

HBM UCITS (LUX) FUNDS

Open-ended investment fund with multiple compartments

Annual report, including audited financial statements,
as at December 31, 2021

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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 KÜTTEL, 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, Organisation Management, Head of Special Projects, Banque Pictet & Cie SA, 60, route des Acacias, CH-1211 Geneva 73, Switzerland (until August 5, 2021)

Mr Marc BRIOL, Chief Executive Officer Pictet Asset Services, Banque Pictet & Cie SA, 60, route des Acacias, CH-1211 Geneva 73, Switzerland (since August 5, 2021)

Members

Mrs Michèle BERGER, Managing Director, Chief Executive Officer, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (until January 18, 2021)

Mrs Annick BRETON, Managing Director, Chief Executive Officer, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (since January 18, 2021 and until June 30, 2021)

Mr Dorian JACOB, Managing Director, Chief Executive Officer, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (since August 5, 2021)

Mr Geoffroy LINARD DE GUERTECHIN, Independent Director, 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

Mr Yves FRANCIS, Independent Director, 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (until July 31, 2021)

HBM UCITS (LUX) FUNDS

Organisation (continued)

Members of the Management Committee

Mrs Michèle BERGER, Managing Director, Chief Executive Officer, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (until January 18, 2021)

Mr Philippe MATELIC, Member of the Management Committee in charge of Compliance, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (until May 31, 2021)

Mrs Annick BRETON, Chief Executive Officer, Chief Operations Officer and Chief Financial Officer, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (until June 30, 2021)

Mr Dorian JACOB, Chief Executive Officer, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

Mr Abdellali KHOKHA, Conducting Officer in charge of Risk Management, Conducting Officer in charge of Compliance, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (since June 1, 2021)

Mr Pierre BERTRAND, Conducting Officer in charge of Fund Administration of Classic Funds and Valuation, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (since September 21, 2021)

Mr Frédéric BOCK, Conducting Officer in charge of Fund Administration of Alternative Funds, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (since September 21, 2021)

INVESTMENT MANAGER

HBM Partners AG, Bundesplatz 1, CH-6300 Zug, Switzerland

DEPOSITARY BANK

Pictet & Cie (Europe) S.A., 15A, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

HBM UCITS (LUX) FUNDS

Organisation (continued)

**ADMINISTRATIVE
AGENT, PAYING
AGENT, TRANSFER
AND REGISTER
AGENT AND
DOMICILIARY 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 Maples & Calder SARL, 12E, Guillaume Kroll, L-1882 Luxembourg, Grand Duchy of Luxembourg

**COUNTERPARTY
ON FORWARD
FOREIGN
EXCHANGE
CONTRACTS
(NOTE 12)** Pictet & Cie (Europe) S.A., 15A, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of 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 year. 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.

A detailed schedule of changes in the securities portfolios for all the sub-funds for the year ended December 31, 2021, 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

Offer in Switzerland

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

Representative

As of April 1, 2021, the representative in Switzerland is FundPartner Solutions (Suisse) SA (the "Representative"), 60, route des Acacias, CH-1211 Geneva 73, Switzerland.

Until April 1, 2021, the representative in Switzerland was HBM Partners AG, 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 key investor information documents 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 year 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

Management report

HBM UCITS (LUX) FUNDS - HBM GLOBAL BIOTECHNOLOGY FUND

Overview

The NAV of the HBM UCITS (LUX) FUNDS - HBM GLOBAL BIOTECHNOLOGY FUND main share class retreated by 4.5% (USD A Cap, Bloomberg ticker: HBMGACU LX Equity, ISIN: LU1540961759), underperforming its benchmark NASDAQ Biotechnology Index (NBI) by 3.9%. Since inception the fund's cumulative outperformance amounts to 25.8% (after fees). The fund net assets reached USD 70.6 after USD 75.7 million at previous year end. Overall, the fund generated a performance of 355.0% versus 329.2% for the index since launch (10 years ago). The fund outperformed its benchmark in 6 out of 10 year periods, while it achieved a positive performance in 7 out of 10 years.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities - according to Art. 6 of the Sustainable Finance Disclosure Regulation (SFDR).

Sector performance

Following a strong finish in 2020, equity markets experienced a slow start to the new year, with the broad MSCI World Index losing 1% in January. Early-month gains were largely lost, as the appearance of new COVID-19 variant strains around the world, their potential negative impact on vaccine efficacy and fears of renewed lockdowns clouded the outlook of a global economic recovery. Biotech, life sciences tools and healthcare technology benefited from a continuation of the strong biotech funding environment and a growing expectation that 2021 will be another year largely in the grip of COVID-19 with further restrictions in movement, lots of testing, and significant treatment and vaccine production.

Then, February marked a shift in trading dynamics, when a procyclical change seemed at hands across various markets, on rising expectations for a return to normality for the world and the global economy. Thus, investors rotated out of growth stocks and towards (relatively) cheaper value and cyclical stocks, betting that the latter pair would benefit more from re-opening of societies and economies across the globe. Equity markets in general came under pressure, over fears that such a strong global economic recovery could spur inflation, thus prompting central banks to raise interest rates. This "inflation anxiety" led to a sell-off in US government bonds, driving US 10-year treasury yields to a near one-year high. Even though US Federal Reserve ("FED") Chairman Jay Powell clearly signalled his intention to keep accommodative ("ultra-loose") monetary policies in place for as long as needed, this could not cure the weakness in markets seen at the end of the month.

The growing confidence in the economic recovery and the respective rise in value stocks over the following months did not come without market volatility, as investors continued to try to balance vaccine-bolstered optimism over the economic outlook with fears of rising interest rates and inflation. Around mid-year and late summer, growth stocks celebrated a comeback, following Powell's dovish remarks on the monetary policy at Jackson Hole end of August. Interestingly, the FED turned its mood shortly thereafter and issued comments, suggesting more persistent inflationary pressures might lead to more proactive action on monetary policy. The situation was further exacerbated when the minutes of the December meeting were revealed in early January. The minutes highlighted officials' discussions of raising interest rates more quickly than investors anticipated and possibly reducing the central bank's bond balances.

Past performance is not an indicator of current or future returns.

Management report (continued)

The healthcare sector delivered a double-digit return in 2021, following the strong performance of equity markets: The MSCI World Health Care Sector advanced by 18.3% whereas the broader MSCI World Index closed 20.1% higher at year-end. But the returns have not been broadly distributed. Defensive subsectors such as providers & services companies, insurers, facilities and large pharma performed relatively better than the peer group.

Long duration growth equities subsectors such as small and mid-sized biotech (SPDR S&P Biotech ETF "XBI": -20.5%) and healthcare technology performed poorly on the fears of a future higher interest rate environment. In contrast, large cap biotech (NASDAQ Biotechnology Index: -0.6%) fared better than its smaller cap peers, however was still a laggard in the broader market context. Furthermore, concerns over renewed legislative efforts on drug pricing, fears of a less industry-friendly FDA, and potential stricter Federal Trade Commission regulation of healthcare M&A (e.g. the proposed Alexion-AstraZeneca and Grail-Illumina deals) cooled investor's sentiment towards the sector. In addition, vaccine manufacturers retreated significantly towards the end of the year, because investors have started to look beyond the pandemic phase of COVID-19. It is expected that demand for vaccines will fall sharply. The Omicron variant, while spreading faster than previous variants of SARS-CoV2, fortunately did not seem to lead to commensurate higher levels of hospitalizations and death rates. Investors in shares of vaccines manufacturers also had to digest the news of emerging competition. Foremost important was the strong results for Pfizer's oral COVID-19 antiviral therapy, known as Paxlovid, as early analysis of trial data demonstrated the drug's "overwhelming efficacy". The company data suggests that the pill, to be taken shortly after symptoms develop, can cut the risk of hospitalization or death from COVID-19 in high-risk patients by 89%. Paxlovid already received the Emergency Use Authorization (EUA) from the FDA.

