

# HBM UCITS (LUX) FUNDS

Open-ended investment fund with multiple compartments

Unaudited semi-annual report as at June 30, 2019



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No subscription can be received on the basis of these financial statements. Subscriptions are only valid if made on the basis of the current prospectus accompanied by the Key Investor Information Document ("KIID"), the latest annual report, including audited financial statements, and the most recent semi-annual report, if published thereafter.

# HBM UCITS (LUX) FUNDS

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# HBM UCITS (LUX) FUNDS

## Organisation

REGISTERED OFFICE	15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
BOARD OF DIRECTORS OF THE COMPANY	
Chairman	Mr Dominique KUETTEL, Bundesplatz 1, CH-6300 Zug, Switzerland
Members	Mr Mike KARA, 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg Mr Claude NOESEN, 25, um Séintchen, L-8363 Greisch, Grand Duchy of Luxembourg
MANAGEMENT COMPANY	FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY	
Chairman	Mr Christian SCHRÖDER, Group Chief Digital Officer and Head of Organisation, Banque Pictet & Cie SA, 60, route des Acacias, CH-1211 Geneva 73, Switzerland
Members	Mrs Michèle BERGER, CEO and Managing Director, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg Mr Yves FRANCIS, Independent Director (since April 3, 2019) Me. Claude KREMER, Partner, Arendt & Medernach - Avocats, 41A, avenue J.F. Kennedy, L-2082 Luxembourg, Grand Duchy of Luxembourg (until April 2, 2019) Mr Geoffroy LINARD DE GUERTECHIN, Independent Director, 2, rue Jean-Pierre Beicht, L-1226 Luxembourg, Grand Duchy of Luxembourg
Members of the Management Committee	Mrs Michèle BERGER, CEO and Managing Director, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg Mr Pascal CHAUVAUX, Head of Central Administration, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg Mr Laurent DORLÉAC, Head of Risk & Compliance, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg Mr Dorian JACOB, Head of Investment Risk and Asset Management Oversight, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
INVESTMENT MANAGER	HBM Partners AG, Bundesplatz 1, CH-6300 Zug, Switzerland

# HBM UCITS (LUX) FUNDS

## Organisation (continued)

DEPOSITARY BANK	Pictet & Cie (Europe) S.A., 15A, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
ADMINISTRATIVE AGENT, PAYING AGENT AND TRANSFER AND REGISTER AGENT	FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
INDEPENDENT AUDITOR	Ernst & Young S.A., 35E, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
LEGAL ADVISER	Elvinger Hoss Prussen, société anonyme, 2, place Winston Churchill, L-1340 Luxembourg, Grand Duchy of Luxembourg (until March 21, 2019)  Maples & Calder, 6D, route de Trèves, L-2633 Luxembourg, Grand Duchy of Luxembourg (since March 22, 2019)
COUNTERPARTY ON FORWARD FOREIGN EXCHANGE CONTRACTS (NOTE 10)	Pictet & Cie (Europe) S.A. Luxembourg

# HBM UCITS (LUX) FUNDS

## General information

HBM UCITS (LUX) FUNDS (the "Company") publishes an annual report, including audited financial statements, and an unaudited semi-annual report. These reports include financial information relating to the various sub-funds of the Company as well as the composition and progression of the price of their assets. Each report also contains a consolidated statement of the assets of each sub-fund expressed in US Dollars. Annual reports, including audited financial statements, are published within four months following the close of the financial period. Semi-annual reports are published within two months of the end of the semester. The annual and semi-annual reports include the financial statements of the SICAV and of each of its sub-funds.

All reports are available to shareholders at the registered office of the Company, from the Administrative Agent as well as any appointed distributor or intermediary.

The net asset value ("NAV") per share of each sub-fund as well as the issue and redemption prices are made public at the registered office of the Administrative Agent and of the Company.

The following documents may be consulted free of charge on each Business Day during normal business hours at the Company's registered office:

- The Articles;
- The Prospectus;
- The Key Investor Information Documents ("KIIDs");
- The Depositary Bank agreement;
- The Central Administration Agreement;
- The Investment Management Agreement;
- The Management Company Agreement; and
- Annual and semi-annual reports.

A copy of the Articles, the Prospectus and copies of the annual and semi-annual reports of the Company may be requested free of charge from the registered office of the Company.

In addition, the Prospectus and the KIIDs are available under [www.fundinfo.com](http://www.fundinfo.com).

A detailed schedule of changes in the securities portfolios for all the sub-funds for the period ended June 30, 2019, is available free of charge upon request at the registered office of the Company and from the representative in each country in which the Company is authorised for distribution.



# HBM UCITS (LUX) FUNDS

## Distribution abroad

### Distribution in and from Switzerland

The Company has been authorised in Switzerland as a foreign investment fund.

