

Quarterly Report

June

2024

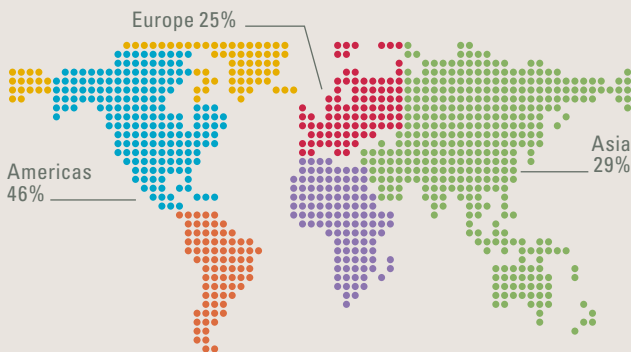
HBM Healthcare
Investments

HBM Healthcare Investments invests in the human medicine, biotechnology, medical technology and diagnostics sectors and related areas. The company holds and actively 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).

Investments by continents³⁾

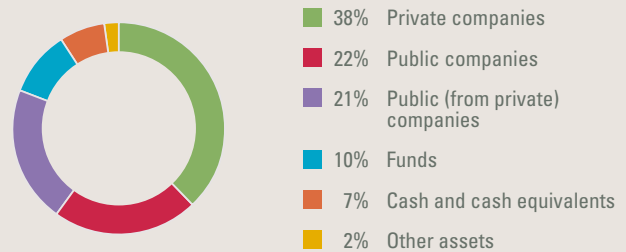
Global portfolio.



1) Total consolidated assets as at 30.6.2024: CHF 1846 million.
2) Net of foreign currency hedge (USD/CHF): About USD 39 percent and CHF 28 percent respectively.
3) Total investments as at 30.6.2024: CHF 1669 million.

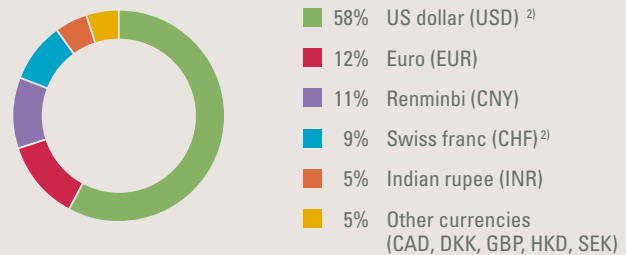
Allocation of assets¹⁾

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



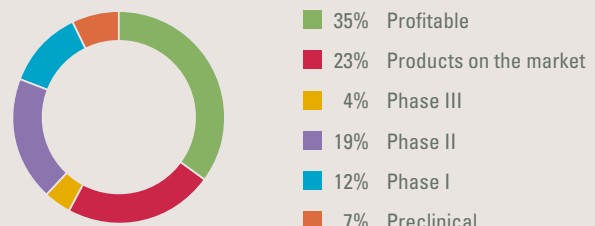
Currency allocation of assets¹⁾

Emphasis on US dollar investments.



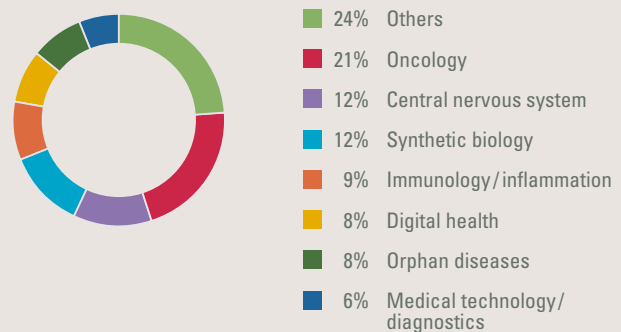
Development phase of portfolio companies³⁾

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 companies³⁾

Broadly diversified areas of activity.



Key Figures

		30.6.2024	31.3.2024	31.3.2023	31.3.2022	31.3.2021
Net assets	CHF million	1 722.4	1 703.9	1 772.7	1 986.5	2 151.5
Investments in private companies and funds		875.9	809.4	846.1	790.3	662.8
Investments in public companies		793.4	768.8	847.0	1 130.2	1 404.2
Cash and cash equivalents (net of liability from market hedging)		132.1	203.4	232.0	223.7	327.0
Net result for the period	CHF million	25.5	-1.1	-146.3	-78.0	756.3
Basic earnings per share	CHF	3.72	-0.16	-21.03	-11.22	108.71
Net asset value (NAV) per share	CHF	252.07	248.10	254.80	285.53	309.25
Share price	CHF	205.00	193.60	214.00	276.00	332.50
Premium (+) / discount (-)	%	-18.7	-22.0	-16.0	-3.3	7.5
Distribution per share	CHF	7.50 ¹⁾	7.50	7.50	9.70	12.50 ²⁾
Distribution yield	%	3.9	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)	6.8	6.9	7.0	7.0	7.0