The lack of meaningful M&A activities has further clouded the mood of biotech investors, and the sometimes-staggering volatility has led many non-specialist investors to flee the sector. Market strategists have highlighted that both healthcare hedge funds and mutual funds have been "unloading" their biotech positions to cope with redemptions and their own lower risk tolerance. Amidst the market ructions, there were some developments of which the sector stands to benefit: Democratic Senator Manchin's announcement mid-December that he would not vote for Biden's "Build Back Better" bill seemingly blocks its passage and takes any near-term drug pricing legislative reforms off the table. In February 2022, the US Senate voted to confirm Robert Califf as commissioner of the Food and Drug Administration, filling a position that had remained vacant for more than a year despite the agency playing a leading role in the nation's response to the COVID-19 pandemic. Dr. Califf is generally viewed to be a proponent of life sciences innovation and his appointment would be a welcome development for improved collaboration and engagement with biotech companies. Last year, the FDA approved a record high 60 novel drugs in 2021, indicating that innovation within the biopharma and biotech sectors remains robust, despite the ongoing COVID-19 pandemic.

We see additional meaningful firepower for M&As resulting from COVID-19 related revenues, which need to be re-invested or distributed in the kind of share buy-backs or dividend payments. In aggregate, COVID-19 revenues have added nearly USD 100 billion to pharma and biotech balance sheets and counting. Given the short duration of some of these revenue streams (REGN, LLY) and uncertain duration of others (PFE, MRNA, MRK, JNJ) it seems more likely than not that a significant portion of this capital will be deployed for strategic growth initiatives.

HBM UCITS (LUX) FUNDS

Management report (continued)

The latest report of the IQVIA Institute (2021) - Global Trends in R&D - highlighted that the life sciences innovation system is setting new records regarding level of investment, activity, and scientific progress, in addition to the number and range of new medicines reaching patients globally. Currently, there are over 800 next-generation biotherapeutics in the R&D pipeline, up from 600 at the end of 2019, with increased activity in CAR-T and NK cell therapies, as well as gene editing and RNA therapeutics. Overall clinical trial activity has been sustained through the pandemic as the industry has adapted to the disruption and developed new approaches to enable research to continue. In 2021, 5,500 new planned clinical trial starts were reported, up 14% over 2020 and 19% higher than 2019. Activity levels are at record levels, even excluding the surge of clinical trials related to COVID-19 vaccines and therapeutics, totalling more than 1,200 industry-sponsored interventional trial starts since the beginning of 2020.

Portfolio performance

Moderna was once again the largest positive contributor to the funds' NAV. The success of its COVID-19 vaccine, known as Spikevax, and the demand for the booster shot drove the share price close to USD 500. In July, Moderna had been added to the S&P500, replacing Alexion after its acquisition by AstraZeneca. At that time, Moderna (founded only in 2010!) became the largest biotech company in the world, with a market capitalization of close to USD 170 billion. Amgen (founded in 1980) was then the second largest - with a market cap of around USD 135 billion. Later, share price started to retreat on the changing competitive landscape - as described above - and as investors have started to look beyond the pandemic phase of COVID-19. It is expected that demand for vaccines will fall sharply, because much of the world population has either already been vaccinated or cured of the disease, and dominant strains, such as the current Omicron variant, appear to cause much less severe disease than the original "Wuhan" or Delta strains. Nevertheless, the market capitalization still experienced a 2.5-fold increase during the reporting period to reach USD 103 billion at year-end and the company generated USD 17.5 billion in revenues in 2021. A similar trading pattern can be observed in the case of BioNTech. BioNTech earned around USD 19 billion in revenues from its vaccine "Comirnaty", partnered with Pfizer. The total sales reached USD 36.7 billion in 2021.

HBM UCITS (LUX) FUNDS

Management report (continued)

Gilead shares benefitted from the "flight to safety" and the continued rotation towards low P/E stocks. Regeneron traded higher as the company reported financial results, beating on both top and bottom line. These beats were driven by strong growth in Eylea and Dupixent revenues, and sales of its antibody cocktail "REGEN-COV" for treatment of COVID-19 patients. Regeneron could also announce positive news from its pipeline: positive phase III data for anti-PD-1 antibody Libtayo in non-small cell lung cancer (NSCLC), and positive phase II data for a high-dose formulation of Eylea in DME and wet AMD. The FDA granted market approval for Argenx' lead drug candidate Efgartigimod, now known as VYVGART, for the treatment of patients with myasthenia gravis, a debilitating autoimmune disorder that causes loss of muscle function. In addition, Efgartigimod has five phase III trials reading out in the next four quarters: Top-line results for both the phase III trial of the "ADAPT-SC" study for subcutaneous Efgartigimod in MG, and the phase III "ADVANCE" study for IV Efgartigimod in ITP (Immune Thrombocytopenia) to name only a few. Horizon Therapeutics shares climbed higher as investors reacted to accelerating revenue growth, largely driven by the strong relaunch of Tepezza, which had been production-constrained earlier this year in order to accommodate the manufacture of COVID-19 vaccines. Tepezza is the first treatment for thyroid eye disease ("TED") approved by the FDA. In addition, the company announced the acquisition of Viela Bio for USD 3.1 billion. We believe the deal is well aligned with Horizon's focus on rare diseases and offers a deep biologics pipeline that could accelerate the company's growth in the future. The FDA approved a label expansion of Intra-Cellular's lead drug Caplyta for bipolar depression in adults. Biohaven shares continued their positive momentum on the back of the successful launch of its oral migraine drug Nurtec. Further, the company announced a deal to license out the ex-US marketing rights of Nurtec to Pfizer. The acquisition of Dicerna by Novo Nordisk for more than USD 3 billion in November 2021 spurred a rally in shares of other RNAi drugmakers, such as Alnylam and Arrowhead (both in the portfolio).

Smaller cap stocks such as ALX Oncology, Turning Point Therapeutics and Sarepta lost on the back of the unfavourable market dynamics and updates on clinical trials which came obviously below expectations. ALX shares came under significant pressure after an American Society of Hematology ("ASH") abstract and a Society for Immunotherapy of Cancer ("SITC") dataset were released. Most importantly, the ASH abstract raised concerns about efficacy of its investigational drug Evorpcept (ALX148) versus Gilead's (CD47) Magrolimab in newly diagnosed or relapsed/refractory MDS. Chinese in-licensing biotech company Zai Lab lost amidst the negative sentiment towards Chinese stocks. Mirati suffered on concerns about intensifying competition and from two C-level departures (ahead of trial results and a regulatory submission), and an ill-timed USD 500 million follow-on offering. In September, Apellis lost half of its market capitalization following disappointing phase III results for its ophthalmology drug candidate Pegcetacoplan in geographic atrophy, a prevalent eye disease. Earlier in the year, the FDA approved Apellis' therapy Empaveli (pegcetacoplan) for the treatment of the rare blood disorder Paroxysmal Nocturnal Hemoglobinuria ("PNH"). Morphosys reported disappointing financial results, while Guardant Health traded lower in sympathy with other growth stocks from the cancer screening field (e.g. Exact Sciences, Neogenomics). Investors in shares of Fate Therapeutics had to digest underwhelming clinical trial results. In February, Galapagos shares collapsed further after the company and its partner Gilead announced their decision to stop development of late-stage drug candidate Ziritaxestat in patients with idiopathic pulmonary fibrosis ("IPF") due to an unfavorable benefit-risk profile for the compound.