**Representative** The representative in Switzerland is HBM Partners AG (the "Representative"), Bundesplatz 1, CH-6300 Zug, Switzerland.

**Paying Agent** The paying agent in Switzerland is Banque Pictet & Cie SA with its registered office in 60, route des Acacias, CH-1211 Geneva 73, Switzerland.

**Place of distribution of reference documents** The prospectus and the KIIDs of the sub-funds distributed in Switzerland, the articles of incorporation and the annual and semi-annual reports are available free of charge from the Representative.

The list of purchases and sales that have taken place during the financial period under review is available free of charge upon request from the Representative in Switzerland.

### Additional information for investors in Germany

**Paying and Information Agent** Deutsche Bank AG  
Taunusanlage 12,  
D-60325 Frankfurt am Main  
Germany

# HBM UCITS (LUX) FUNDS

## Statement of net assets as at June 30, 2019

	COMBINED	HBM UCITS (LUX) FUNDS - HBM GLOBAL BIOTECHNOLOGY FUND	HBM UCITS (LUX) FUNDS - HBM GLOBAL HEALTHCARE FUND
	USD	USD	USD
<b>ASSETS</b>			
Investments in securities at acquisition cost	78,126,104.49	50,289,453.57	27,836,650.92
Net unrealised gain on investments	10,129,800.76	5,189,174.78	4,940,625.98
Investments in securities at market value (note 2.b)	88,255,905.25	55,478,628.35	32,777,276.90
Cash at banks (note 2.b)	34,099.21	21,176.49	12,922.72
Bank deposits (note 2.b)	7,330,000.00	790,000.00	6,540,000.00
Interest receivable, net	934.35	91.91	842.44
Formation expenses (note 2.h)	16,850.47	9,837.96	7,012.51
Net unrealised gain on forward foreign exchange contracts (notes 2.e, 10)	16,112.10	15,077.97	1,034.13
	95,653,901.38	56,314,812.68	39,339,088.70
<b>LIABILITIES</b>			
Management fees payable (note 4)	318,213.62	178,970.01	139,243.61
Performance fees payable (note 8)	7,520.30	6,361.00	1,159.30
"Taxe d'abonnement" payable (note 3)	11,586.85	6,771.49	4,815.36
Other fees payable (note 9)	98,820.34	58,269.22	40,551.12
	436,141.11	250,371.72	185,769.39
<b>TOTAL NET ASSETS AS AT JUNE 30, 2019</b>	<b>95,217,760.27</b>	<b>56,064,440.96</b>	<b>39,153,319.31</b>
<b>TOTAL NET ASSETS AS AT DECEMBER 31, 2018</b>	<b>81,728,459.87</b>	<b>47,406,377.54</b>	<b>34,322,082.33</b>
<b>TOTAL NET ASSETS AS AT DECEMBER 31, 2017</b>	<b>69,113,029.76</b>	<b>40,544,774.99</b>	<b>28,568,254.77</b>

The accompanying notes form an integral part of these financial statements.

# HBM UCITS (LUX) FUNDS

## Statement of operations and changes in net assets for the period ended June 30, 2019

	COMBINED	HBM UCITS (LUX) FUNDS - HBM GLOBAL BIOTECHNOLOGY FUND	HBM UCITS (LUX) FUNDS - HBM GLOBAL HEALTHCARE FUND
	USD	USD	USD
<b>NET ASSETS AT THE BEGINNING OF THE PERIOD</b>	<b>81,728,459.87</b>	<b>47,406,377.54</b>	<b>34,322,082.33</b>
<b>INCOME</b>			
Dividends, net (note 2.f)	266,084.42	86,278.83	179,805.59
Bank interest (note 2.f)	78,061.75	5,867.27	72,194.48
	344,146.17	92,146.10	252,000.07
<b>EXPENSES</b>			
Amortization of formation expenses (note 2.h)	2,672.49	1,560.96	1,111.53
Management fees (note 4)	630,097.83	356,961.90	273,135.93
Performance fees (note 8)	7,520.30	6,361.00	1,159.30
Depository fees, bank charges and interest (note 7)	27,310.18	16,263.33	11,046.85
Professional fees, audit fees and other expenses (note 5)	233,036.68	138,170.33	94,866.35
Administrative and service fees (note 6)	38,274.26	23,669.56	14,604.70
"Taxe d'abonnement" (note 3)	23,621.21	13,975.56	9,645.65
Transaction fees (note 2.g)	44,031.49	30,074.25	13,957.24
	1,006,564.44	587,036.89	419,527.55
<b>NET INVESTMENT LOSS</b>	<b>-662,418.27</b>	<b>-494,890.79</b>	<b>-167,527.48</b>
Net realised gain/loss on sales of investments	-411,043.12	-1,005,173.95	594,130.83
Net realised gain on foreign exchange	5,991.47	5,360.71	630.76
Net realised loss on forward foreign exchange contracts	-167,223.06	-156,646.80	-10,576.26
<b>NET REALISED GAIN/LOSS</b>	<b>-1,234,692.98</b>	<b>-1,651,350.83</b>	<b>416,657.85</b>
<b>Change in net unrealised appreciation/depreciation:</b>			
- on investments	13,268,013.41	9,176,703.60	4,091,309.81
- on forward foreign exchange contracts	-4,947.19	-4,690.49	-256.70
<b>INCREASE IN NET ASSETS AS A RESULT OF OPERATIONS</b>	<b>12,028,373.24</b>	<b>7,520,662.28</b>	<b>4,507,710.96</b>
Proceeds from subscriptions of shares	2,346,282.51	1,758,668.85	587,613.66
Cost of shares redeemed	-858,751.34	-596,293.79	-262,457.55
Revaluation difference*	-26,604.01	-24,973.92	-1,630.09
<b>NET ASSETS AT THE END OF THE PERIOD</b>	<b>95,217,760.27</b>	<b>56,064,440.96</b>	<b>39,153,319.31</b>