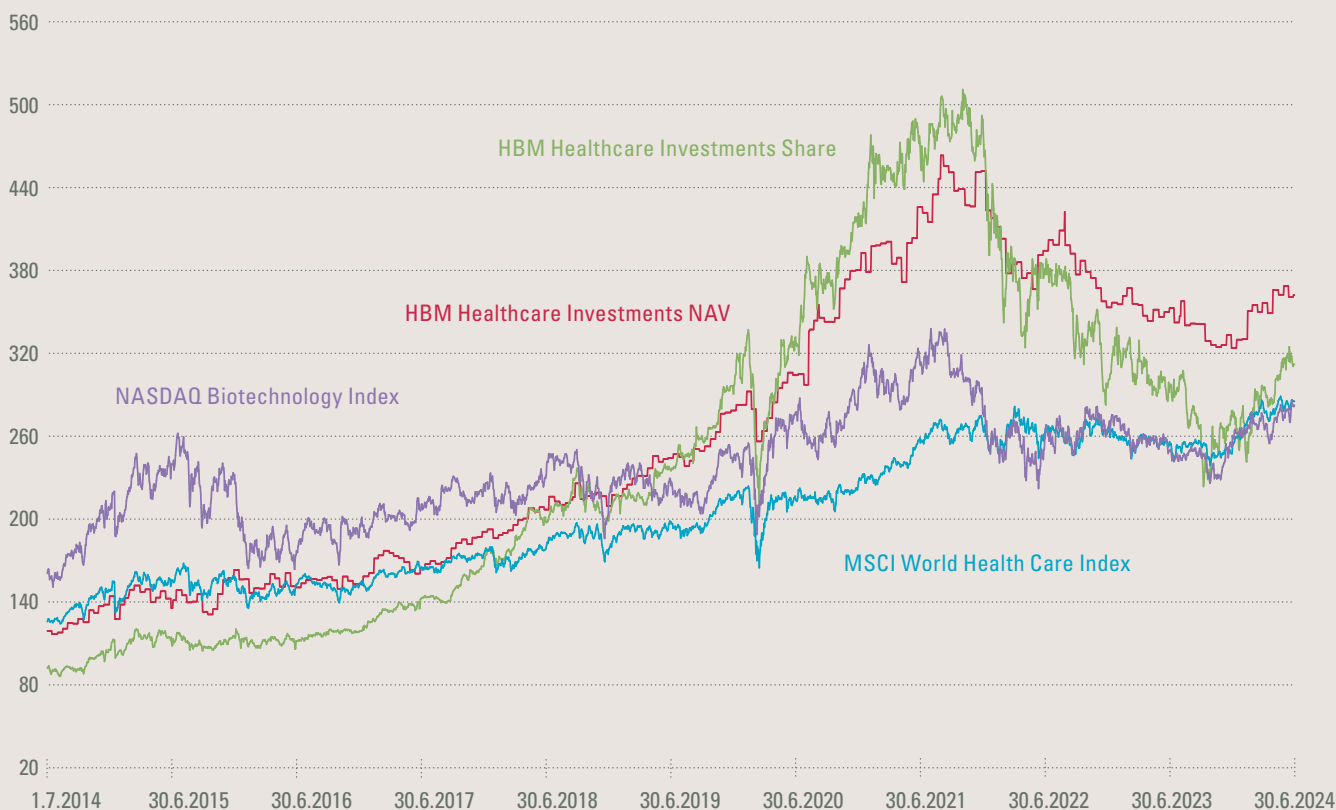
1) Approved by the Shareholders' Meeting on 17 June 2024
– payment in August 2024.

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 (3 months)	2023/2024	2022/2023	2021/2022	2020/2021
Net asset value (NAV)	%	1.6	0.3	-7.4	-3.6	52.2
Registered share HBMN	%	5.9	-6.0	-18.9	-13.2	79.1

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



HBM Healthcare Investments generated a profit of CHF 26 million in the first three months of the 2024/2025 financial year as at 30 June 2024. The net asset value per share (NAV) rose by 1.6 percent and the share price by 5.9 percent. Value was primarily driven by private portfolio companies, in particular the sale of a Numab Therapeutics spin-off. In contrast, the public companies and funds weighed on the result overall. The portfolio is broadly diversified and fundamentally well positioned. The asset allocation remains virtually unchanged. The private portfolio was expanded with an investment in Bluejay Therapeutics. HBM Healthcare is acting cautiously in the current uncertain macroeconomic environment and has hedged one third of the USD currency risk against the Swiss franc.

