

# Consolidated balance sheet

in CHF 1 000	Notes	30.09.2024	31.12.2023
<b>Current assets</b>			
Cash and cash equivalents		2 246	501
Receivables from brokers		–	1 829
Securities	3	2 503 832	2 634 714
Other assets		109	110
		<b>2 506 187</b>	<b>2 637 154</b>
<b>Total assets</b>		<b>2 506 187</b>	<b>2 637 154</b>
<b>Current liabilities</b>			
Short-term borrowings from banks	4	274 300	304 900
Payables to brokers		–	5 436
Other short-term liabilities		2 858	3 491
Tax liabilities		74	110
		<b>277 232</b>	<b>313 937</b>
<b>Total liabilities</b>		<b>277 232</b>	<b>313 937</b>
<b>Shareholders' equity</b>			
Share capital	5	11 080	11 080
Treasury shares	5	(37 321)	(36 508)
Retained earnings		2 255 196	2 348 645
		<b>2 228 955</b>	<b>2 323 217</b>
<b>Total liabilities and shareholders' equity</b>		<b>2 506 187</b>	<b>2 637 154</b>
Net asset value per share in CHF		40.65	42.35

The notes are an integral part of the condensed consolidated interim financial statements.

The condensed consolidated interim financial statements were approved by the Board of Directors of BB Biotech AG on October 22, 2024.

# Consolidated statement of comprehensive income

in CHF 1 000	Notes	01.01.–30.09.2024	01.01.–30.09.2023	01.07.–30.09.2024	01.07.–30.09.2023
<b>Operating income</b>					
Gains from securities	3	44 460	–	–	–
Interest income		32	17	–	–
Foreign exchange gains		–	600	–	100
Other income		6	5	1	–
		<b>44 498</b>	<b>622</b>	<b>1</b>	<b>100</b>
<b>Operating expenses</b>					
Losses from securities	3	–	(285 455)	(148 448)	(39 135)
Finance expenses		(4 202)	(4 219)	(1 197)	(1 669)
Foreign exchange losses		(51)	–	(41)	–
Administrative expenses	6	(20 896)	(23 276)	(6 572)	(6 981)
Other expenses		(3 049)	(3 350)	(893)	(690)
		<b>(28 198)</b>	<b>(316 300)</b>	<b>(157 151)</b>	<b>(48 475)</b>
<b>Profit/(loss) before tax</b>	7	<b>16 300</b>	<b>(315 678)</b>	<b>(157 150)</b>	<b>(48 375)</b>
Income taxes		(57)	(45)	(19)	(15)
<b>Profit/(loss) for the period</b>		<b>16 243</b>	<b>(315 723)</b>	<b>(157 169)</b>	<b>(48 390)</b>
<b>Total comprehensive profit/(loss) for the period</b>		<b>16 243</b>	<b>(315 723)</b>	<b>(157 169)</b>	<b>(48 390)</b>
Earnings per share in CHF	8	0.30	(5.76)	(2.87)	(0.89)
Diluted earnings per share in CHF	8	0.30	(5.76)	(2.87)	(0.89)

The notes are an integral part of the condensed consolidated interim financial statements.

# Consolidated statement of changes in equity

in CHF 1 000	Share capital	Treasury shares	Retained earnings	Total
<b>Balances at January 1, 2023</b>	<b>11 080</b>	<b>(36 508)</b>	<b>2 711 563</b>	<b>2 686 135</b>
Dividend (CHF 2.85 per share)	–	–	(156 311)	(156 311)
Total comprehensive income for the period	–	–	(315 723)	(315 723)
<b>Balances at September 30, 2023</b>	<b>11 080</b>	<b>(36 508)</b>	<b>2 239 529</b>	<b>2 214 101</b>
<b>Balances at January 1, 2024</b>	<b>11 080</b>	<b>(36 508)</b>	<b>2 348 645</b>	<b>2 323 217</b>
Dividend (CHF 2.00 per share)	–	–	(109 692)	(109 692)
Trade with treasury shares	–	(813)	–	(813)
Total comprehensive income for the period	–	–	16 243	16 243
<b>Balances at September 30, 2024</b>	<b>11 080</b>	<b>(37 321)</b>	<b>2 255 196</b>	<b>2 228 955</b>

The notes are an integral part of the condensed consolidated interim financial statements.

