

Media Release

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Ad hoc announcement pursuant to Art. 53 LR

## **HBM Healthcare Investments publishes Half-Year Report as at 30 September 2024 with key figures for the first six months of the 2024/2025 financial year**

- Profit of CHF 23 million
- NAV up by 1.5 percent and share price up by 1.7 percent
- Private as well as public portfolio companies contribute to earnings
- Unfavourable currency movements impact performance by almost 5 percent

### **Successful first half – currency effects impact performance**

HBM Healthcare Investments generated a profit of CHF 23 million for the first six months of the 2024/2025 financial year ended 30 September 2024. Net asset value per share (NAV) rose by 1.5 percent. The share price increased by 1.7 percent.

Private and public companies contributed equally to the increase in value. Negative currency effects weighed on performance by almost 5 percent. The partial hedging of the US dollar against the Swiss franc cushioned the currency losses somewhat.

### **Developments in the portfolio of public companies**

The public companies' portfolio recorded a net increase in value of CHF 22 million after deducting CHF –45 million due to unfavourable currency developments.

- > The stock market valuations of Cathay Biotech (profit contribution of CHF 8 million) and Harmony Biosciences (CHF 8 million) recovered. In the case of Cathay, the focus was on the economic measures announced by the Chinese government and new partners, while Harmony was boosted by strong sales of the narcolepsy drug Wakix®.
- > Other positive contributions came from BioInvent (CHF 13 million), Insmed (CHF 10 million), Argenx (CHF 10 million) and ArriVent Biopharma (CHF 5 million).
- > Negative developments were seen in Pacira BioSciences (CHF –6 million) and ALX Oncology (CHF –13 million).

## Developments in the portfolio of private companies

Private companies contributed CHF 28 million to the half-year result, after currency effects of CHF -34 million.

- > Johnson & Johnson's acquisition of Yellow Jersey Therapeutics resulted in a contribution of CHF 59 million.
- > Swixx BioPharma (CHF 26 million) continued to grow sales and profits, allowing for a revaluation.
- > The market valuations of Alumis Therapeutics (CHF -6 million) and Fangzhou (CHF -4 million) have fallen slightly following their IPOs. However, both companies still hold strong positions.
- > Valuation adjustments were necessary for ConnectRN (CHF -13 million), Vascular Dynamics (CHF -4 million), eGenesis (CHF -4 million) and Neuron23 (CHF -4 million) due to financing rounds or the failure to achieve operational targets.

## Asset allocation

The sale of Yellow Jersey Therapeutics and the IPOs of Fangzhou and Alumis reduced the share of private companies to 32 percent of assets. By contrast, the share of public companies rose to 49 percent (of which a good half are formerly private companies). 9 percent is held in funds, 7 percent in cash and cash equivalents, and 3 percent in other assets.

## Outlook

Market sentiment towards the biotechnology sector has improved somewhat in recent months. However, the Federal Reserve's first interest rate cut in September has not yet provided the hoped-for boost to the sector. Uncertainties about the geopolitical situation, future economic developments and the upcoming elections in the United States are causing market participants to remain cautious.

Despite this, the HBM portfolio companies are developing well and adding value: Upstream Bio raised USD 255 million in a successful IPO at the beginning of October. The IPO had a positive effect on the net asset value of the HBM share. The Indian contract development and manufacturing company SAI Life Sciences is targeting an IPO in Mumbai, and should benefit from the favourable stock market environment in India. Further private companies have now progressed to the point where they are ready to tackle strategic transactions. In addition, several public companies are awaiting market approvals or pivotal trial results. A detailed overview can be found in the investor presentation on the HBM website.

The Half-Year Report September 2024 is available on the Company's website at [www.hbmhealthcare.com/en/investors/financial-reports](http://www.hbmhealthcare.com/en/investors/financial-reports).

## Contact us

For further information, please contact Dr Andreas Wicki on +41 41 710 75 77, or at [andreas.wicki@hbmhealthcare.com](mailto:andreas.wicki@hbmhealthcare.com)

## About HBM Healthcare Investments

HBM Healthcare Investments invests in the healthcare sector. The Company holds and manages an international portfolio of 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).

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