HBM UCITS (LUX) FUNDS

Management report (continued)

Top 10 positive performance contributors*

Moderna	+6.0%	Horizon Pharma	+1.0%
BioNTech	+1.5%	Intra Cellular Therapies	+0.7%
Gilead	+1.2%	United Therapeutics	+0.6%
Regeneron	+1.2%	Biohaven	+0.3%
Argenx	+1.0%	Alnylam	+0.3%

* contribution in percentage of previous' year-end net assets

Top 10 negative performance contributors*

ALX Oncology	-1.6%	Apellis	-0.9%
Zai Lab	-1.2%	Morphosys	-0.9%
Turning Point Therapeutics	-1.1%	Guardant Health	-0.7%
Sarepta	-1.0%	Fate Therapeutics	-0.7%
Mirati	-0.9%	Galapagos	-0.6%

* contribution in percentage of previous' year-end net assets

Outlook

Macro is clearly in the driver's seat as we begin 2022. The US FED's rather hawkish stance signals, we feel, that the central bank will now focus its monetary policies on reigning in the quite elevated US inflation numbers. Of course, it would like to reach that goal without sacrificing economic growth in the process, which will be a complicated task, thus increasing market uncertainty. Not unexpectedly, in January we thus saw sustained downward pressures on major equity indexes. Investors were clearly reallocating funds within their portfolios; high-flying tech stocks were sold, and large cap value stocks got back into favor.

Past performance is not an indicator of current or future returns.

HBM UCITS (LUX) FUNDS

Management report (continued)

The NBI (our fund's benchmark index) peaked in September 2020, and the XBI ETF (a small-cap weighted biotech fund) peaked even earlier, in February 2020. The last few quarters, and especially the last month (January 2022) have been quite brutal to the biotech markets. Most of the IPOs of the last two years have been decimated, especially companies that are still in preclinical (!) or early clinical stage of development, some of which still do not have any clinical data to show for. Such companies have easily lost 75 to 90% of their market caps. Whereas we consistently stayed clear of such companies, even our later-stage clinical and early commercial companies have taken a proverbial beating, losing up to 50% of their market cap. As already mentioned, biotech companies, with much or all their (potential) cash flows projected into the future, once again proved vulnerable to the spectre of rising interest rates. After the correction in small- and mid-cap names, many high-quality biotech companies now trade at historically low valuations. Smaller, earlier stage companies with attractive products or interesting platform technologies may find it challenging or unattractive to refinance at their current, depressed market caps. At the same time, large pharma and biotech companies are still interested in replenishing their product pipelines. Thus, they might become tempted to engage in more meaningful M&A than was seen in the recent past. All in all, we think biotech, which was largely overlooked, or even shunned, for the last 12 months, could be primed for a recovery.

Early in the new year 2022, we further reduced exposure to small and midcap companies, concentrating more funds in larger cap holdings. Nevertheless, we maintained our long-term overweight in select small- and mid-caps, versus the large caps in the NBI. We think the biotech market drawdown will come to an end within the next few weeks, and wish to participate in likely recoveries of high-quality companies.

HBM UCITS (LUX) FUNDS

Management report (continued)

HBM UCITS (LUX) FUNDS - HBM GLOBAL HEALTHCARE FUND

Overview

The NAV of the HBM UCITS (LUX) FUNDS - HBM GLOBAL HEALTHCARE FUND main share class increased by 14.7% (USD A Cap, Bloomberg ticker: HBMHACU LX Equity, ISIN: LU1540960942), thus resulting in a cumulative performance of 173.9% (after fees) since inception of the fund 10 years ago. The fund achieved a positive performance in 9 out of 10 years. The fund net assets reached USD 61.2 after USD 49.7 million at previous year end.

Net exposure (including derivatives) amounts to 93.9% as of December 31, 2021 (previous year end: 96.6%). Since inception, the fund had an equity exposure of 79.8% on average. The annualised volatility reached 13.5%. The fund generated a positive performance (63.3%) in 76 out of 120 months.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities - according to Art. 6 of the Sustainable Finance Disclosure Regulation (SFDR).

Sector performance

Following a strong finish in 2020, equity markets experienced a slow start to the new year, with the broad MSCI World Index losing 1% in January. Early-month gains were largely lost, as the appearance of new COVID-19 variant strains around the world, their potential negative impact on vaccine efficacy and fears of renewed lockdowns clouded the outlook of a global economic recovery. Biotech, life sciences tools and healthcare technology benefited from a continuation of the strong biotech funding environment and a growing expectation that 2021 will be another year largely in the grip of COVID-19 with further restrictions in movement, lots of testing, and significant treatment and vaccine production.

Then, February marked a shift in trading dynamics, when a procyclical change seemed at hands across various markets, on rising expectations for a return to normality for the world and the global economy. Thus, investors rotated out of growth stocks and towards (relatively) cheaper value and cyclical stocks, betting that the latter pair would benefit more from re-opening of societies and economies across the globe. Equity markets in general came under pressure, over fears that such a strong global economic recovery could spur inflation, thus prompting central banks to raise interest rates. This "inflation anxiety" led to a sell-off in US government bonds, driving US 10-year treasury yields to a near one-year high. Even though US Federal Reserve Chairman Jay Powell clearly signalled his intention to keep accommodative ("ultra-loose") monetary policies in place for as long as needed, this could not cure the weakness in markets seen at the end of the month.

HBM UCITS (LUX) FUNDS

Management report (continued)

The growing confidence in the economic recovery and the respective rise in value stocks over the following months did not come without market volatility, as investors continued to try to balance vaccine-bolstered optimism over the economic outlook with fears of rising interest rates and inflation. Around mid-year and late summer, growth stocks celebrated a comeback, following Powell's dovish remarks on the monetary policy at Jackson Hole end of August. Interestingly, the FED turned its mood shortly thereafter and issued comments, suggesting more persistent inflationary pressures might lead to more proactive action on monetary policy. The situation was further exacerbated when the minutes of the December meeting were revealed in early January. The minutes highlighted officials' discussions of raising interest rates more quickly than investors anticipated and possibly reducing the central bank's bond balances.

The healthcare sector delivered a double-digit return in 2021, following the strong performance of equity markets: The MSCI World Health Care Sector advanced by 18.3% whereas the broader MSCI World Index closed 20.1% higher at year-end. But the returns have not been broadly distributed. Defensive subsectors such as providers & services companies, insurers, facilities and large pharma performed relatively better than the peer group. Shares of insurers and pharma rose on the back of a growing interest of generalists in subsectors which might provide an "inflation hedge". Life sciences tools and services - a lateral beneficiary of COVID-19 testing and vaccine production - also fared relatively well. Further, the sub-sector was a beneficiary of strong end market demand. Shares of medical devices makers, in particular the companies offering elective care, experienced a rollercoaster ride. Sales were negatively impacted by delayed procedure volumes and labour shortages at hospitals and the outlook for 2022 seems continued to be challenging. The sub-sector closed finally in-line with the broad market.