\* The difference mentioned above is the result of fluctuations in the exchange rates used to convert the different items related to share classes denominated in a currency other than the currency of the sub-funds into the currency of the related sub-funds between December 31, 2018 and June 30, 2019.

The accompanying notes form an integral part of these financial statements.

# HBM UCITS (LUX) FUNDS

## Statistics

Sub-Funds Class	Currency	Number of shares outstanding 30.06.2019	Net asset value per share 30.06.2019	Net asset value per share 31.12.2018	Net asset value per share 31.12.2017
HBM UCITS (LUX) FUNDS - HBM GLOBAL BIOTECHNOLOGY FUND					
A cap USD	USD	85,689.99	354.12	305.32	336.56
A cap EUR	EUR	15,620.83	105.17	92.31	105.03
P cap USD	USD	50,668.74	356.43	306.81	337.07
P cap EUR	EUR	48,140.86	105.60	92.51	-
HBM UCITS (LUX) FUNDS - HBM GLOBAL HEALTHCARE FUND					
A cap USD	USD	152,933.73	191.78	169.64	163.03
A cap EUR	EUR	4,270.07	106.89	96.31	-
P cap USD	USD	48,607.00	191.43	168.99	163.11

The accompanying notes form an integral part of these financial statements.

# HBM UCITS (LUX) FUNDS - HBM GLOBAL BIOTECHNOLOGY FUND

## Statement of investments and other net assets as at June 30, 2019 (expressed in USD)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<b>TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET</b>				
<b>SHARES</b>				
<i>BELGIUM</i>				
GALAPAGOS	EUR	17,500.00	2,260,945.05	4.03
			2,260,945.05	4.03
<i>CAYMAN ISLANDS</i>				
BEIGENE -ADR SPONS.-	USD	10,000.00	1,239,500.00	2.21
MEIRAGTX HOLDINGS	USD	30,000.00	806,400.00	1.44
			2,045,900.00	3.65
<i>DENMARK</i>				
GENMAB	DKK	5,000.00	920,811.70	1.64
ZEALAND PHARMA	DKK	20,000.00	435,459.25	0.78
			1,356,270.95	2.42
<i>GERMANY</i>				
MORPHOSYS	EUR	10,000.00	961,716.60	1.72
			961,716.60	1.72
<i>IRELAND</i>				
JAZZ PHARMACEUTICALS	USD	4,000.00	570,240.00	1.02
			570,240.00	1.02
<i>NETHERLANDS</i>				
ARGENX	EUR	17,500.00	2,455,252.80	4.38
MYLAN	USD	35,000.00	666,400.00	1.19
UNIQUE	USD	12,500.00	976,875.00	1.74
			4,098,527.80	7.31
<i>SWEDEN</i>				
HANSA BIOPHARMA	SEK	12,500.00	232,264.88	0.41
SWEDISH ORPHAN BIOVITRUM	SEK	25,000.00	481,909.22	0.86
			714,174.10	1.27
<i>SWITZERLAND</i>				
IDORSIA REG.	CHF	30,000.00	686,153.85	1.22
			686,153.85	1.22
<i>UNITED KINGDOM</i>				
AMARIN CORPORATION ADR -SPONS.-	USD	50,000.00	969,500.00	1.73
GW PHARMACEUTICALS ADR -SPONS.	USD	4,500.00	775,755.00	1.38
			1,745,255.00	3.11

The accompanying notes form an integral part of these financial statements.