Dear Shareholders

HBM Healthcare Investments started the new 2024/2025 financial year with a quarterly profit of CHF 26 million. In these first three months to 30 June 2024, the net asset value per share (NAV) rose by 1.6 percent, while the share price increased by 5.9 percent.

Private companies contributed CHF 53 million to the quarterly result, or 3.1 percent to the increase in NAV. Public companies and funds weighed on performance with CHF –14 million and CHF –4 million respectively, or –0.8 percent and –0.2 percent in relation to NAV.

Significant portfolio developments

In the **portfolio of private companies**, the outstanding event was the acquisition of Yellow Jersey Therapeutics by Johnson & Johnson for USD 1.25 billion in cash. Yellow Jersey had been spun off from the Swiss company Numab Therapeutics prior to the sale. The company is testing NM 26, a bispecific antibody for the treatment of atopic dermatitis, in a phase I clinical trial. Completed at the beginning of July but recognised in the first quarter's balance sheet, the sale resulted in a profit of CHF 59 million.

HBM Healthcare Investments will retain an 8 percent stake in Numab Therapeutics, which continues to develop a pipeline of promising clinical and preclinical programmes in the fields of oncology and inflammatory diseases. The company's technology platform and development capabilities have been validated through several partnerships with leading pharmaceutical companies even prior to the sale of Yellow Jersey.

There is also good news from Swixx BioPharma, which has further expanded its strong market position as a service provider for international pharmaceutical companies through the acquisition of Laboratorios Biopas. Biopas is present as a marketing and distribution company in 20 countries in Central and South America, including the five largest markets of Argentina, Brazil, Chile, Colombia and Mexico.

Swixx BioPharma was founded ten years ago and generates sales of over EUR 1 billion with 1300 employees in Eastern Europe and Central Asia. With the acquisition of Biopas, a further 300 employees and sales of USD 220 million will be added in Latin America.

Alumis Therapeutics has raised USD 250 million in new capital through an IPO on the Nasdaq stock exchange. HBM Healthcare Investments had invested USD 5 million in Alumis at the beginning of the year and increased its stake by a further USD 15 million in the IPO. Alumis develops oral therapies for the treatment of immunodeficiencies.

At the beginning of July, after the balance sheet date, Fangzhou (Jianke), the leading online platform for chronic disease management in China, became the latest private company to go public, this time in Hong Kong. The issue price of the new shares was higher than the book value of our investment at the end of the quarter. However, trading in the shares got off to an unfriendly start in the first few days up to mid-July, reducing the last published NAV as at 15 July 2024 by just under 0.9 percent.

In the **portfolio of public companies**, Insmed's share price jumped, contributing CHF 10 million to earnings. The company published convincing phase III data for brensocaticib for the treatment of patients with bronchiectasis (severe, chronic lung disease in which the bronchi become permanently dilated due to a cycle of infection, inflammation and damage to the lung tissue).

Merus (CHF 10 million) also made strong gains following the publication of interim data for pe-tosemtamab in combination with pembrolizumab (Keytruda®) as a first-line treatment for head and neck tumours. Further positive contributions were made by BioInvent (CHF 9 million) and Vicore Pharma (CHF 6 million). Negative contributions came from Y-mAbs Therapeutics (CHF –13 million), Biohaven (CHF –12 million), ALX Oncology (CHF –7 million) and Harmony Biosciences (CHF –7 million).

New addition to the private portfolio

USD 7 million was invested in the US company Bluejay Therapeutics in the quarter under review. Bluejay develops therapies for viral and liver diseases. The most advanced programme, BJT-778, is a potentially best-in-class, fully human IgG1 monoclonal antibody against the hepatitis B surface antigen. BJT-778 is being developed for the treatment of both chronic hepatitis B and hepatitis D.

Asset allocation virtually unchanged

There has been little change in the asset allocation compared to the beginning of the financial year: 43 percent of assets are attributable to public companies (nearly half of which were previously private companies), 38 percent to private companies, 10 percent to funds, 7 percent to cash and cash equivalents and 2 percent to other assets.

Currency risk hedged

In order to reduce the exposure to currency fluctuations, one third of the US dollar currency risk was hedged against the Swiss franc in the quarter under review. However, the hedging costs are considerable.