Long duration growth equities subsectors such as small and mid-sized biotech and healthcare technology performed poorly on the fears of a future higher interest rate environment. Furthermore, concerns over renewed legislative efforts on drug pricing, fears of a less industry-friendly FDA, and potential stricter Federal Trade Commission regulation of healthcare M&A (e.g. the proposed Alexion-AstraZeneca and Grail-Illumina deals) cooled investor's sentiment towards the sector. In addition, vaccine manufacturers retreated significantly towards the end of the year, because investors have started to look beyond the pandemic phase of COVID-19. It is expected that demand for vaccines will fall sharply. The Omicron variant, while spreading faster than previous variants of SARS-CoV2, fortunately did not seem to lead to commensurate higher levels of hospitalizations and death rates. Investors in shares of vaccines manufacturers also had to digest the news of emerging competition. Foremost important was the strong results for Pfizer's oral COVID-19 antiviral therapy, known as Paxlovid, as early analysis of trial data demonstrated the drug's "overwhelming efficacy". The company data suggests that the pill, to be taken shortly after symptoms develop, can cut the risk of hospitalization or death from COVID-19 in high-risk patients by 89%. Paxlovid already received the Emergency Use Authorization from the FDA.

HBM UCITS (LUX) FUNDS

Management report (continued)

The lack of meaningful M&A activities has further clouded the mood of biotech investors, and the sometimes-staggering volatility has led many non-specialist investors to flee the sector. Amidst the market ructions, there were some developments of which the sector stands to benefit: Democratic Senator Manchin's announcement mid-December that he would not vote for Biden's "Build Back Better" bill seemingly blocks its passage and takes any near-term drug pricing legislative reforms off the table. In February 2022, the US Senate voted to confirm Robert Califf as commissioner of the Food and Drug Administration, filling a position that had remained vacant for more than a year despite the agency playing a leading role in the nation's response to the COVID-19 pandemic. Dr. Califf is generally viewed to be a proponent of life sciences innovation and his appointment would be a welcome development for improved collaboration and engagement with biotech companies. Last year, the FDA approved a record high 60 novel drugs in 2021, indicating that innovation within the biopharma and biotech sectors remains robust, despite the ongoing COVID-19 pandemic.

We see additional meaningful firepower for M&As resulting from COVID-19 related revenues, which need to be re-invested or distributed in the kind of share buy-backs or dividend payments. In aggregate, COVID-19 revenues have added nearly USD 100 billion to pharma and biotech balance sheets and counting. Given the short duration of some of these revenue streams (REGN, LLY) and uncertain duration of others (PFE, MRNA, MRK, JNJ) it seems more likely than not that a significant portion of this capital will be deployed for strategic growth initiatives.

The latest report of the IQVIA Institute (2021) - Global Trends in R&D - highlighted that the life sciences innovation system is setting new records regarding level of investment, activity, and scientific progress, in addition to the number and range of new medicines reaching patients globally. Currently, there are over 800 next-generation biotherapeutics in the R&D pipeline, up from 600 at the end of 2019, with increased activity in CAR-T and NK cell therapies, as well as gene editing and RNA therapeutics. Overall clinical trial activity has been sustained through the pandemic as the industry has adapted to the disruption and developed new approaches to enable research to continue. In 2021, 5,500 new planned clinical trial starts were reported, up 14% over 2020 and 19% higher than 2019. Activity levels are at record levels, even excluding the surge of clinical trials related to COVID-19 vaccines and therapeutics, totalling more than 1,200 industry-sponsored interventional trial starts since the beginning of 2020.

HBM UCITS (LUX) FUNDS

Management report (continued)

Portfolio performance

The largest US insurer United Health continued to deliver strong financial results and promising outlook. Although hospitalizations in the recent surge in COVID-19 cases were significantly higher than previously, the associated costs were offset by patients deferring other care, a pattern which insurers have also observed during the pandemic. We continue to believe that the large managed care companies, now so much more than just simple insurance businesses, offer one of the best ways to invest in the theme of deflation in medical costs and improving efficiency in the healthcare system. Life sciences tools & lab services as well as CDMO and CRO companies, such as ThermoFisher, Sartorius, Icon PLC, Iqvia, Charles River Labs and Danaher benefitted from continued favourable end market dynamics and a strong biopharma research environment. However, these (growth) stocks came under pressure lately, driven by the twin macro dynamics of rising interest rates and dwindling expectations for further rounds of COVID-19 vaccination in developed markets. In addition, the poor sentiment towards research-driven biopharma small- and mid-caps was not favourable for the development of the peer group either. Swiss dental implants company Straumann was a strong performer during the year on the back of record high financial results. Shares started to retreat on profit-taking and rotation from growth into value. Beyond benefitting from current trends, large pharma Eli Lilly held an upbeat investor day in December, raising its full-year outlook and talking up prospects for its key late stage pipeline drugs tirzepatide for diabetes and donanemab for alzheimers. Novo Nordisk posted very stellar results during the most recent quarters. This organic growth was primarily driven by a strong performance from the company's diabetes-care and obesity-care franchises.

Losses per single position were by far smaller than gains. Home healthcare provider Amedisys was the largest negative contributor to the fund's NAV. Shares traded lower in sympathy with other pandemic related winners. Shares of Exact Sciences, provider of non-invasive colon cancer testing, suffered after the company lost its co-promotion deal for Cologuard test with Pfizer and from general market trends preferring value overgrowth stocks. The same is true for precision oncology testing company Neogenomics - its shares were also negatively impacted by the "flight to safety" behaviour. Irhythm shares came under pressure following a negative reimbursement ruling, while the Chinese CRO Pharmaron lost amidst the negative sentiment towards Chinese stocks. Medtronic reported disappointing second quarter results and reduced its full-year 2022 revenue guidance driven by the negative impact of the Covid-19 resurgence and labour shortages. This negative update from a medical device bellwether did nothing to help the performance of the broader subsector (e.g. Smith & Nephew). Shares of healthcare IT company Teladoc were weak vis a vis the correction in technology stocks. Smaller cap stocks such as ALX Oncology and Turning Point Therapeutics lost on the back of the unfavourable market dynamics and updates on clinical trials which came obviously below expectations. ALX shares came under significant pressure after an ASH abstract and a SITC dataset were released. Most importantly, the ASH abstract raised concerns about efficacy of its investigational drug Evorpcept (ALX148) versus Gilead's (CD47) Magrolimab in newly diagnosed or relapsed/refractory MDS.S

HBM UCITS (LUX) FUNDS

Management report (continued)

Top 10 positive performance contributors*

United Health	+3.1%	Icon PLC	+1.2%
ThermoFisher	+1.9%	Iqvia Holdings	+1.2%
Sartorius	+1.3%	Charles River Labs	+1.0%
Eli Lilly	+1.3%	Straumann	+1.0%
Novo Nordisk	+1.3%	Danaher	+1.0%

* contribution in percentage of previous' year-end net assets

Top 10 negative performance contributors*

Amedisys	-1.2%	Medtronic	-0.5%
Exact Sciences	-0.8%	ALX Oncology	-0.4%
Neogenomics	-0.8%	Smith & Nephew	-0.3%
Irhythm Technologies	-0.5%	Teladoc	-0.3%
Pharmaron	-0.5%	Turning Point Therapeutics	-0.3%

* contribution in percentage of previous' year-end net assets

Outlook

Macro is clearly in the driver's seat as we begin 2022. A period of higher volatility and readjustment, after an exceptional 24 months for many equity markets, seems reasonable and not entirely unexpected. We began decreasing fund net exposure back in November and continued this through January. We ended the month of January 2022 with an above-average cash position. In January we also slightly increased our exposure to large pharma as it quickly became apparent to us that this subsector was set to benefit from the macro shifts. It is also reasonable to surmise that with the continued freefall in biotech valuations, pharma's cash reserves are becoming more powerful as it relates to acquisitions.