# HBM UCITS (LUX) FUNDS - HBM GLOBAL BIOTECHNOLOGY FUND

## Statement of investments and other net assets as at June 30, 2019 (expressed in USD) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<i>UNITED STATES</i>				
ALBIREO PHARMA	USD	10,000.00	322,400.00	0.58
ALEXION PHARMACEUTICALS	USD	20,000.00	2,619,600.00	4.67
ALNYLAM PHARMACEUTICALS	USD	12,000.00	870,720.00	1.55
AMGEN	USD	20,000.00	3,685,600.00	6.57
APELLIS PHARMACEUTICALS	USD	30,000.00	760,200.00	1.36
ARENA PHARMACEUTICALS	USD	15,000.00	879,450.00	1.57
ARRAY BIOPHARMA	USD	35,000.00	1,621,550.00	2.89
BIOGEN	USD	9,000.00	2,104,830.00	3.75
BIOMARIN PHARMACEUTICALS	USD	14,000.00	1,199,100.00	2.14
BLUEBIRD BIO	USD	8,000.00	1,017,600.00	1.82
EXELIXIS	USD	20,000.00	427,400.00	0.76
FIBROGEN	USD	20,000.00	903,600.00	1.61
GILEAD SCIENCES	USD	50,000.00	3,378,000.00	6.03
GLOBAL BLOOD THERAPEUTICS	USD	15,000.00	789,000.00	1.41
ILLUMINA	USD	10,000.00	3,681,500.00	6.57
INCYTE	USD	20,000.00	1,699,200.00	3.03
INTERCEPT PHARMACEUTICALS	USD	7,500.00	596,775.00	1.06
IONIS PHARMACEUTICALS	USD	15,000.00	964,050.00	1.72
MEDICINES COMPANY	USD	22,500.00	820,575.00	1.46
NEKTAR THERAPEUTICS	USD	25,000.00	889,500.00	1.59
NEUROCRINE BIOSCIENCES	USD	12,000.00	1,013,160.00	1.81
RA PHARMACEUTICALS	USD	20,000.00	601,400.00	1.07
REGENERON PHARMACEUTICALS	USD	6,000.00	1,878,000.00	3.35
SAGE THERAPEUTICS	USD	7,500.00	1,373,175.00	2.45
SAREPTA THERAPEUTICS	USD	8,000.00	1,215,600.00	2.17
SEATTLE GENETICS	USD	16,000.00	1,107,360.00	1.98
ULTRAGENYX PHARMACEUTICAL	USD	15,000.00	952,500.00	1.70
VERTEX PHARMACEUTICALS	USD	20,000.00	3,667,600.00	6.54
			41,039,445.00	73.21
<b>TOTAL INVESTMENTS</b>			<b>55,478,628.35</b>	<b>98.96</b>
CASH AT BANKS			21,176.49	0.04
BANK DEPOSITS			790,000.00	1.41
OTHER NET LIABILITIES			-225,363.88	-0.41
<b>TOTAL NET ASSETS</b>			<b>56,064,440.96</b>	<b>100.00</b>

The accompanying notes form an integral part of these financial statements.

# HBM UCITS (LUX) FUNDS - HBM GLOBAL BIOTECHNOLOGY FUND

## Geographical and industrial classification of investments as at June 30, 2019

### Geographical classification

(in % of net assets)

United States	73.21
Netherlands	7.31
Belgium	4.03
Cayman Islands	3.65
United Kingdom	3.11
Denmark	2.42
Germany	1.72
Sweden	1.27
Switzerland	1.22
Ireland	1.02
	<b>98.96</b>

### Industrial classification

(in % of net assets)

Biotechnology	51.48
Pharmaceuticals and cosmetics	44.07
Healthcare & social services	1.44
Holding and finance companies	1.19
Utilities	0.78
	<b>98.96</b>

# HBM UCITS (LUX) FUNDS - HBM GLOBAL HEALTHCARE FUND

## Statement of investments and other net assets as at June 30, 2019 (expressed in USD)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<b>TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET</b>				
<b>SHARES</b>				
<i>BELGIUM</i>				
GALAPAGOS	EUR	2,000.00	258,393.72	0.66
			258,393.72	0.66
<i>CAYMAN ISLANDS</i>				
MEIRAGTX HOLDINGS	USD	8,000.00	215,040.00	0.55
			215,040.00	0.55
<i>CHINA</i>				
WUXI BIOLOGICS (CAYMAN) 144A/S	HKD	30,000.00	269,376.00	0.69
			269,376.00	0.69
<i>DENMARK</i>				
NOVO NORDISK 'B'	DKK	18,000.00	918,675.60	2.35
ZEALAND PHARMA	DKK	12,000.00	261,275.55	0.67
			1,179,951.15	3.02
<i>FRANCE</i>				
SANOFI	EUR	11,000.00	950,909.39	2.43
			950,909.39	2.43
<i>GERMANY</i>				
EVOTEC	EUR	20,000.00	559,834.08	1.43
			559,834.08	1.43
<i>IRELAND</i>				
MEDTRONIC	USD	18,500.00	1,801,715.00	4.59
			1,801,715.00	4.59
<i>NETHERLANDS</i>				
QIAGEN	EUR	24,000.00	973,200.00	2.49
UNIQUEURE	USD	4,000.00	312,600.00	0.80
			1,285,800.00	3.29
<i>SPAIN</i>				
GRIFOLS 'B' ADR -SPONS.-	USD	33,000.00	696,300.00	1.78
			696,300.00	1.78
<i>SWITZERLAND</i>				
LONZA GROUP	CHF	3,500.00	1,182,461.54	3.02
NOVARTIS	CHF	16,000.00	1,463,794.87	3.74
ROCHE HOLDING D.RIGHT	CHF	7,000.00	1,971,846.15	5.03
			4,618,102.56	11.79