Outlook

The macroeconomic market environment remains challenging. On the one hand, the measures taken by central banks to combat inflation in the US and Europe are having an effect, and the interest rate cuts expected in the second half of the year should further improve market sentiment for growth companies. However, the rapidly rising national debt, the upcoming elections and political polarisation in the US and various European countries are causing concern, as are the major trade conflicts and geopolitical confrontations. Against this backdrop, HBM Healthcare Investments will continue to act with the necessary caution.

From a fundamental perspective, however, the portfolio remains well positioned and broadly diversified. The majority of the private portfolio companies are making swift progress in their development. This will soon enable some companies to take the next step in the form of an IPO or a strategic transaction.

In the portfolio of public companies, several companies are positioned for further value growth based on expected study data: ALX Oncology, ArriVent, Biohaven, BioInvent, IO Biotech, Mineralys Therapeutics and Natera have exciting publications in various therapeutic indications coming up in the second half of the year, which should have an overall positive impact on the value of the portfolio.

The second half of the year will therefore remain exciting. We would like to thank you, dear shareholders, for your trust, and we wish you a pleasant summer.



Dr Andreas Wicki
CEO



Erwin Troxler
CFO

Balance sheet (CHF 000)	Notes	30.6.2024	31.3.2024
Assets			
Current assets			
Cash and cash equivalents		11 622	10 227
Receivables		104	60
Total current assets		11 726	10 287
Non-current assets			
Investment in subsidiary	(3)	1 822 718	1 796 281
Total non-current assets		1 822 718	1 796 281
Total assets		1 834 444	1 806 568
Liabilities			
Current liabilities			
Liability to subsidiary		10 000	0
Other liabilities		2 600	3 314
Total current liabilities		12 600	3 314
Non-current liabilities			
Financial liabilities	(4)	99 434	99 389
Total non-current liabilities		99 434	99 389
Shareholders' equity			
Share capital	(5.1)	84 216	84 216
Treasury shares	(5.2)	– 22 947	– 15 991
Capital reserve		142 250	142 250
Retained earnings		1 518 891	1 493 390
Total shareholders' equity		1 722 410	1 703 865
Total liabilities and shareholders' equity		1 834 444	1 806 568
Number of outstanding shares (in 000)		6 833	6 868
Net asset value (NAV) per share (CHF)		252.07	248.10

Statement of comprehensive income for the period 1 April to 30 June (CHF 000)	Notes	Quarter ended 30.6.2024	Quarter ended 30.6.2023
Net change in value of investment in subsidiary	(3)	26 437	-9 686
Result from investment activities		26 437	-9 686
Personnel expenses	(6)	-390	-410
Other operating expenses		-223	-155
Result before interest and taxes		25 824	-10 251
Financial expenses		-332	-661
Financial income		9	5
Net result for the period		25 501	-10 907
Comprehensive result		25 501	-10 907
Number of outstanding shares, time-weighted (in 000)		6 850	6 956
Basic earnings per share (CHF)		3.72	-1.57

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 period 1 April to 30 June (CHF 000)	Quarter ended 30.6.2024	Quarter ended 30.6.2023
Expenses paid (personnel and other operating expenses)	-1 239	-572
Net cash flow from operating activities	-1 239	-572
Interest received / paid	4	5
Loan from subsidiary	10 000	0
Purchase of treasury shares	-7 370	-419
Net cash flow from financing activities	2 634	-414
Currency translation differences	0	0
Net change in cash and cash equivalents	1 395	-986
Cash and cash equivalents at beginning of period	10 227	5 732
Cash and cash equivalents at end of period	11 622	4 746

Statement of changes in equity (CHF 000)	Share capital	Treasury shares	Capital reserve	Retained earnings	Total shareholders' equity
Balance 31 March 2023	136 416	-402	142 201	1 494 473	1 772 688
Comprehensive result				-10 907	-10 907
Purchase of treasury shares		-497			-497
Balance 30 June 2023	136 416	-899	142 201	1 483 566	1 761 284
Comprehensive result				9 824	9 824
Purchase of treasury shares		-15 092			-15 092
Par value repayment (7.8.2023)	-52 200		49		-52 151
Balance 31 March 2024	84 216	-15 991	142 250	1 493 390	1 703 865
Comprehensive result				25 501	25 501
Purchase of treasury shares		-6 956			-6 956
Balance 30 June 2024	84 216	-22 947	142 250	1 518 891	1 722 410

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 condensed interim financial statements have been prepared in accordance with the IFRS Accounting Standards IAS 34 on Interim Financial Reporting, and the provisions of the SIX Swiss Exchange Additional Rules on the Listing of Investment Companies. These interim financial statements should be read in conjunction with the Group Financial Statements for the financial year ended 31 March 2024, as they provide an update to the latest full financial report.