We do our best to consider the macro environment and balance the portfolio appropriately, as described above. However, our expertise and focus remain on finding the long term winners in the healthcare sector and such stocks continue to form the bulk of the portfolio. We continue to believe that in the medium to long term healthcare as a sector is well positioned to outperform.

Past performance is not an indicator of current or future returns.

HBM UCITS (LUX) FUNDS

Management report (continued)

We believe that the outlook is attractive, considering the substantial discount at which healthcare stocks are trading relative to the broader market. The price/earnings ratio of the MSCI World Health Care Index for the next 12 months (12-month forward P/E) is 16.8x, which is below the price/earnings ratio of the MSCI World Index of 18.4x and that of the S&P 500 of 20.4x (S&P 500 Health Care Index: 15.9x). More importantly, the secular growth drivers remain intact - population ageing, the need to reduce the incidence of unhealthy lifestyles, and the growing appetite for healthcare in developing economies. Finally, innovation is incredibly robust but unappreciated in the sector. Nonetheless, it is creating new markets, particularly in biotech and pharmaceuticals. Science is advancing so rapidly that treatments are becoming available for conditions previously considered incurable.

Furthermore, within the broad sector we continue to believe there are exceptional investment opportunities in stocks that are aligned with our core investment philosophy which focuses on innovation and delivering economic value to customers and material health improvements for patients. Thus, the fund exposure remains focused on four core areas that we believe will drive the highest and most sustainable sector returns: Bioproduction, drug innovation, healthcare delivery, and prevention and detection.

February 20, 2022

Established by the Investment Manager

Approved by the Board of Directors of the SICAV

Independent auditor's report

To the Shareholders of
HBM UCITS (LUX) FUNDS
15, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Opinion

We have audited the accompanying financial statements of HBM UCITS (LUX) FUNDS (the "Company") and of each of its sub-funds, which comprise the statement of net assets and the statement of investments and other net assets as at December 31, 2021, and the statement of operations and changes in net assets for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company and of each of its sub-funds as at December 31, 2021, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for Opinion

We conducted our audit in accordance with the Law of July 23, 2016 on the audit profession (the "Law of July 23, 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the Law of July 23, 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "responsibilities of the "réviseur d'entreprises agréé" for the audit of the financial statements" section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standard Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors of the Company is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our report of the "réviseur d'entreprises agréé" thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors of the Company and those charged with governance for the financial statements

The Board of Directors of the Company is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Company is responsible for assessing the Company's and each of its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Company either intends to liquidate the Company and each of its sub-funds or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the "réviseur d'entreprises agréé" for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of July 23, 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.


As part of an audit in accordance with the Law of July 23, 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Company.
- Conclude on the appropriateness of the Board of Directors of the Company use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and each of its sub-funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Company and each of its sub-funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst & Young
Société anonyme
Cabinet de révision agréé



Isabelle Nicks

Luxembourg, April 1, 2022

HBM UCITS (LUX) FUNDS

Statement of net assets as at December 31, 2021

	COMBINED	HBM UCITS (LUX) FUNDS - HBM GLOBAL BIOTECHNOLOGY FUND	HBM UCITS (LUX) FUNDS - HBM GLOBAL HEALTHCARE FUND
	USD	USD	USD
ASSETS			
Investments in securities at acquisition cost (note 2.d)	107,467,057.34	63,645,088.19	43,821,969.15
Net unrealised gain on investments	21,590,542.47	6,488,024.98	15,102,517.49
Investments in securities at market value (note 2.b)	129,057,599.81	70,133,113.17	58,924,486.64
Cash at banks (note 2.b)	147,287.41	100,426.63	46,860.78
Bank deposits (note 2.b)	4,600,000.00	760,000.00	3,840,000.00
Formation expenses (note 2.h)	3,349.43	1,955.53	1,393.90
Net unrealised gain on forward foreign exchange contracts (notes 2.e, 12)	51,023.48	45,045.58	5,977.90
	133,859,260.13	71,040,540.91	62,818,719.22
LIABILITIES			
Bank overdraft	109,253.93	101,299.76	7,954.17
Management fees payable (note 5)	462,771.38	242,537.95	220,233.43
Performance fees payable (note 8)	1,299,299.73	0.00	1,299,299.73
"Taxe d'abonnement" payable (note 3)	16,583.10	8,898.88	7,684.22
Other fees payable (note 9)	110,053.07	61,398.90	48,654.17
	1,997,961.21	414,135.49	1,583,825.72
TOTAL NET ASSETS AS AT DECEMBER 31, 2021	131,861,298.92	70,626,405.42	61,234,893.50
TOTAL NET ASSETS AS AT DECEMBER 31, 2020	125,364,324.56	75,660,547.50	49,703,777.06
TOTAL NET ASSETS AS AT DECEMBER 31, 2019	97,801,691.21	57,019,595.47	40,782,095.74

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 year ended December 31, 2021

	COMBINED	HBM UCITS (LUX) FUNDS - HBM GLOBAL BIOTECHNOLOGY FUND	HBM UCITS (LUX) FUNDS - HBM GLOBAL HEALTHCARE FUND
	USD	USD	USD
NET ASSETS AT THE BEGINNING OF THE YEAR	125,364,324.56	75,660,547.50	49,703,777.06
INCOME			
Dividends, net (note 2.f)	705,446.75	269,947.15	435,499.60
Bank interest (note 2.f)	5,207.50	1,203.26	4,004.24
	710,654.25	271,150.41	439,503.84
EXPENSES			
Amortization of formation expenses (note 2.h)	5,370.07	3,130.35	2,239.72
Management fees (note 5)	1,815,379.15	1,000,020.46	815,358.69
Performance fees (note 8)	1,299,346.53	0.00	1,299,346.53
Depository fees, bank charges and interest (note 6)	77,907.80	45,368.75	32,539.05
Professional fees, audit fees and other expenses (note 4)	488,198.91	271,492.58	216,706.33
Administrative and service fees (note 7)	109,123.01	64,762.24	44,360.77
"Taxe d'abonnement" (note 3)	65,341.30	37,461.15	27,880.15
Transaction fees (note 2.g)	144,482.76	89,454.48	55,028.28
	4,005,149.53	1,511,690.01	2,493,459.52
NET INVESTMENT LOSS	-3,294,495.28	-1,240,539.60	-2,053,955.68
Net realised gain on sales of investments	15,223,978.49	8,689,549.58	6,534,428.91
Net realised gain on foreign exchange	147,046.28	130,063.61	16,982.67
Net realised loss on forward foreign exchange contracts	-863,089.10	-774,274.42	-88,814.68
NET REALISED GAIN	11,213,440.39	6,804,799.17	4,408,641.22
Change in net unrealised appreciation/depreciation:			
- on investments	-7,146,376.22	-10,175,131.07	3,028,754.85
- on forward foreign exchange contracts	59,417.35	52,586.92	6,830.43
INCREASE/DECREASE IN NET ASSETS AS A RESULT OF OPERATIONS	4,126,481.52	-3,317,744.98	7,444,226.50
Proceeds from subscriptions of shares	6,861,319.93	2,410,022.95	4,451,296.98
Cost of shares redeemed	-3,760,162.39	-3,466,069.14	-294,093.25
Revaluation difference*	-730,664.70	-660,350.91	-70,313.79
NET ASSETS AT THE END OF THE YEAR	131,861,298.92	70,626,405.42	61,234,893.50

* 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, 2020 and December 31, 2021.

