MSCI ESG RATINGS

CCC	B	BB	BBB	A	AA	AAA

A

HBM LUX FUNDS

As at end of November 2023

HBM UCITS (LUX) FUNDS - HBM Global Healthcare Fund A Cap-EUR

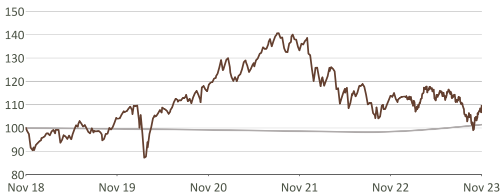
ISIN (LU1540961163)

INVESTMENT OBJECTIVE

The investment objective of HBM Global Healthcare Fund (hereafter the "Sub-Fund") is to achieve long-term capital gains, by pursuing a long/short strategy in the "healthcare" market. No guarantee can be given that the investment objective will be achieved.

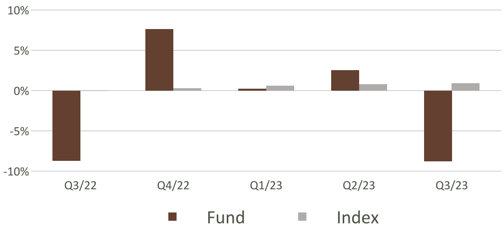
With the long/short strategy, the Sub-Fund will mainly be exposed to worldwide equities and equity-related securities (such as depositary receipts) of companies worldwide in the fields of pharmaceutical, biotechnological, and medical technologies and of companies engaged in medical services, equipment, and accessories worldwide and/or of companies whose principal activity is to hold interest positions in or finance such companies.

INDEXED PERFORMANCE



Data Source: FundPartner Solutions (Europe) S.A. – Part of Pictet Group

QUARTERLY PERFORMANCE



Data Source: FundPartner Solutions (Europe) S.A. – Part of Pictet Group

GEOGRAPHICAL BREAKDOWN (as at 30/11/2023)

United States	68.7%
Switzerland	7.2%
Denmark	6.0%
United Kingdom	3.1%
Germany	2.9%
Sweden	2.8%
Netherlands	2.8%
Italy	2.2%
Hong Kong	1.8%
Cash and others	2.5%

Data Source: FundPartner Solutions (Europe) S.A. – Part of Pictet Group

The above breakdown information is expected to fluctuate over time.

10 LARGEST HOLDINGS (as at 30/11/2023)

Unitedhealth Group	7.9%
Lilly (Eli)	5.9%
Mckesson	5.3%
Stryker	4.6%
Novo Nordisk 'B'	4.1%
Dexcom	3.6%
Natera	3.5%
Astrazeneca	3.1%
Abbvie	3.1%
Novartis Nom.	3.0%

Data Source: FundPartner Solutions (Europe) S.A. – Part of Pictet Group

The above breakdown information is expected to fluctuate over time.

RISK LEVEL

Lower Risk — Higher Risk

Typically lower rewards — Typically higher rewards

1	2	3	**4**	5	6	7

The rating is based on historical data and may not be a reliable indication of the future risk profile.

PERFORMANCE vs EuroShort-Term Rate (ESTR)

	Fund	Index	Fund	Index
	Cumulative		Annualised	
YTD	-2.40%	2.92%	-	-
1 month	8.93%	0.32%	-	-
3 months	-2.64%	0.96%	-	-
1 year	-3.86%	3.05%	-3.86%	3.05%
3 years	-7.10%	2.27%	-2.43%	0.75%
5 years	9.46%	1.43%	1.82%	0.28%
Since inception	14.99%	1.40%	2.77%	0.27%

	Fund	Index	Fund	Index
	Yearly		November to November	
2022	-19.10%	-0.02%	-3.86%	3.05%
2021	13.38%	-0.57%	-14.55%	-0.20%
2020	14.47%	-0.44%	13.08%	-0.56%
2019	16.50%	-0.40%	13.26%	-0.43%
2018	-3.69%	-0.07%	4.04%	-0.39%