In preparing the interim financial statements, the same accounting policies and methods of computation have been applied as in the preparation of the annual financial statements as at 31 March 2024. The Group Financial Statements comprise HBM Healthcare Investments Ltd and the non-consolidated investment in the HBM Healthcare Investments (Cayman) Ltd. subsidiary (Subsidiary). A summary of the newly applied IFRS/IAS standards and interpretations in the reporting period is provided on pages 69 and 70 of the Group Financial Statements of the 2023/2024 Annual Report.

The newly applied standards and interpretations had no material impact on the Group's accounting policies, overall results or financial position.

Unless indicated otherwise, the values are in thousands of CHF.

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

Exchange rates (CHF)	30.6.2024	31.3.2024
CAD	0.6571	0.6657
CNY	0.1237	0.1248
DKK	0.1291	0.1304
EUR	0.9629	0.9726
GBP	1.1365	1.1378
HKD	0.1151	0.1152
INR	0.0108	0.0108
SEK	0.0848	0.0846
USD	0.8988	0.9014

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 during the reporting period:

Development fair value investment (CHF 000)	Quarter ended 30.6.2024	Quarter ended 30.6.2023
Fair value at beginning of period	1 796 281	1 918 299
Change in value, gross	26 437	-9 686
Fair value at end of period	1 822 718	1 908 613

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

Composition net assets (CHF 000)	Notes	30.6.2024	31.3.2024	30.6.2023
Cash and cash equivalents		120 517	193 187	204 277
Receivables		29	29	30
Loan to parent company		10 000	0	0
Investments	(3.1)			
Private companies		699 982	635 252	675 059
Funds		175 922	174 146	169 454
Public companies		793 432	768 763	856 232
Shares of parent company		12 935	10 675	10 904
Financial instruments	(3.2)	2 499	1 836	170
Other financial assets	(3.3)	28 585	29 055	20 830
Total assets		1 843 901	1 812 943	1 936 956
Financial instruments	(3.2)	-4 194	0	0
Provision and liability for deferred tax on capital gain and other taxes	(3.5)	-16 670	-16 267	-27 763
Other current liabilities		-319	-395	-580
Total net assets at fair value		1 822 718	1 796 281	1 908 613

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

	Notes	Quarter ended 30.6.2024	Quarter ended 30.6.2023
Change in net assets at fair value (CHF 000)			
Net result on investments	(3.1)	34 547	-2 810
Change in provision and liability for deferred tax on capital gain and other taxes		-403	1 367
Dividend income		49	148
Net result from financial instruments	(3.2)	-2 876	-40
Net result from other financial assets		-983	-3 107
Net result from shares of parent company		731	-434
Result from investing activities		31 065	-4 876
Management fee	(3.4)	-5 688	-6 115
Personnel and other operating expenses		-247	-250
Financial result		1 307	1 555
Change in value, gross		26 437	-9 686
Net change in value of investment		26 437	-9 686

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

3.1 Investments

During the reporting period, the investments held by the Subsidiary comprised the following and they performed as follows:

Development of investments (CHF 000)	Private companies	Funds	Public companies	Total investments
Fair value 31 March 2024	635 252	174 146	768 763	1 578 161
Reclassification owing to IPO (Alumis Therapeutics)	-2 253		2 253	0
Fair value 31 March 2024 (after reclassification)	632 999	174 146	771 016	1 578 161
Purchases	14 211	6 986	64 542	85 739
Sales	0	-719	-28 392	-29 111
Realised gains	45	0	2 745	2 790
Realised losses	-7	-98	-2 290	-2 395
Changes in unrealised gains/losses	52 734	-4 393	-14 189	34 152
Net result on investments	52 772	-4 491	-13 734	34 547
Fair value 30 June 2024	699 982	175 922	793 432	1 669 336

Details on investments can be found on pages 13 to 15.