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

HBM UCITS (LUX) FUNDS

Statistics

Sub-Funds Class	Currency	Number of shares outstanding 31.12.2021	Net asset value per share 31.12.2021	Net asset value per share 31.12.2020	Net asset value per share 31.12.2019
HBM UCITS (LUX) FUNDS - HBM GLOBAL BIOTECHNOLOGY FUND					
A cap USD	USD	78,356.64	455.03	476.62	391.98
A cap EUR	EUR	12,058.14	129.35	137.07	114.95
P cap USD	USD	59,896.38	461.78	481.76	394.96
P cap EUR	EUR	37,188.28	130.98	138.24	115.65
HBM UCITS (LUX) FUNDS - HBM GLOBAL HEALTHCARE FUND					
A cap USD	USD	151,526.35	273.89	238.82	204.13
A cap EUR	EUR	5,841.58	145.63	128.44	112.20
P cap USD	USD	68,037.74	275.81	239.68	204.17

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 December 31, 2021 (expressed in USD)

Description	Currency	Quantity	Market value (note 2)	% of net assets
TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET				
SHARES				
<i>CAYMAN ISLANDS</i>				
BEIGENE ADR-SPONS.-	USD	10,000.00	2,709,300.00	3.84
HUTCHMED (CHINA) ADR -SPONS.-	USD	25,000.00	877,000.00	1.24
ZAI LAB -ADR SPONS.-	USD	15,000.00	942,750.00	1.33
			4,529,050.00	6.41
<i>DENMARK</i>				
BAVARIAN NORDIC	DKK	20,000.00	821,986.95	1.16
GENMAB	DKK	10,000.00	4,021,253.11	5.69
			4,843,240.06	6.85
<i>GERMANY</i>				
BIONTECH -ADR SPONS.-	USD	6,000.00	1,546,800.00	2.19
			1,546,800.00	2.19
<i>IRELAND</i>				
HORIZON THERAPEUTICS	USD	25,000.00	2,694,000.00	3.81
			2,694,000.00	3.81
<i>NETHERLANDS</i>				
AFFIMED	USD	50,000.00	276,000.00	0.39
ARGENX	EUR	10,000.00	3,585,591.60	5.08
			3,861,591.60	5.47
<i>SWEDEN</i>				
BIOARTIC 'B'	SEK	60,000.00	789,940.23	1.12
BIOINVENT	SEK	60,000.00	306,168.11	0.43
			1,096,108.34	1.55
<i>SWITZERLAND</i>				
IDORSIA REG.	CHF	50,000.00	1,022,883.17	1.45
			1,022,883.17	1.45
<i>UNITED STATES</i>				
ALNYLAM PHARMACEUTICALS	USD	12,500.00	2,119,750.00	3.00
ALX ONCOLOGY HOLDINGS	USD	20,000.00	429,800.00	0.61
AMGEN	USD	25,000.00	5,624,250.00	7.96
ARROWHEAD PHARMACEUTICALS	USD	25,000.00	1,657,500.00	2.35
BIOGEN	USD	5,000.00	1,199,600.00	1.70
BIOMARIN PHARMACEUTICALS	USD	20,000.00	1,767,000.00	2.50
BLUEPRINT MEDICINES	USD	15,000.00	1,606,650.00	2.27
CYTOKINETICS	USD	10,000.00	455,800.00	0.65
DYNAVAX TECHNOLOGIES	USD	20,000.00	281,400.00	0.40
ENANTA PHARMACEUTICALS	USD	5,000.00	373,900.00	0.53
EXELIXIS	USD	20,000.00	365,600.00	0.52

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 December 31, 2021 (expressed in USD) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
FATE THERAPEUTICS	USD	17,500.00	1,023,925.00	1.45
GILEAD SCIENCES	USD	65,000.00	4,719,650.00	6.68
GUARDANT HEALTH	USD	15,000.00	1,500,300.00	2.12
ILLUMINA	USD	8,500.00	3,233,740.00	4.58
INCYTE	USD	15,000.00	1,101,000.00	1.56
INHIBRX	USD	12,500.00	545,875.00	0.77
INSMED	USD	30,000.00	817,200.00	1.16
INTRA-CELLULAR THERAPIES	USD	25,000.00	1,308,500.00	1.85
KEROS THERAPEUTICS	USD	10,000.00	585,100.00	0.83
MIRATI THERAPEUTICS	USD	10,000.00	1,466,900.00	2.08
MODERNA	USD	15,000.00	3,809,700.00	5.39
REGENERON PHARMACEUTICALS	USD	7,500.00	4,736,400.00	6.71
SEAGEN	USD	15,000.00	2,319,000.00	3.28
SPRINGWORKS THERAPEUTICS	USD	12,500.00	774,750.00	1.10
ULTRAGENYX PHARMACEUTICAL	USD	15,000.00	1,261,350.00	1.79
UNITED THERAPEUTICS	USD	10,000.00	2,160,800.00	3.06
VERTEX PHARMACEUTICALS	USD	15,000.00	3,294,000.00	4.66
			50,539,440.00	71.56
TOTAL INVESTMENTS			70,133,113.17	99.30
CASH AT BANKS			100,426.63	0.14
BANK DEPOSITS			760,000.00	1.08
BANK OVERDRAFT			-101,299.76	-0.14
OTHER NET LIABILITIES			-265,834.62	-0.38
TOTAL NET ASSETS			70,626,405.42	100.00

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 December 31, 2021

Geographical classification

(in % of net assets)

United States	71.56
Denmark	6.85
Cayman Islands	6.41
Netherlands	5.47
Ireland	3.81
Germany	2.19
Sweden	1.55
Switzerland	1.45
	99.29

Industrial classification

(in % of net assets)

Biotechnology	52.68
Pharmaceuticals and cosmetics	42.18
Internet, software and IT services	2.35
Holding and finance companies	2.08
	99.29

HBM UCITS (LUX) FUNDS - HBM GLOBAL HEALTHCARE FUND

Statement of investments and other net assets as at December 31, 2021 (expressed in USD)