The accompanying notes form an integral part of these financial statements.



# HBM UCITS (LUX) FUNDS - HBM GLOBAL HEALTHCARE FUND

## Statement of investments and other net assets as at June 30, 2019 (expressed in USD) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<i>UNITED STATES</i>				
ABBOTT LABORATORIES	USD	13,000.00	1,093,300.00	2.79
AGILENT TECHNOLOGIES	USD	10,000.00	746,700.00	1.91
ANTHEM	USD	1,000.00	282,210.00	0.72
ARROWHEAD PHARMACEUTICALS	USD	13,000.00	344,500.00	0.88
AXOGEN	USD	9,000.00	178,200.00	0.46
BECTON DICKINSON & CO	USD	5,500.00	1,386,055.00	3.54
BIOMARIN PHARMACEUTICALS	USD	2,500.00	214,125.00	0.55
DANAHER	USD	7,000.00	1,000,440.00	2.56
EDWARDS LIFESCIENCES	USD	2,000.00	369,480.00	0.94
EVOLENT HEALTH 'A'	USD	17,000.00	135,150.00	0.35
HAEMONETICS	USD	2,000.00	240,680.00	0.61
HMS HOLDINGS	USD	8,000.00	259,120.00	0.66
ILLUMINA	USD	2,500.00	920,375.00	2.35
IQVIA HOLDINGS	USD	8,000.00	1,287,200.00	3.29
IRHYTHM TECHNOLOGIES	USD	3,500.00	276,780.00	0.71
JOHNSON & JOHNSON	USD	15,000.00	2,089,200.00	5.33
LABORATORY CORP OF AMERICA HOLDINGS	USD	5,000.00	864,500.00	2.21
MERCK & CO	USD	11,000.00	922,350.00	2.36
NATERA	USD	13,000.00	358,540.00	0.92
PFIZER	USD	34,000.00	1,472,880.00	3.75
PRA HEALTH SCIENCES	USD	5,000.00	495,750.00	1.27
PRINCIPIA BIOPHARMA	USD	4,000.00	132,760.00	0.34
QUEST DIAGNOSTICS	USD	5,000.00	509,050.00	1.30
STRYKER	USD	3,000.00	616,740.00	1.58
TACTILE SYSTEMS TECHNOLOGY	USD	4,000.00	227,680.00	0.58
TELADOC	USD	8,000.00	531,280.00	1.36
THERMO FISHER SCIENTIFIC	USD	7,000.00	2,055,760.00	5.24
UNITEDHEALTH GROUP	USD	4,000.00	976,040.00	2.49
VERTEX PHARMACEUTICALS	USD	2,500.00	458,450.00	1.17
ZIMMER HOLDINGS	USD	3,000.00	353,220.00	0.90
ZOGENIX	USD	3,000.00	143,340.00	0.37
			20,941,855.00	53.49
<b>TOTAL INVESTMENTS</b>			<b>32,777,276.90</b>	<b>83.72</b>
CASH AT BANKS			12,922.72	0.03
BANK DEPOSITS			6,540,000.00	16.70
OTHER NET LIABILITIES			-176,880.31	-0.45
<b>TOTAL NET ASSETS</b>			<b>39,153,319.31</b>	<b>100.00</b>

The accompanying notes form an integral part of these financial statements.

# HBM UCITS (LUX) FUNDS - HBM GLOBAL HEALTHCARE FUND

## Geographical and industrial classification of investments as at June 30, 2019

### Geographical classification

(in % of net assets)

United States	53.49
Switzerland	11.79
Ireland	4.59
Netherlands	3.29
Denmark	3.02
France	2.43
Spain	1.78
Germany	1.43
China	0.69
Belgium	0.66
Cayman Islands	0.55
	<b>83.72</b>

### Industrial classification

(in % of net assets)

Pharmaceuticals and cosmetics	50.20
Biotechnology	12.40
Healthcare & social services	6.18
Electronics and electrical equipment	5.24
Chemicals	3.02
Construction of machines and appliances	2.56
Communications	1.91
Internet, software and IT services	0.88
Utilities	0.67
Holding and finance companies	0.66
	<b>83.72</b>

# HBM UCITS (LUX) FUNDS

## Notes to the financial statements as at June 30, 2019

### NOTE 1

#### GENERAL

HBM UCITS (LUX) FUNDS (the "Company") is an open-ended investment fund with multiple compartments ("*société d'investissement à capital variable*" (SICAV) à *compartiments multiples*) governed by Luxembourg law, established in accordance with the provisions of Part I of the 2010 Law (the "2010 Law").