Private companies	Domicile	Investment currency	Amount disbursed 31.3.2024	Changes in reporting period	Amount disbursed 30.6.2024	Fair value 30.6.2024	Ownership 30.6.2024	Fair value 30.6.2024	Fair value 31.3.2024
			IC million	IC million	IC million	IC million	%	CHF 000	CHF 000
Swixx BioPharma	CH	EUR	34.8		34.8	179.8	26.3	173 174	174 920
Numab / Yellow Jersey Therapeutics ¹⁾	CH	CHF	22.1		22.1	81.2	7.8	81 244	22 127
Neurelis	US	USD	24.4		24.4	56.2	10.3	50 536	50 682
Fangzhou (Jianke) ²⁾	CN	USD	19.9		19.9	55.6	5.4	50 013	50 158
Upstream Bio	US	USD	22.5	7.5	30.0	44.0	6.4	39 547	32 901
ConnectRN	US	USD	19.9		19.9	32.0	20.0	28 788	28 871
NiKang Therapeutics	US	USD	20.0		20.0	25.2	5.3	22 692	22 757
Dren Bio	US	USD	15.0		15.0	22.7	8.1	20 422	20 481
Tata 1mg	IN	INR	1 130.1		1 130.1	1 791.7	4.0	19 312	19 364
Nuance Biotech	CN	USD	14.0		14.0	18.7	3.7	16 783	16 831
Valo Health	US	USD	17.5		17.5	17.5	1.4	15 729	15 774
SAI Life Sciences	IN	INR	449.0		449.0	1 343.9	5.4	14 486	14 525
Odyssey Therapeutics	US	USD	14.3		14.3	15.3	2.6	13 725	13 765
Cure Everlife Holdings	MU	USD	7.3		7.3	14.1	6.8	12 717	12 754
River Renal	US	USD	14.0		14.0	14.0	14.0	12 583	12 620
Shape Memory Medical	US	USD	11.8		11.8	14.0	16.7	12 559	12 596
Fore Biotherapeutics	US	USD	14.5		14.5	10.8	9.6	9 735	9 763
Aculys Pharma	JP	USD	6.0		6.0	9.9	4.8	8 904	8 929
Genalyte (BaseHealth)	US	USD	8.8		8.8	9.7	3.6	8 718	8 743
C-Ray Therapeutics	CN	USD	9.0		9.0	9.0	4.0	8 126	8 150
Mahzi Therapeutics	US	USD	8.0	0.5	8.5	8.5	9.7	7 608	7 211
Neuron23	US	USD	8.0		8.0	8.1	2.2	7 293	7 314
Ignis Therapeutics	CN	USD	7.0		7.0	7.0	1.5	6 292	6 310
Arrakis Therapeutics	US	USD	7.0		7.0	7.0	4.6	6 292	6 310
Bluejay Therapeutics	US	USD	0.0	7.0	7.0	7.0	1.8	6 292	0
Karius	US	USD	17.7		17.7	6.7	4.0	5 987	6 005
FogPharma	US	USD	9.4		9.4	5.7	1.4	5 107	5 122
Farmalatam	PA	USD	30.6		30.6	4.8	42.6	4 269	4 282
1000Farmacie	IT	EUR	5.5		5.5	4.0	14.5	3 879	3 918
ADARx Pharmaceuticals	US	USD	4.0		4.0	4.0	0.5	3 595	3 606
Others								23 575	26 210
Total private companies								699 982	632 999

1) Yellow Jersey Therapeutics is a demerged subsidiary of Numab Therapeutics. Yellow Jersey was acquired and the transaction will be completed after the reporting period. HBM Healthcare continues to hold a stake of around 8 percent in Numab Therapeutics.

2) The fair value of the position takes into account a performance fee to a third party. The company went public on the Hong Kong Exchange on 9 July 2024.

Funds	Invest- ment currency	Total commitment	Payments in reporting period	Repayments in reporting period	Cumulative payments 30.6.2024	Cumulative repayments 30.6.2024	Fair value 30.6.2024	Fair value 30.6.2024	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	25.3			25.3	3.5	45.8	41 176	41 426
120 Capital	USD	25.0	2.5		25.0	0.0	24.7	22 238	20 159
MedFocus Fund II	USD	26.0			26.0	25.0	22.5	20 204	20 097
Tata Capital Healthcare Fund II	USD	20.0	3.4		19.4	1.6	18.4	16 549	12 909
C-Bridge Healthcare Fund IV	USD	10.0			10.1	0.2	15.2	13 658	13 725
C-Bridge Healthcare Fund V	USD	15.0	0.8	0.1	12.9	0.9	15.2	13 638	13 633
6 Dimensions Capital	USD	25.0			25.0	32.3	11.5	10 321	11 646
HBM Genomics II	USD	15.0			10.8	0.0	10.5	9 447	8 844
WuXi Healthcare Ventures II	USD	20.0			20.0	6.4	9.9	8 854	11 387
LYZZ Capital Fund II	USD	15.0	1.0		8.4	0.0	8.2	7 413	6 329
Tata Capital HBM Fund I	USD	10.0			9.9	6.9	6.3	5 653	5 805
Others								6 770	8 186
Total funds								175 922	174 146