# Consolidated statement of cash flows

in CHF 1 000	Notes	01.01.–30.09.2024	01.01.–30.09.2023
<b>Cash flows from operating activities</b>			
Proceeds from sales of securities	3	390 279	303 675
Purchase of securities	3	(218 544)	(56 602)
Interest receipts		32	17
Payments for services		(24 595)	(27 810)
Income taxes paid		(69)	(76)
<b>Total cash flows from operating activities</b>		<b>147 103</b>	<b>219 204</b>
<b>Cash flows from financing activities</b>			
Dividend		(109 692)	(156 311)
Purchase of treasury shares	5	(813)	–
Repayment of borrowings	4	(30 600)	(60 900)
Interest payments		(4 202)	(4 219)
<b>Total cash flows from financing activities</b>		<b>(145 307)</b>	<b>(221 430)</b>
Foreign exchange difference		(51)	600
<b>Change in cash and cash equivalents</b>		<b>1 745</b>	<b>(1 626)</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>501</b>	<b>1 948</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>2 246</b>	<b>322</b>

The notes are an integral part of the condensed consolidated interim financial statements.

# Notes to the consolidated financial statements

## 1. The Company and its principal activity

BB Biotech AG (the Company) is listed on the SIX Swiss Exchange as well as in the «Prime Standard Segment» of the German Exchange and has its registered office in Schaffhausen, Schwertstrasse 6. Its principal activity is to invest in companies active in the biotechnology industry for the purpose of capital appreciation. The investments are held through its wholly owned subsidiaries.

Company	Capital in CHF 1 000	Capital and voting interest in %
Biotech Focus N.V., Curaçao	11	100
Biotech Growth N.V., Curaçao	11	100
Biotech Invest N.V., Curaçao	11	100
Biotech Target N.V., Curaçao	11	100

## 2. Accounting policies

The condensed consolidated interim financial statements of the Company and its subsidiary companies (the Group) have been prepared in accordance with International Accounting Standards (IAS) 34 «Interim Financial Reporting,» as well as the provisions of the rules of the SIX Swiss Exchange for Investment Companies and should be read in conjunction with the consolidated annual financial statements for the year ended December 31, 2023. The preparation of the condensed consolidated interim financial statements requires management to make assumptions and estimates that have an impact on the balance sheet values and items of the statement of comprehensive income in the current financial period. In certain circumstances, the actual values may diverge from these estimates.

The condensed consolidated interim financial statements have been prepared in accordance with the accounting policies set out in the consolidated annual financial statements.

The following amended standards, valid since January 1, 2024, have been applied in these condensed consolidated interim financial statements:

- IFRS 16 (amended, effective January 1, 2024) – Lease Liability in a Sale and Leaseback
- IFRS 7/IAS 7 (amended, effective January 1, 2024) – Disclosures Supplier Finance Arrangements
- IAS 1 (amended, effective January 1, 2024) – Classification of Liabilities as Current or Non-current
- IAS 1 (amended, effective January 1, 2024) – Non-current Liabilities with Covenants

The following amended standard was approved, but will only be applicable for the Group prospectively and was not early adopted in these condensed consolidated interim financial statements:

- IAS 21 (amended, effective January 1, 2025) – Lack of Exchangeability

The Board of Directors do not expect that the adoption of the above-mentioned standard will have a material impact on the financial statements of the Group in future periods.

The following exchange rates have been used for the preparation of these condensed consolidated interim financial statements:

Currency	30.09.2024	31.12.2023
USD	0.84560	0.84140
ANG	0.47506	0.47270
EUR	0.94157	0.92887
GBP	1.11350	1.07160

### 3. Financial assets

#### Fair Values

The following table presents the Group's assets that are measured at fair value (in CHF 1 000):

30.09.2024	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Securities				
- Shares	2 468 778	–	34 894	2 503 672
- Derivative instruments	–	160	–	160
<b>Total assets</b>	<b>2 468 778</b>	<b>160</b>	<b>34 894</b>	<b>2 503 832</b>
<b>31.12.2023</b>				
<b>Assets</b>				
Securities				
- Shares	2 619 989	–	14 725	2 634 714
- Derivative instruments	–	–	–	–
<b>Total assets</b>	<b>2 619 989</b>	<b>–</b>	<b>14 725</b>	<b>2 634 714</b>

The table below summarizes the transactions in level 3 instruments (in CHF 1 000):

	01.01.–30.09.2024	01.01.–30.09.2023
Opening balance	14 725	16 179
Purchases	15 139	–
Unrealized gains/(losses) included in gains/losses from securities	5 030	(161)
<b>Closing balance</b>	<b>34 894</b>	<b>16 018</b>
<b>Gains/(losses) on level 3 instruments included in gains/losses from securities</b>	<b>5 030</b>	<b>(161)</b>

There were no transfers between level 1, 2 and 3 during the reporting period.