The Company was incorporated for an unlimited duration on April 25, 2017. The Articles were published in the *Recueil électronique des sociétés et associations* ("RESA") on May 12, 2017.

The Company is registered with the Luxembourg trade and companies register under number B214671.

The Company's capital is equal to the value of its total net assets. The minimum capital required by law is EUR 1,250,000.

FundPartner Solutions (Europe) S.A. with registered office at 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg was appointed Management Company of the Company as of April 25, 2017. It is a management company within the meaning of chapter 15 of the Law.

As at June 30, 2019, the Company includes the following sub-funds:

- HBM UCITS (LUX) FUNDS - HBM GLOBAL BIOTECHNOLOGY FUND, denominated in US Dollar (USD)
- HBM UCITS (LUX) FUNDS - HBM GLOBAL HEALTHCARE FUND, denominated in US Dollar (USD)

The Company has the following share classes:

HBM UCITS (LUX) FUNDS - HBM GLOBAL BIOTECHNOLOGY FUND:

- A cap USD
- A cap EUR
- P cap USD
- P cap EUR

HBM UCITS (LUX) FUNDS - HBM GLOBAL HEALTHCARE FUND:

- A cap USD
- A cap EUR
- P cap USD

### NOTE 2

#### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### a) Preparation and presentation of financial statements

The financial statements are prepared in accordance with generally accepted accounting principles and presented in accordance with the legal reporting requirements applicable in Luxembourg relating to undertakings for collective investment.

The reference currency of the Company is the USD.

# HBM UCITS (LUX) FUNDS

## Notes to the financial statements as at June 30, 2019 (continued)

### b) Valuation of assets

The assets of the Company are valued in accordance with the following principles:

- 1) The value of cash at hand and on deposit, bills and demand notes and accounts receivable, prepaid expenses, dividends and interest declared or due but not yet collected, shall be deemed to be the full value thereof. However, if it is unlikely that this value is received in full, the value thereof is determined deducting the amount the Company considers appropriate to reflect the true value thereof.
- 2) The value of all transferable securities listed or traded on a stock exchange is determined based on the last available price published on the market considered to be the main market for trading the transferable securities in question.
- 3) The value of all transferable securities traded on another regulated market, operating regularly, recognised and open to the public are assessed based on the most recent price available.
- 4) Transferable securities in a portfolio are not traded or listed on a stock exchange or another Regulated Market or if, for securities listed or traded on such an exchange or other market, the price determined in accordance with 2) or 3) above is not representative of the real value of these transferable securities, these are valued based on their probable realisation value, which is estimated in a prudent manner and in good faith.
- 5) The liquidation value of financial derivative instruments not traded on stock exchanges is determined in accordance with the rules set by the Board of Directors of the Company in a prudent manner and in good faith.
- 6) Undertakings for collective investment are valued at the latest known NAV or sale price in the event that prices are listed.
- 7) All other securities and assets are valued at their probable realisation value estimated in a prudent manner and in good faith according to procedures established by the Board of Directors of the Company.

### c) Net realised gain/loss on sales of investments

The net realised gain/loss on sales of investments is calculated on the basis of the weighted average cost of the investments sold.

### d) Cost of investment securities

The cost of investment securities in currencies other than the currency of the Company is translated into the currency of the sub-funds at the exchange rate applicable at purchase date.

### e) Forward foreign exchange contracts

The unrealised gains or losses resulting from outstanding forward foreign exchange contracts, if any, are determined on the basis of the forward rates applicable at the end of the period and are recorded in the statement of net assets.

# HBM UCITS (LUX) FUNDS

## Notes to the financial statements as at June 30, 2019 (continued)

### f) Income

Dividends are recorded at ex-date. Interest is recorded on an accrual basis. Dividends and interests are recorded net of withholding tax.

### g) Transaction fees

The transaction fees represent the costs incurred by the Company in connection with purchases and sales of investments. They include brokerage fees as well as bank commissions, tax, depositary fees and other transaction fees, and are included in the statement of operations and change in net assets.

### h) Formation expenses

Formation expenses are amortised on a straight line basis over a period of 5 years.