Public companies	Invest- ment currency	Balance 31.3.2024	Changes reporting period	Balance 30.6.2024	Share price 30.6.2024	Ownership 30.6.2024	Fair value 30.6.2024	Fair value 31.3.2024
	IC	Number of shares	Number of shares	Number of shares	IC	%	CHF 000	CHF 000
Companies originating from private companies' portfolio								
Cathay Biotech ¹⁾	CNY	35 621 436	0	35 621 436	45.39	6.1	199 968	196 236
Harmony Biosciences	USD	2 147 943	0	2 147 943	30.17	3.8	58 245	65 016
Y-mAbs Therapeutics	USD	3 297 800	0	3 297 800	12.08	7.5	35 806	48 335
Mineralys Therapeutics	USD	2 246 332	0	2 246 332	11.70	4.5	23 622	26 141
ArriVent Biopharma	USD	1 126 385	218 074	1 344 459	18.55	4.0	22 416	18 134
Alumis Therapeutics ²⁾	USD	170 399	1 107 899	1 278 298	13.30	2.5	15 281	2 253
Pacira BioSciences	USD	451 324	0	451 324	28.61	1.0	11 606	11 887
ALX Oncology	USD	1 500 000	0	1 500 000	6.03	2.9	8 130	15 076
Others							14 971	24 172
Total companies originating from private companies' portfolio							390 045	407 250
Various companies								
Merus	USD	748 203	106 996	855 199	59.17	1.3	45 481	30 370
Biohaven	USD	576 280	317 099	893 379	34.71	1.0	27 871	28 409
Aurobindo Pharma	INR	1 604 630	0	1 604 630	1 207.60	0.3	20 886	18 881
Argenx	EUR	50 000	0	50 000	408.60	0.1	19 672	17 804
Argenx (ADR)	USD	50 000	0	50 000	430.04	0.1	19 326	17 745
Natera	USD	200 000	0	200 000	108.29	0.2	19 466	16 488
Vicore Pharma	SEK	10 874 727	- 740 123	10 134 604	21.40	9.1	18 394	13 501
Insmed	USD	278 028	0	278 028	67.00	0.2	16 743	6 799
BioInvent	SEK	5 075 000	0	5 075 000	37.60	7.7	16 184	7 296
Rocket Pharmaceuticals	USD	625 000	51 320	676 320	21.53	0.7	13 088	15 177
Zymeworks	USD	1 519 259	177 958	1 697 217	8.51	2.4	12 982	14 407
Axsome Therapeutics	USD	166 053	0	166 053	80.50	0.4	12 014	11 944

Continued as well as footnotes on page 15

Public companies	Investment currency	Balance 31.3.2024	Changes reporting period	Balance 30.6.2024	Share price 30.6.2024	Ownership 30.6.2024	Fair value 30.6.2024	Fair value 31.3.2024
	IC	Number of shares	Number of shares	Number of shares	IC	%	CHF 000	CHF 000
Various companies								
Traverse Therapeutics	USD	1 500 000	0	1 500 000	8.22	2.0	11 082	10 425
Dishman Carbogen	INR	5 560 116	0	5 560 116	178.70	3.6	10 709	14 154
Laurus Labs	INR	2 304 700	0	2 304 700	424.55	0.4	10 546	9 773
Kura Oncology	USD	500 000	0	500 000	20.59	0.7	9 253	9 613
Shenzhen Mindray	CNY	240 000	0	240 000	290.91	<0.1	8 635	8 431
Polypeptide	CHF	300 000	0	300 000	28.60	0.9	8 580	9 090
Hutchmed China	HKD	2 575 000	0	2 575 000	27.50	0.3	8 151	7 935
Abivax	EUR	700 000	0	700 000	11.68	1.1	7 873	9 123
Beigene	HKD	700 000	0	700 000	86.20	0.1	6 946	7 669
Beigene (ADR)	USD	50 000	0	50 000	142.67	0.1	6 412	7 048
Blueprint Medicines	USD	70 000	0	70 000	107.78	0.1	6 781	5 985
Jubilant Pharmova	INR	835 522	0	835 522	739.75	0.5	6 662	5 146
Guangzhou Baiyunshan	HKD	2 609 000	0	2 609 000	20.65	0.1	6 202	5 783
Cartesian Therapeutics	USD	0	215 234	215 234	27.01	1.2	5 225	0
Jasper Therapeutics	USD	201 735	48 265	250 000	22.70	1.3	5 101	5 339
Sakar Healthcare	INR	1 500 000	0	1 500 000	314.35	6.9	5 082	5 971
Others							38 040	43 460
Total various companies							403 387	363 766
Total public companies							793 432	771 016
Total investments							1 669 336	1 578 161

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 on US Nasdaq during the reporting period. The investment was listed under private companies in previous reports.