Description	Currency	Quantity	Market value (note 2)	% of net assets
TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET				
SHARES				
<i>CANADA</i>				
ZYMEWORKS	USD	14,000.00	229,460.00	0.37
			229,460.00	0.37
<i>CAYMAN ISLANDS</i>				
FRONTAGE HOLDINGS 144A -S-	HKD	1,500,000.00	759,978.87	1.24
WUXI BIOLOGICS (CAYMAN)	HKD	50,000.00	593,553.12	0.97
			1,353,531.99	2.21
<i>CHINA</i>				
PHARMARON BEIJING 144A S 'H'	HKD	25,000.00	385,761.43	0.63
			385,761.43	0.63
<i>DENMARK</i>				
NOVO NORDISK 'B'	DKK	15,000.00	1,685,715.42	2.75
			1,685,715.42	2.75
<i>FRANCE</i>				
SANOFI	EUR	13,000.00	1,309,531.29	2.14
			1,309,531.29	2.14
<i>GERMANY</i>				
SARTORIUS PFD -NVTG-	EUR	2,000.00	1,353,722.88	2.21
			1,353,722.88	2.21
<i>IRELAND</i>				
ICON PLC	USD	5,200.00	1,610,440.00	2.63
MEDTRONIC	USD	16,500.00	1,706,925.00	2.79
			3,317,365.00	5.42
<i>ITALY</i>				
STEVANATO GROUP SPA	USD	30,000.00	673,500.00	1.10
			673,500.00	1.10
<i>SWITZERLAND</i>				
LONZA GROUP	CHF	2,000.00	1,671,733.52	2.73
NOVARTIS NOMINAL	CHF	14,000.00	1,233,518.08	2.01
ROCHE HOLDING D.RIGHT	CHF	3,900.00	1,622,663.67	2.65
STRAUMANN HOLDING REG.	CHF	600.00	1,275,530.92	2.08
			5,803,446.19	9.47

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 December 31, 2021 (expressed in USD) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<i>UNITED KINGDOM</i>				
ASTRAZENECA	GBP	12,000.00	1,410,470.05	2.30
ERGOMED	GBP	15,000.00	304,751.25	0.50
OXFORD NANOPORE TECHNOLOGIES	GBP	40,000.00	378,162.44	0.62
SMITH & NEPHEW	GBP	28,000.00	490,554.70	0.80
			2,583,938.44	4.22
<i>UNITED STATES</i>				
ABBOTT LABORATORIES	USD	13,000.00	1,829,620.00	2.99
ABBVIE	USD	12,000.00	1,624,800.00	2.65
AGILENT TECHNOLOGIES	USD	14,700.00	2,346,855.00	3.83
AKOYA BIOSCIENCES	USD	18,000.00	275,580.00	0.45
ALX ONCOLOGY HOLDINGS	USD	5,000.00	107,450.00	0.18
AVANTOR	USD	30,000.00	1,264,200.00	2.06
BIOMARIN PHARMACEUTICALS	USD	6,000.00	530,100.00	0.87
BIO-RAD LABORATORIES 'A'	USD	2,500.00	1,888,925.00	3.08
BRISTOL MYERS SQUIBB CO	USD	23,000.00	1,434,050.00	2.34
CHARLES RIVER LABORATORIES INTERNATIONAL	USD	3,000.00	1,130,340.00	1.85
COOPER COMPANIES	USD	3,000.00	1,256,820.00	2.05
DANAHER	USD	4,900.00	1,612,149.00	2.63
DENTSPLY SIRONA	USD	17,000.00	948,430.00	1.55
DEXCOM	USD	2,500.00	1,342,375.00	2.19
ELI LILLY	USD	5,200.00	1,436,344.00	2.35
EXACT SCIENCES	USD	8,000.00	622,640.00	1.02
GUARDANT HEALTH	USD	2,500.00	250,050.00	0.41
ILLUMINA	USD	1,200.00	456,528.00	0.75
IQVIA HOLDINGS	USD	5,000.00	1,410,700.00	2.30
JOHNSON & JOHNSON	USD	10,000.00	1,710,700.00	2.79
MASIMO	USD	4,700.00	1,376,066.00	2.25
MERCK & CO	USD	14,000.00	1,072,960.00	1.75
NATERA	USD	4,800.00	448,272.00	0.73
NEOGENOMICS	USD	29,000.00	989,480.00	1.62
REPLIGEN	USD	4,900.00	1,297,716.00	2.12
ROCKET PHARMACEUTICALS	USD	12,000.00	261,960.00	0.43
STRYKER	USD	5,000.00	1,337,100.00	2.18
THERMO FISHER SCIENTIFIC	USD	5,200.00	3,469,648.00	5.67
TURNING POINT THERAPEUTICS	USD	6,000.00	286,200.00	0.47
UNITEDHEALTH GROUP	USD	10,400.00	5,222,256.00	8.53
VERTEX PHARMACEUTICALS	USD	4,500.00	988,200.00	1.61
			40,228,514.00	65.70
TOTAL INVESTMENTS			58,924,486.64	96.23
CASH AT BANKS			46,860.78	0.08
BANK DEPOSITS			3,840,000.00	6.27
BANK OVERDRAFT			-7,954.17	-0.01
OTHER NET LIABILITIES			-1,568,499.75	-2.57
TOTAL NET ASSETS			61,234,893.50	100.00

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 December 31, 2021

Geographical classification

(in % of net assets)	
United States	65.70
Switzerland	9.47
Ireland	5.42
United Kingdom	4.22
Denmark	2.75
Cayman Islands	2.21
Germany	2.21
France	2.14
Italy	1.10
China	0.63
Canada	0.37
	96.22

Industrial classification

(in % of net assets)	
Pharmaceuticals and cosmetics	48.44
Biotechnology	12.97
Healthcare & social services	8.53
Chemicals	7.14
Electronics and electrical equipment	5.67
Construction of machines and appliances	4.84
Communications	3.83
Holding and finance companies	3.18
Banks and credit institutions	1.62
	96.22

HBM UCITS (LUX) FUNDS

Notes to the financial statements as at December 31, 2021

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.

a) Sub-funds in activity

As at December 31, 2021, 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)

b) Significant events and material changes

A new prospectus came into force in September 2021.

c) Share classes

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

HBM UCITS (LUX) FUNDS

Notes to the financial statements as at December 31, 2021 (continued)

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.

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.

HBM UCITS (LUX) FUNDS

Notes to the financial statements as at December 31, 2021 (continued)

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 year and are recorded in the statement of net assets.

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.

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 December 31, 2021 (continued)

NOTE 4 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 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 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 5 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 December 31, 2021:

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

NOTE 6 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 at the sub-fund level.

The effective rate of the depositary fees is declining based on assets under administration, as follows:

Assets under administration (in USD)	Depositary fees
From 0 to 100,000,000	0.080%
From 100,000,000 to 250,000,000	0.070%
Above 250,000,000	0.060%

NOTE 7 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 at the sub-fund level.

HBM UCITS (LUX) FUNDS

Notes to the financial statements as at December 31, 2021 (continued)

The effective rate of the administrative and service fees is declining based on assets under administration, as follows:

Assets under administration (in USD)	Administrative and service fees
From 0 to 100,000,000	0.060%
From 100,000,000 to 250,000,000	0.055%
Above 250,000,000	0.050%

NOTE 8

PERFORMANCE FEES

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

Sub-funds	Currency	Fee rate	Benchmark
HBM UCITS (LUX) FUNDS - HBM GLOBAL BIOTECHNOLOGY FUND	USD	15%	NASDAQ Biotechnology Index (NBI)
HBM UCITS (LUX) FUNDS - HBM GLOBAL HEALTHCARE FUND	USD	15%	3-months LIBOR

The High Watermark principle is used as a basis for calculations. If the fund sustains a value loss, the performance fee will not be owed until the value of the respective share class, less all costs, has reached a new high.

The performance fee calculation is adjusted to avoid that this subscription impacts the amount of performance fee accruals. To perform the adjustment in relation with the subscribed shares, the outperformance of the NAV per share against the Reference NAV before the subscription date is not taken into account in the performance fee calculation.