### i) Future and option contracts

The prices of future and option contracts admitted to official listing on an official stock exchange or traded on any other organised market are based on the previous day's closing price on the market in question. The prices used are the settlement prices on the future contracts markets. Future and option contracts not admitted to official listing on an official stock exchange or traded on any other organised market are valued at their liquidating value determined pursuant to the policies established in good faith by the Board of Directors of the Company, on a basis consistently applied for each different variety of contracts.

## NOTE 3

### TAXATION OF THE COMPANY

The Company is not subject to taxation in Luxembourg on its income, profits or gains.

The Company is not subject to net wealth tax in Luxembourg.

No stamp duty, capital duty or other tax is payable in Luxembourg upon the issue of the shares of the Company.

The Company is subject to a subscription tax (taxe d'abonnement) levied at the rate of 0.05% per annum based on its NAV at the end of the relevant quarter, calculated and paid quarterly. A reduced subscription tax rate of 0.01% per annum is applicable to Luxembourg UCITS whose exclusive object is the collective investment in money market instruments, the placing of deposits with credit institutions, or both. A reduced subscription tax rate of 0.01% per annum is also applicable to UCITS, individual compartments thereof, as well as for individual classes of securities issued within a UCITS or within a compartment of a UCITS with multiple compartments, provided that the securities of such compartments or classes are reserved to one or more institutional investors.

Interest and dividend income received by the Company may be subject to non-recoverable withholding tax in the countries of origin. The Company may further be subject to tax on the realised or unrealised capital appreciation of its assets in the countries of origin.

# HBM UCITS (LUX) FUNDS

## Notes to the financial statements as at June 30, 2019 (continued)

### NOTE 4

#### MANAGEMENT FEES

The Investment Manager is entitled to receive fees calculated monthly on the basis of the average NAV at the following annual rates as at June 30, 2019:

Sub-funds	Share class	Investment Management fees
HBM UCITS (LUX) FUNDS - HBM GLOBAL BIOTECHNOLOGY FUND	A cap USD	max 1.50%
	A cap EUR	max 1.50%
	P cap USD	max 1.10%
	P cap EUR	max 1.10%
HBM UCITS (LUX) FUNDS - HBM GLOBAL HEALTHCARE FUND	A cap USD	max 1.60%
	A cap EUR	max 1.60%
	P cap USD	max 1.20%

### NOTE 5

#### MANAGEMENT COMPANY FEES

The Management Company is entitled to receive management fees paid out of the assets of the sub-funds for its services at a rate of up to 0.20% p.a. calculated monthly on the basis of the average NAV of the respective Class. The Management Company is in any case entitled to minimum management fees of up to USD 90,000. Management Company fees are recorded under the caption "Professional fees, audit fees and other expenses" in the statement of operations and changes in net assets.

### NOTE 6

#### ADMINISTRATIVE AND SERVICE FEES

The Administrative Agent is entitled to receive central administration fees paid out of the assets of the sub-funds for its central administration services up to 0.20% p.a. calculated monthly on the basis of the average NAV of the respective Class. The Administrative Agent is in any case entitled to minimum central administration fees of USD 30,000.

### NOTE 7

#### DEPOSITARY FEES

The Depositary Bank is entitled to receive annual depositary bank fees paid out of the assets of the sub-funds for its depositary bank services, which are calculated monthly on the basis of the average NAV of the respective Class and amount to up to 0.20% p.a. The Depositary Bank is in any case entitled to minimum depositary bank fees of USD 25,000.

# HBM UCITS (LUX) FUNDS

## Notes to the financial statements as at June 30, 2019 (continued)

### NOTE 8

#### PERFORMANCE FEES

The Investment Manager receives performance fees, payable on each valuation date, based on the outperformance of the NAV per share over the return of a benchmark, in the respective currency of the share class for the sub-fund HBM UCITS (LUX) FUNDS - HBM GLOBAL HEALTHCARE FUND, as follows:

Sub-funds	Fee rate	Benchmark	Currency	Amount paid for the year
HBM UCITS (LUX) FUNDS - HBM GLOBAL BIOTECHNOLOGY FUND	15%	NASDAQ Biotechnology (NBI)	USD	6,361.00
HBM UCITS (LUX) FUNDS - HBM GLOBAL HEALTHCARE FUND	15%	3-months LIBOR	USD	1,159.30

The principle of relative High Water Mark is applied: if the current cumulative outperformance underperforms the cumulative outperformance at the last performance fees payment, no performance fees are payable.

Further details on performance fees and namely on the Benchmark are available in the current prospectus of the company.

### NOTE 9

#### OTHER FEES PAYABLE

As at June 30, 2019, the other fees payable include mainly audit, domiciliation, depositary, and administration expenses.