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:

Holdings of financial instruments (CHF 000)	30.6.2024	31.3.2024
Other financial instruments		
Purchased call and put options	2 499	1 836
Total financial instruments long	2 499	1 836
Currency hedging		
Forward contracts for currency hedging purposes	3 981	0
Other financial instruments		
Sale of shares	213	0
Total financial instruments short	4 194	0

As at the balance sheet date, the foreign currency risk derived from the USD/CHF exchange rate was partially hedged by means of a forward sale of USD 0.4 billion. The market value of the liability to this hedging position amounted to CHF 4.0 million as at the balance sheet date.

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

Income from financial instruments (CHF 000)	Quarter ended 30.6.2024	Quarter ended 30.6.2023
Gains from other financial instruments	1 706	0
Total gains from financial instruments	1 706	0
Losses from currency hedging transactions	-3 981	0
Losses from other financial instruments	-601	-40
Total losses from financial instruments	-4 582	-40
Net result from financial instruments	-2 876	-40

3.3 Other financial assets

Other financial assets 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 total book value as at 30 June 2024, CHF 28.6 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 with the potential cash flows:

Balance sheet value and potential cash flows (CHF million)	Book value 30.6.2024	Cash flows minimum	Cash flows maximum	Expected period of payment
Surface Logix ¹⁾	11.6	0.0	16.0	2024–2030
Forbius (Formation Biologics)	6.5	0.0	79.7	2025–2029
Corvidia Therapeutics	6.0	0.0	39.5	2026–2029
Vitaeris	4.0	0.0	80.3	2027–2031
Alydia Health	0.3	0.0	1.5	2024–2026
Tandem Life (Cardiac Assist)	0.2	0.2	0.2	2024
Total	28.6	0.2	217.2	

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 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, payable quarterly at the beginning of a quarter. In the reporting period, HBM Partners was paid CHF 5.7 million (previous year: CHF 6.1 million).

No provision for a performance fee was made during the reporting period (previous year: none) because net assets as at the balance sheet date did not exceed the highest net assets (high water mark) used as the calculation basis for the last performance fee payment.

The high water mark for all outstanding shares is CHF 298.07 (adjusted for any dividends and capital repayments to shareholders). The cut-off date for the payment of any performance fee is 31 March of a financial year.

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

Provisions and liabilities in the amount of CHF 16.7 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 on the sale of the investment in Cathay Biotech. 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, 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:

Investment commitments (CHF 000)	30.6.2024	31.3.2024
Funds	12591	19524
Private companies	6283	16383
Public companies	687	0
Total investment commitments	19561	35907

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 fair value of the straight bond amounts to CHF 98.0 million (as at 31 March 2024: CHF 97.7 million) with a carrying amount of CHF 99.4 million (as at 31 March 2024: 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 84.22 million, divided into 6960000 registered shares at a par value of CHF 12.10 each.

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 cash payment will be made after the expiration of the legal deadlines in the third quarter of calendar year 2024.

5.2 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 127 070 of its own shares (as at 31 March 2024: 92 270) as at the balance sheet date. In the reporting period, 34 800 of the Company's own shares were acquired at an average price of CHF 199.90 (previous year: none).

Holdings from second trading line (number of own shares)

Beginning of period 1 April 2024	92 270
Acquired via second trading line under share buy-back programme	34 800
End of period 30 June 2024	127 070

In addition, the subsidiary HBM Healthcare Investments (Cayman) Ltd. holds 63 096 treasury shares (as at 31 March 2024: 55 139), acquired via the regular trading line. During the reporting period, the Subsidiary acquired a total of 18 605 treasury shares via the regular trading line at an average price of CHF 196.00 per share (previous year: 26 538 at CHF 202.73) and sold 10 648 treasury shares at an average price of CHF 198.86 (previous year: 9 136 at CHF 204.71).

hbmhealthcare.com
Company website

CH 0012627250
ISIN

HBMN

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 30 June 2024:

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 2024/2025:
NAV of CHF 298.07

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

Credits

Editorial

HBM Healthcare Investments Ltd

Concept and realisation

Weber-Thedy Strategic Communication

Design

Küng Art Direction

Layout and print

DAZ

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