24 Oct 2018 to 31 Dec 2021, 3-months LIBOR EUR

Past performance must not be considered an indicator or guarantee of future performance. All performance data are based on net performance and take no account of commissions, fees or other costs charged when units are issued and redeemed. The return of the Fund may go down as well as up due to changes in rates of exchange between currencies. Future performance is subject to taxation which depends on the personal situation of each investor and which may change in the future

Data Source: FundPartner Solutions (Europe) S.A. – Part of Pictet Group

TECHNICAL INFORMATION* (as at 30/11/2023)

NAV	EUR 114.99	Dividend	Reinvested
AuM (in mio.)	EUR 38.30	Number of positions	39
Max. drawup	19.37%	Max. drawdown	-29.57%
Volatility	14.98%	Tracking error	14.99%
Sharpe ratio	-0.21	Information ratio	-0.21
Jensen alpha	-2.39%	Beta	-44.97
Correlation	-0.07	R-square	0.01
Net Exposure**	97.80%		

Data Source: FundPartner Solutions (Europe) S.A. – Part of Pictet Group

* Historical statistics are calculated over 3 years.

* * Source: figures calculated from Bloomberg.

HBM UCITS (LUX) FUNDS - HBM Global Healthcare Fund A Cap-EUR

ISIN (LU1540961163)

Overview

Global equity markets reversed a three-month losing streak in November, jumping more than 9% in November, their best monthly return in three years. The rise in equities was fueled by a combination of falling bond yields, subsiding inflation and lower oil prices. Macroeconomic data and dovish policy statements from the US Fed supported the soft-landing narratives or the so-called "Goldilocks scenario", in which inflation is finally tamed without significant job losses and in which a recession is avoided. Wall Street appeared optimistic that the Fed reached the end of its current interest-rate hike cycle. The cooling inflation signals fostered another drop in long-term Treasury yields. Indeed, market prognosticators are virtually unanimous in thinking the central bank will maintain the status quo at the next two Federal Open Market Committee (FOMC) meetings scheduled for mid-December and late January. Moreover, Wall Street analysts are leaning toward a rate cut as early as next spring, followed by further reductions in the months that follow. The rally in equity markets was broad-based, but leaned in favour of risk-on, higher beta and growth. Information technology and interest-rate-sensitive real estate sectors led, whereas energy and consumer staples lagged. The MSCI World Health Care Sector Index advanced by 5.6%, thus underperforming broader markets. Dispersion of returns within the sector was high: Life sciences tools & services and small and mid-sized biotech and medtech outperformed defensive groups such as large pharma, insurers and providers. The XBI biotech index, which represents the SMID caps, had its best month since 2020. Biopharma M&A activity remained vibrant as large pharmaceutical companies attempt to fill revenue and pipeline gaps via acquisitions of late stage development or commercial-stage companies.

Portfolio Performance

In November, the NAV of the main share class (A Cap USD) increased by 9.2%, outperforming the broader healthcare index by 3.6%. The fund's overweight to growth stocks with the healthcare market and favorable stock selection contributed to the strong result. By far the best performing stock was ImmunoGen (+97.5%) following AbbVie's announced acquisition of the company for $10.1 billion. This is yet another significant deal in the antibody-drug conjugates (ADCs) space, following Pfizer's imminent closing of the Seagen acquisition ($43 billion, announced in March 2023). Dexcom (+30%), Intuitive Surgical (+19%) and Medtronic (+12%) were the largest positive contributors to fund NAV in the month. Most medical device company stocks recovered from their subdued performance over the recent months amid the "GLP1 hype". November brought some welcome recalibration of expectations regarding the impact GLP1 drugs could have on medical devices businesses following the presentation of the eagerly awaited full dataset for the SELECT study of Novo Nordisk's Wegovy. The full data on cardiovascular outcomes benefits was in-line with expectations and this was sufficient to trigger the medical device relief rally given how beaten down the stocks had become. In addition, the CEOs of major companies such as Abbott (+10%), Stryker (+10%), Medtronic and Insulet have made statements clarifying the expected impact of weight-loss drugs on the markets they serve. These are in clear contrast to the concerns of investors. Market favourite, Eli Lilly (+7%) had a reasonable month as both regulators in the US and UK approved its GLP-1 weight-loss injection Zepbound (tirzepatide). Moreover, the drugmaker's Q3 revenue increased by an impressive 37 percent, driven by the growth of its GLP-1 diabetes treatment Mounjaro and breast cancer drug Verzenio. Natera (+42%) and Thermo Fisher (+12%), our core positions in diagnostics and tools were also positive contributors to performance. Shares of both companies were beneficiaries from the overall risk-on sentiment, and a growing view that bioprocessing demand had reached a floor. Among the smaller weighted holdings, Neogenomics (+30%), Rocket Pharma (+29%) and Sino Biopharm (+26%) traded higher amid the favorable market environment, without any news. The only noteworthy negative performer in the portfolio was Stevanato (-6%), a drug containment and delivery system manufacturer. The shares retreated on no news after the strong YTD rally.