The fair value of the level 2 instruments at initial recognition represents the transaction price (purchase of warrants / prefunded warrants of Molecular Templates in April 2024 at TCHF 316), which was paid as part of a financing round together with other investors. The

valuation as of September 30, 2024, is based on a model that takes current market conditions into account.

The fair value of level 3 instruments at initial recognition represents the transaction price (purchase of preferred stocks of Rivus Pharmaceuticals in August 2022 for TCHF 16 875 and August 2024 for TCHF 15 139), which was paid in financing rounds together with other investors. For the valuation as at September 30, 2024, it is deemed to be appropriate to use the latest transaction price in USD, as it is a reasonable approximation of fair value at the valuation date given the fact that no events occurred which significantly impact the fair value.

In August 2022, 8 733 538 Radius Health – Contingent Value Rights were allocated from a corporate action. The valuation as of September 30, 2024, is CHF 0.

For assets and liabilities carried at amortised cost, their carrying values are a reasonable approximation of fair value.

## Securities

The changes in value of securities at fair value through profit or loss by investment category are as follows (in CHF 1 000):

	Listed shares	Unlisted shares	Derivative instruments	Total
<b>Opening balance as at 01.01.2023 at fair values</b>	<b>3 035 170</b>	<b>16 179</b>	<b>–</b>	<b>3 051 349</b>
Purchases	201 147	–	–	201 147
Sales	(451 169)	–	–	(451 169)
Gains/(losses) from securities	(165 158)	(1 454)	–	(166 613)
<i>Realized gains</i>	28 749	–	–	28 749
<i>Realized losses</i>	(46 543)	–	–	(46 543)
<i>Unrealized gains</i>	276 764	–	–	276 764
<i>Unrealized losses</i>	(424 128)	(1 454)	–	(425 582)
<b>Closing balance as at 31.12.2023 at fair values</b>	<b>2 619 989</b>	<b>14 725</b>	<b>–</b>	<b>2 634 714</b>
<b>Opening balance as at 01.01.2024 at fair values</b>	<b>2 619 989</b>	<b>14 725</b>	<b>–</b>	<b>2 634 714</b>
Purchases	197 653	15 139	316	213 108
Sales	(388 450)	–	–	(388 450)
Gains/(losses) from securities	39 586	5 030	(156)	44 460
<i>Realized gains</i>	60 709	–	–	60 709
<i>Realized losses</i>	–	–	–	–
<i>Unrealized gains</i>	371 445	5 030	–	376 475
<i>Unrealized losses</i>	(392 568)	–	(156)	(392 724)
<b>Closing balance as at 30.09.2024 at fair values</b>	<b>2 468 778</b>	<b>34 894</b>	<b>160</b>	<b>2 503 832</b>

Securities comprise the following:

Company	Number 31.12.2023	Change	Number 30.09.2024	Market price in original currency 30.09.2024	Valuation CHF mn 30.09.2024	Valuation CHF mn 31.12.2023
Argenx SE	825 000	(195 000)	630 000	USD	542.08	288.8
Ionis Pharmaceuticals	8 590 000	(740 000)	7 850 000	USD	40.06	265.9
Vertex Pharmaceuticals	640 000	(130 000)	510 000	USD	465.08	200.6
Revolution Medicines	5 046 700	(187 940)	4 858 760	USD	45.35	186.3
Alnylam Pharmaceuticals	859 700	(59 700)	800 000	USD	275.03	186.1
Neurocrine Biosciences	2 410 000	(550 000)	1 860 000	USD	115.22	181.2
Intra-Cellular Therapies	3 040 000	(570 000)	2 470 000	USD	73.17	152.8
Agios Pharmaceuticals	4 000 000	(264 085)	3 735 915	USD	44.43	140.4
Incyte	2 150 000	–	2 150 000	USD	66.10	120.2
Moderna	1 891 075	(291 075)	1 600 000	USD	66.83	90.4
Celldex Therapeutics	2 416 296	655 319	3 071 615	USD	33.99	88.3
Biohaven	1 075 000	965 853	2 040 853	USD	49.97	86.2
Arvinas	2 494 531	(114 531)	2 380 000	USD	24.63	49.6
Relay Therapeutics	5 925 000	1 450 000	7 375 000	USD	7.08	44.2
Essa Pharma	7 879 583	–	7 879 583	USD	6.06	40.4
Exelixis	2 000 000	(400 000)	1 600 000	USD	25.95	35.1
Edgewise Therapeutics	–	1 428 929	1 428 929	USD	26.69	32.2
Immunocore	965 654	239 810	1 205 464	USD	31.13	31.7
Beam Therapeutics	693 121	825 000	1 518 121	USD	24.50	31.5
Black Diamond Therapeutics	8 517 839	–	8 517 839	USD	4.35	31.3
Wave Life Sciences	4 494 458	(400 000)	4 094 458	USD	8.20	28.4
Macrogenics	9 929 963	–	9 929 963	USD	3.29	27.6
Sage Therapeutics	3 505 000	955 693	4 460 693	USD	7.22	27.2
Annexon	–	5 157 290	5 157 290	USD	5.92	25.8
Crispr Therapeutics	880 000	(270 000)	610 000	USD	46.98	24.2
Scholar Rock Holding	2 132 725	–	2 132 725	USD	8.01	14.4
Fate Therapeutics	4 839 779	–	4 839 779	USD	3.50	14.3
Esperion Therapeutics	4 194 064	5 750 000	9 944 064	USD	1.65	13.9
Generation Bio Co.	3 608 280	310 576	3 918 856	USD	2.47	8.2
Molecular Templates	1 029 820	250 000	1 279 820	USD	1.41	1.5
<b>Listed shares</b>						<b>2 468.7</b>
						<b>2 620.0</b>
Rivus Pharmaceuticals				USD	34.9	14.7
<b>Unlisted shares</b>					<b>34.9</b>	<b>14.7</b>
<b>Total shares</b>					<b>2 503.6</b>	<b>2 634.7</b>
Molecular Templates – Prefunded Warrant	–	134 667	134 667	USD	1.41	0.2
Molecular Templates – Warrants, 2.4.29	–	769 334	769 334	USD	0.00	0.0
Radius Health – Contingent Value Right	8 733 538	–	8 733 538	USD	0.00	0.0
<b>Total derivative instruments</b>					<b>0.2</b>	<b>–</b>
<b>Total securities</b>					<b>2 503.8</b>	<b>2 634.7</b>

## 4. Short-term borrowings from banks

At September 30, 2024, a CHF 274.3 mn short-term loan is outstanding with interest payable at 1.55% p.a. (December 31, 2023: CHF 304.9 mn at 2.10% p.a.).

## 5. Shareholders' equity

The share capital of the Company consists of 55.4 mn fully paid registered shares (December 31, 2023: 55.4 mn) with a par value of CHF 0.20 each (December 31, 2023: CHF 0.20).



## Treasury shares

The Company can buy and sell treasury shares in accordance with the Company's articles of association and Swiss company law and in compliance with the listing rules of the SIX Swiss Exchange. During the period from January 1, 2024, to September 30, 2024, the Company has bought 20 000 treasury shares and has not sold any treasury shares (01.01.–30.09.2023: no transactions). As at September 30, 2024, the Company holds 574 000 treasury shares (December 31, 2023: 554 000 shares). The treasury shares as at September 30, 2024, were treated as a deduction from the consolidated shareholders' equity using cost values of TCHF 37 321 (December 31, 2023: TCHF 36 508).

## Share buyback 2<sup>nd</sup> line (bought for cancellation)

In April 2022, the Board of Directors has approved the repurchase of a maximum of 5 540 000 own registered shares with a nominal value of CHF 0.20 each. The share buy-back program will run from April 13, 2022 until April 11, 2025 at the latest. Until September 30, 2024, 20 000 shares had been repurchased under this share buy-back program (December 31, 2023: no shares). The repurchase will take place via second trading line for the purpose of a subsequent capital reduction.

## 6. Administrative expenses

Administrative expenses comprise the following:

in CHF 1 000	01.01.–30.09.2024	01.01.–30.09.2023
<b>Investment manager</b>		
– Management fees	19 295	21 685
<b>Personnel</b>		
– Board of Directors remuneration	1 250	1 260
– Wages and salaries	251	237
– Social insurance contributions and duties	100	95
	<b>20 896</b>	<b>23 276</b>

The remuneration model of BB Biotech AG is determined by the Board of Directors.