### NOTE 10

#### FORWARD FOREIGN EXCHANGE CONTRACTS

The Company had the following forward foreign exchange contracts outstanding as at June 30, 2019:

##### HBM UCITS (LUX) FUNDS - HBM GLOBAL BIOTECHNOLOGY FUND

Currency	Purchase	Currency	Sale	Maturity date
EUR	6,513,162.71	USD	7,421,065.03	31/07/2019

The net unrealised gain on this contract as at June 30, 2019 was USD 15,077.97 and is included in the statement of net assets.

##### HBM UCITS (LUX) FUNDS - HBM GLOBAL HEALTHCARE FUND

Currency	Purchase	Currency	Sale	Maturity date
EUR	446,709.40	USD	508,978.46	31/07/2019

The net unrealised gain on this contract as at June 30, 2019 was USD 1,034.13 and is included in the statement of net assets.

# HBM UCITS (LUX) FUNDS

## Notes to the financial statements as at June 30, 2019 (continued)

### NOTE 11

#### EXCHANGE RATE

The following exchange rate was used for the conversion of the Company's net assets into USD as at June 30, 2019:

1 USD = 0.878117 EUR

### NOTE 12

#### SUBSEQUENT EVENT

No significant event occurred after the period-end.



# HBM UCITS (LUX) FUNDS

## Total Expense Ratio ("TER")

Pursuant to the "Guidelines on the calculation and disclosure of the total expense ratio (TER) of collective investment schemes" of May 16, 2008 (version of April 20, 2015) of the Swiss Funds & Asset Management Association ("SFAMA"), the Company is obliged to publish a TER for the latest 12-month period.

The TER is defined as the ratio between the total operating expenses (operating charges primarily consist of management and investment advisory fees, depositary fees, bank charges and interest, service fees, performance fees, taxes and duties) and the relevant sub-fund's / share class' average NAV (calculated on the basis of the daily average of the total net assets for the relevant period) expressed in its reference currency.

Moreover, for the new share classes launched during the period, operating fees were annualised as stated in point 8 of the Directive. The amounts were annualised whereas certain fixed costs were not split equally over the period.

For the period from July 1, 2018 to June 30, 2019, the TER was:

Class	Currency	Annualised TER including performance fees	Annualised TER excluding performance fees
HBM UCITS (LUX) FUNDS - HBM GLOBAL BIOTECHNOLOGY FUND			
A cap USD	USD	2.24%	2.10%
A cap EUR	EUR	2.19%	2.19%
P cap USD	USD	1.88%	1.71%
P cap EUR	EUR	1.88%	1.78%
HBM UCITS (LUX) FUNDS - HBM GLOBAL HEALTHCARE FUND			
A cap USD	USD	2.77%	2.22%
A cap EUR*	EUR	2.64%	2.30%
P cap USD	USD	2.87%	1.84%

\*The Class was launched on October 24, 2018.

# HBM UCITS (LUX) FUNDS

## Performance

The performance per share class was calculated by comparing the net assets per share as at December 31, 2018 with the net assets per share as at June 30, 2019.

The performance was calculated at the end of each period according to the "Guidelines on the calculation and publication of the performance data of collective investment schemes" of May 16, 2008 (version of July 1, 2013) of the Swiss Funds & Asset Management Association ("SFAMA").

The performance given is based on historical data, which is no guide to current or future performance. Commissions and fees levied for the issue or redemption of shares, as applicable, have not been taken into account in this performance calculation.

As at June 30, 2019, performances were the following:

Class	Currency	Performance for the period ending June 30, 2019	Performance for the financial year ending December 31, 2018	Performance for the financial year ending December 31, 2017
HBM UCITS (LUX) FUNDS - HBM GLOBAL BIOTECHNOLOGY FUND				
A cap USD	USD	15.98%	-9.28%	2.15% *
A cap EUR	EUR	13.93%	-12.11%	1.10% *
P cap USD	USD	16.17%	-8.98%	-4.85% **
P cap EUR	EUR	14.15%	-16.29% **	-
HBM UCITS (LUX) FUNDS - HBM GLOBAL HEALTHCARE FUND				
A cap USD	USD	13.05%	4.05%	0.02% *
A cap EUR	EUR	10.99%	-3.69% **	-
P cap USD	USD	13.28%	3.60%	-3.11% **

\* The performance was calculated for the period since the date of transfer as of August 16, 2017. The performance was calculated by comparing the net assets per share as at the transfer date of the share class with the net assets per share as at the end of the period.

\*\* The performance of share classes launched during the year was calculated by comparing the net assets per share as at the launch date of the share class with the net assets per share as at the end of the year.

# HBM UCITS (LUX) FUNDS

## Other information to Shareholders

### **Securities Financing Transactions Regulation ("SFTR")**

As at June 30, 2019, the Company is in the scope of the requirements of the Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse. Nevertheless, no corresponding transactions were carried out during the year referring to the financial statements.

