest investment in the portfolio of HBM Healthcare Investments representing around 16% of the net assets, and Vectura Group plc (LSE: VEC) today announced that their respective boards of directors have reached agreement on the terms of a recommended merger between the two companies. Under the terms of the proposed merger, Skyepharma shareholders will be entitled to receive 2.7977 new Vectura shares for every Skyepharma share. There will be a partial cash alternative of a maximum amount of GBP 70 million (15.9% of the implied consideration based on a Vectura share price of 146.60 as at 15th March 2016) pursuant to which Skyepharma shareholders can elect to receive cash instead of new Vectura shares. Please refer to the official announcements made by the companies for further details on the transaction.

HBM Healthcare Investments holds around 29.8 million shares of Skyepharma with a total value of GBP 117.5 million (CHF 164 million), corresponding to an ownership of 28.5% of the company.

HBM Healthcare Investments has irrevocably undertaken, subject to certain conditions, to support the merger and to elect pro rata for the partial cash alternative. Subject to the successful completion of the transaction, which is expected to take place during the third quarter of 2016, HBM Healthcare Investments will own approximately 10% of the combined entity.

For further information, please contact Dr Andreas Wicki on +41 41 710 75 77 or at andreas.wicki@hbmhealthcare.com.

About Skyepharma

Skyepharma combines proven scientific expertise with validated proprietary drug delivery technologies to develop innovative oral and inhalation pharmaceutical products. The Group is eligible for revenues from 16 approved products in the areas of inhalation, oral, topical and injectable drug delivery as well as generating income from the development of further products and technology

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

HBM Healthcare Investments

licenses. The products developed by the Group are marketed throughout the world by big pharma as well as speciality pharmaceutical companies. For more information, visit www.skyepharma.com

About Vectura

Vectura is a leading independent inhaled device, formulation, development and specialist commercial business focusing on the development of pharmaceutical therapies for the treatment of airways diseases.

Vectura has eight products marketed by partners with growing global royalty streams and a portfolio of drugs in clinical development, a number of which have been licensed to major pharmaceutical companies. Vectura currently has disclosed development collaborations and licence agreements with several global pharmaceutical and biotechnology companies, including Roxane Laboratories, Novartis, Sandoz, Baxter, GlaxoSmithKline, UCB, Ablynx, Grifols, Janssen Biotech and Tianjin KingYork Group Company.

For further information, please visit Vectura's website at www.vectura.com

Information on HBM Healthcare Investments Ltd

HBM Healthcare Investments invests in the healthcare sector. The Company holds and manages an international portfolio of some 25 promising companies in the human medicine, biotechnology, medical technology and diagnostics sectors and related areas. 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 in their strategic direction. This is what makes HBM Healthcare Investments an interesting alternative to investments in big pharma and biotechnology companies. HBM Healthcare Investments has an international shareholder base and is listed on SIX Swiss Exchange (ticker: HBMN).

Disclaimer

This media release does not constitute an issue prospectus within the meaning of Art. 652a or Art. 1156 of the Swiss Code of Obligations, a listing prospectus in the sense of the SIX Swiss Exchange Listing Rules or a securities prospectus as defined in the German Securities Prospectus Act (*Wertpapierprospektgesetz*). Publication is for information purposes only and constitutes neither an offer to sell nor an invitation to buy or subscribe for securities. 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 Healthcare Investments 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

HBM Healthcare Investments Ltd

Bundesplatz 1 CH-6300 Zug | Tel: +41 41 710 75 77 | Fax: +41 41 710 75 78 | info@hbmhealthcare.com
www.hbmhealthcare.com

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

HBM Healthcare
Investments

without prior registration or the corresponding exemption from the registration requirements of US securities legislation.

HBM Healthcare Investments Ltd

Bundesplatz 1 CH-6300 Zug | Tel: +41 41 710 75 77 | Fax: +41 41 710 75 78 | info@hbmhealthcare.com
www.hbmhealthcare.com