Since 2014 the remuneration paid to the investment manager is based upon a 1.1% p.a. all-in fee on the average market capitalization without any additional fixed or performance-based elements of compensation. The compensation of the Board of Directors consists since 2014 of a fixed compensation.

## 7. Segment reporting

The sole operating segment of the Group reflects the internal management structure and is evaluated on an overall basis. Revenue is derived by investing in a portfolio of companies active in the biotechnology industry for the purpose of capital appreciation. The following results correspond to the sole operating segment of investing in companies active in the biotechnology industry.

The geographical analysis of the profit/(loss) before tax is as follows – all income from financial assets are attributed to a country based on the domiciliation of the issuer of the instrument.

<b>Profit/(loss) before tax in CHF 1 000</b>	<b>01.01.–30.09.2024</b>	<b>01.01.–30.09.2023</b>
Netherlands	97 442	85 895
British Virgin Islands	13 009	–
Singapore	11 727	(5 432)
Canada	(3 380)	3 928
Switzerland	(9 726)	(32)
Curaçao	(24 613)	(26 686)
Great Britain	(32 457)	1 818
USA	(35 702)	(375 169)
	<b>16 300</b>	<b>(315 678)</b>

## 8. Earnings per share

	<b>01.01.–30.09.2024</b>	<b>01.01.–30.09.2023</b>
Total comprehensive profit/(loss) for the period (in CHF 1 000)	16 243	(315 723)
Weighted average number of shares in issue	54 842 000	54 846 000
<b>Earnings per share in CHF</b>	<b>0.30</b>	<b>(5.76)</b>
Income used to determine diluted earnings per share (in CHF 1 000)	16 243	(315 723)
Weighted average number of shares in issue following the dilution	54 842 000	54 846 000
<b>Diluted earnings per share in CHF</b>	<b>0.30</b>	<b>(5.76)</b>

## 9. Assets pledged

At September 30, 2024, securities in the amount of CHF 2 503.8 mn (December 31, 2023: CHF 2 634.7 mn) are collateral for a credit line of CHF 700 mn (December 31, 2023: CHF 700 mn). At September 30, 2024, a CHF 274.3 mn short-term loan is outstanding (December 31, 2023: CHF 304.9 mn).

## 10. Transactions with the Investment Manager and related party transactions

Detailed information regarding the remuneration model for the Board of Directors and the investment manager are mentioned under note «6. Administrative Expenses».

## 11. Commitments, contingencies and other off-balance sheet transactions

The Group had no commitments or other off-balance sheet transactions open at September 30, 2024 and December 31, 2023.

The operations of the Group are affected by legislative, fiscal and regulatory developments for which provisions are made where deemed necessary. The Board of Directors concludes that as at September 30, 2024, no proceedings existed which could have any material effect on the financial position of the Group (December 31, 2023: none).

## 12. Subsequent events

There have been no events subsequent to September 30, 2024, which would affect the condensed consolidated interim financial statements.

# Report on the review of condensed consolidated interim financial statements

## Introduction

In accordance with the terms of our engagement, we have reviewed the condensed consolidated interim financial statements (consolidated balance sheet, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and selected explanatory notes) of BB Biotech AG for the period ended 30 September 2024.

These condensed consolidated interim financial statements in accordance with International Accounting Standard 34 «Interim Financial Reporting» and article 14 of the Directive on Financial Reporting of the SIX Swiss Exchange are the responsibility of the Board of Directors whereas our responsibility is to issue a report on these condensed consolidated interim financial statements based on our review.

## Scope of Review

We conducted our review in accordance with the Swiss Auditing Standard 910 (SAS 910) «Engagements to Review Financial Statements» and the International Standard on Review Engagements (ISRE) 2410 «Review of interim financial information performed by the independent auditor of the entity». This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the condensed consolidated interim financial statements are free of material misstatements. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements do not give a true and fair view of all material respects of the net assets, the financial position and results of operations in accordance with International Accounting Standard 34 Interim Financial Reporting and article 14 of the Directive on Financial Reporting of the SIX Swiss Exchange.

Deloitte AG

**Marcel Meyer**  
Audit expert  
Auditor in charge

**Severin Holder**  
Audit expert

Zurich, 23 October 2024

Deloitte AG, Pfingstweidstrasse 11, CH-8005 Zurich  
Phone: +41 (0)58 279 60 00, Fax: +41 (0)58 279 66 00, [www.deloitte.ch](http://www.deloitte.ch)