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

For the year ended December 31, 2021, the performance fees are the following :

HBM UCITS (LUX) FUNDS - HBM GLOBAL BIOTECHNOLOGY FUND

ISIN Code	Share Class	Currency	Performance fee	% of net assets*
LU1540961759	A	USD	-	-
LU1540961916	A	EUR	-	-
LU1540962054	P	USD	-	-
LU1540962211	P	EUR	-	-

HBM UCITS (LUX) FUNDS - HBM GLOBAL HEALTHCARE FUND

ISIN Code	Share Class	Currency	Performance fee	% of net assets*
LU1540960942	A	USD	922,336.22	2.37%
LU1540961163	A	EUR	18,814.05	2.18%
LU1540961247	P	USD	355,614.97	2.39%

* based on the average net asset value of the share class for the year ended December 31, 2021.

HBM UCITS (LUX) FUNDS

Notes to the financial statements as at December 31, 2021 (continued)

NOTE 9 OTHER FEES PAYABLE

As at December 31, 2021, the other fees payable include mainly administration, Management Company, depositary, and directors' expenses.

NOTE 10 SWING PRICING AND DILUTION LEVY

A sub-fund may suffer a reduction in value as a result of the transaction costs incurred in the purchase and sale of its underlying investments and of the spread between the buying and selling prices of such investments caused by subscriptions, redemptions and/or switches in and out of the sub-fund. This is known as "dilution". In order to counter this and to protect shareholders' interests, the Board of Directors of the Company may apply "swing pricing" as part of its daily valuation policy. This will mean that in certain circumstances the Board of Directors may make adjustments in the calculations of the Net Asset Values per Share, to counter the impact of dealing and other costs on occasions when these are deemed to be significant.

The Board of Directors of the Company may alternatively decide to charge a dilution levy on subscriptions or redemptions, as described below.

The Company has the power to charge a "dilution levy" of up to 1% of the applicable NAV on individual subscriptions or redemptions, such "dilution levy" to accrue to the affected sub-fund. The Company will operate this measure in a fair and consistent manner to reduce dilution and only for that purpose and such dilution levy will not be applied if the swing pricing mechanism is used.

As at December 31, 2021, no sub-fund used the swing pricing mechanism.

NOTE 11 EXCHANGE RATE

The following exchange rate was used for the conversion of the Company's net assets into USD as at December 31, 2021:

1 USD = 0.879353 EUR

NOTE 12 FORWARD FOREIGN EXCHANGE CONTRACTS

The Company had the following forward foreign exchange contracts outstanding as at December 31, 2021:

HBM UCITS (LUX) FUNDS - HBM GLOBAL BIOTECHNOLOGY FUND

Currency	Purchase	Currency	Sale	Maturity date
EUR	6,365,067.93	USD	7,197,777.94	31/01/2022

The net unrealised gain on this contract as at December 31, 2021 was USD 45,045.58 and is included in the statement of net assets.

HBM UCITS (LUX) FUNDS

Notes to the financial statements as at December 31, 2021 (continued)

HBM UCITS (LUX) FUNDS - HBM GLOBAL HEALTHCARE FUND

Currency	Purchase	Currency	Sale	Maturity date
EUR	844,693.88	USD	955,200.96	31/01/2022

The net unrealised gain on this contract as at December 31, 2021 was USD 5,977.90 and is included in the statement of net assets.

NOTE 13

SUBSEQUENT EVENT

No events occurred after the year-end.

HBM UCITS (LUX) FUNDS

Total Expense Ratio ("TER") (unaudited appendix)

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 August 5, 2021) of the Asset Management Association Switzerland ("AMAS"), 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 year) expressed in its reference currency.

Moreover, for the new share classes launched during the year, 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 year.

For the period from January 1, 2021 to December 31, 2021, 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	2.04%	2.04%
A cap EUR	EUR	2.17%	2.17%
P cap USD	USD	1.64%	1.64%
P cap EUR	EUR	1.76%	1.76%
HBM UCITS (LUX) FUNDS - HBM GLOBAL HEALTHCARE FUND			
A cap USD	USD	4.54%	2.18%
A cap EUR	EUR	4.53%	2.35%
P cap USD	USD	4.19%	1.80%

HBM UCITS (LUX) FUNDS

Performance (unaudited appendix)

The performance per share class was calculated by comparing the net assets per share as at December 31, 2021 with the net assets per share as at December 31, 2020.

The performance was calculated by us at the end of each financial year according to the "Guidelines on the calculation and publication of performance data of collective investment schemes" of May 16, 2008 (version of August 5, 2021) of the Asset Management Association Switzerland ("AMAS").

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 December 31, 2021, performances were the following:

Class	Currency	Performance for the financial year ending December 31, 2021	Performance for the financial year ending December 31, 2020	Performance for the financial year ending December 31, 2019
HBM UCITS (LUX) FUNDS - HBM GLOBAL BIOTECHNOLOGY FUND				
A cap USD	USD	-4.53%	21.59%	28.38%
A cap EUR	EUR	-5.63%	19.24%	24.53%
P cap USD	USD	-4.15%	21.98%	28.73%
P cap EUR	EUR	-5.25%	19.53%	25.01%
HBM UCITS (LUX) FUNDS - HBM GLOBAL HEALTHCARE FUND				
A cap USD	USD	14.68%	16.99%	20.33%
A cap EUR	EUR	13.38%	14.47%	16.50%
P cap USD	USD	15.07%	17.39%	20.82%

HBM UCITS (LUX) FUNDS

Other information to Shareholders (unaudited appendix)

1. Remuneration policy of the Management Company

The Management Company has adopted a Remuneration Policy which is in accordance with the principles established by the law of May 10, 2016, amending the law of December 17, 2010 (the "2010 Law").

The financial year of the Management Company ends on December 31 of each year.

The table below shows the total amount of the remuneration for the financial year ended as at December 31, 2021, split into fixed and variable remuneration, paid by the Management Company to its staff.

The table has been prepared taking into consideration point 162 of section 14.1 of the European Securities and Market Authority ("ESMA") remuneration guidelines relating to the confidentiality and data protection in presenting the remuneration information.

	Number of beneficiaries	Total remuneration (EUR)	Fixed remuneration (EUR)	Variable remuneration (target or discretionary bonuses, parts remuneration) (EUR)
Total remuneration paid by the Management Company during the year 2021	20	7,947	5,230	2,717

Additional explanation :

- The beneficiaries reported are composed of the risk takers (including the 4 Conducting Officers) and the staff of the Management Company dedicated to Management Company activities for all the Funds under management, remunerated by the Management Company. In addition, the Management Company did not remunerate directly the staff of the Investment Manager, but rather ensured that the Investment Manager complies with the Remuneration Policy requirements itself.
- The benefits have been attributed according to criteria such as level of seniority, hierarchic level, or other eligibility criteria, not taking into account performance criteria, and are thus excluded from the fixed or variable remuneration figures provided above.
- Total fixed and variable remuneration disclosed is based on apportionment of Asset Under Management represented by the Company.
- The 2021 annual review outcome showed no exception.
- There have been no changes to the adopted remuneration policy since its implementation.

HBM UCITS (LUX) FUNDS

Other information to Shareholders (unaudited appendix) (continued)

2. Securities Financing Transactions Regulation ("SFTR")

As at December 31, 2021, 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.

3. Information on risk measurement

The sub-funds' global risk exposure is monitored by using the Commitment approach. In that respect, financial derivatives instruments are converted into their equivalent position in the underlying asset. The global risk exposure shall not exceed the sub-funds' NAV.