Portfolio Changes

We made incremental changes to the portfolio in November. We increased the exposure to high quality growth and more cyclical areas of the market where we see considerable upside potential vis a vis attractive valuation level. We continue to carefully research and make well informed investment decisions to focus the portfolio into a smaller number of our highest conviction stocks where we see the greatest opportunity for value creation.

Fund Outlook

The market's rally has broadened of late. The enthusiasm appears to be fueled by rising expectations that inflation is under control and the US Fed will soon be able to reverse course and begin cutting interest rates. Market prognosticators believe there is a greater than 50% chance of a rate cut at the FOMC March 2024 meeting. However, this speculation runs contrary to some recent statements made by Fed officials, particularly those of Fed Chair Powell, which have suggested that further rate increases have not been ruled out. December's market whipsaw opening shows investors may be concerned November's rally went too far, too fast in anticipating a near-perfect "soft landing" for the economy. Upcoming FOMC meetings will be key to market direction into the end of the year. Until the path of the US economy becomes clearer, we expect market volatility to stay elevated, especially in higher-beta parts of the market. For us to predict what happens next at a macro level seems fool hardy. However, despite the macroeconomic challenges and geopolitical events, we believe the outlook for many healthcare subsectors and companies remains positive. After outperforming in 2022, the healthcare sector has acted as a source of funds for investors chasing the tech rally for most of 2023. As a result, the healthcare sector trades at a discount to the broader equity market and roughly in line with its own long-term average. That is comparatively better than other traditionally defensive sectors, which as of the end of the month traded at premiums to their historical valuations. While the fundamental backdrop for the healthcare sector is far from straightforward we believe there are plenty attractive investment opportunities, driven by dramatic advancements in science and technology, ageing populations and global market demand. For that reason, we continue to remain optimistic on the prospects for positive returns for the sector and the fund as we enter a new year.

GENERAL INFORMATION

Fund manager	HBM Partners AG
Custodian Bank	Pictet & Cie (Europe) S.A.
Legal status	UCITS V Luxembourg Sicav
Country of registration	AT, CH, DE, FR, GB, LI, LU
Inception Date	24 October 2018
Multiclass	A Cap-USD, A Cap-EUR, P Cap-USD
NAV valuation	Daily, "forward pricing"
Order Deadline	T-1 day / 16:00 CET
Management fee	1.60% p.a.
Performance fee	15 % with HWM
TER	2.67% p.a.
Max. subscription fee	3.00% to the benefit of the intermediaries
Max. redemption fee	0.00% to the benefit of the intermediaries
ISIN	LU1540961163
Bloomberg	HBMHACE LX
Publication media	www.fundinfo.com
Management Company	FundPartner Solutions (Europe) S.A. – Part of Pictet Group
Domicile	Luxembourg
Base Currency	USD

Data Source: FundPartner Solutions (Europe) S.A. – Part of Pictet Group

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MSCI:
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