

# Factsheet

German stock exchange (Xetra)

Marketing document

## Investment focus

BB Biotech invests worldwide in fast growing companies developing and marketing innovative biotech drugs. At least 90% of its shareholdings must be in listed companies, while always holding more than 50% of its assets in equity investments. The target portfolio of BB Biotech will generally consist of 20 to 35 companies. Large positions will be taken in five to eight companies, the top holdings. Together they will account for no more than two-thirds of the portfolio and no single position will have a weighting greater than 25% of portfolio investments. Due to their substantial portfolio weighting, the top holdings should be generating both revenues and income. The portfolio's smaller participations are companies with promising drug candidates in their R&D pipelines. Investments are selected according to a thorough, multi-level due diligence process, with a particular focus placed on the analysis of financial parameters, the respective competitive environment, the development pipeline, the patent portfolio, and end-client perception. ESG factors are taken into consideration while implementing the aforementioned investment objectives.

## Facts

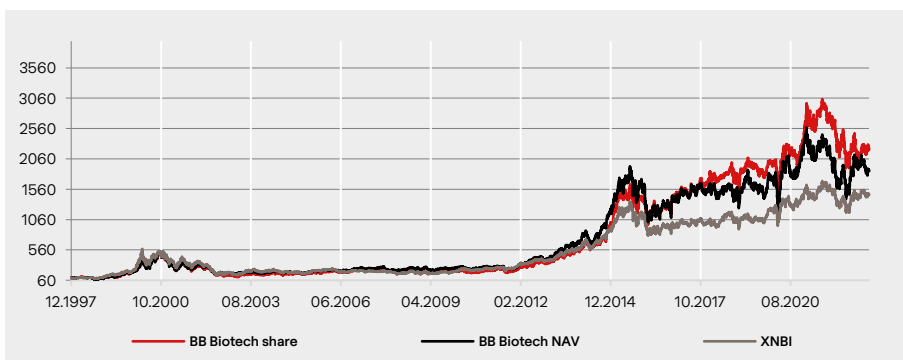
Share price	EUR 58.70
Net Asset Value (NAV)	EUR 50.05
Premium/(Discount)	17.3%
Market capitalization	EUR 3'252.0 mn
Investment manager	Bellevue Asset Management AG
AIC sector	Biotechnology
Benchmark (BM)	Nasdaq Biotech Index TR
Foundation	09.11.1993
Fiscal year end	31.12
Financial reports	Quarterly
Bloomberg	BBZA GY Equity
Valor	3838999
ISIN code	CH0038389992
WKN	A0NFN3
Legal structure	Incorporate company
Share type	Registered shares
Share structure	55.4 mn
Management fee	All-in 1.10%
EU SFDR 2019/2088	Article 8

## Key figures

Beta	1.24
Correlation	0.94
Volatility	37.2%
Tracking Error	14.26
Active Share	83.48
Sharpe Ratio	0.32
Information Ratio	0.06
Jensen's Alpha	-1.64

Source: BB Biotech AG, 31.01.2023;  
Calculation based on the Net Asset Value (NAV) over the last 3 years.

## Indexed performance since launch



## Cumulated & annualized performance

### Cumulated

	1 M	YTD	1 Y	3 Y	5 Y	10 Y	ITD
Share	3.5%	3.5%	-5.4%	14.5%	24.3%	509.4%	2127.1%
NAV	1.1%	1.1%	10.4%	15.5%	17.4%	323.8%	1775.8%
BM	2.0%	2.0%	9.0%	27.1%	43.3%	276.5%	1434.1%

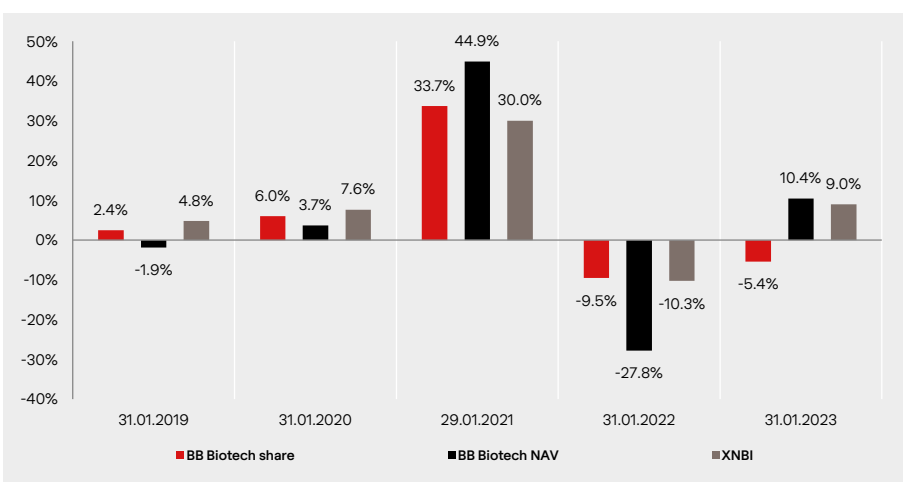
### Annualized

	1 Y	3 Y	5 Y	10 Y	ITD
Share	-5.4%	4.6%	4.4%	19.8%	13.1%
NAV	10.4%	4.9%	3.3%	15.5%	12.4%
BM	9.0%	8.3%	7.5%	14.2%	11.5%

## Annual performance

	2018	2019	2020	2021	2022	YTD
Share	-2.2%	23.4%	18.1%	13.3%	-19.0%	3.5%
NAV	-11.1%	28.1%	24.8%	-7.8%	-6.7%	1.1%
BM	-4.3%	27.6%	16.1%	7.4%	-4.5%	2.0%

## Rolling 12-month-performance



Source: BB Biotech AG, 31.01.2023; all figures in EUR %, total return-methodology  
Past performance is not a reliable indicator of future results and can be misleading. Changes in the rate of exchange may have an adverse effect on prices and incomes. All performance figures reflect the reinvestment of dividends and do not take into account the commissions and costs incurred on the issue and redemption of shares, if any. The reference benchmark is used for performance comparison purposes only (dividend reinvested). No benchmark is directly identical to the investment company, thus the performance of a benchmark is not a reliable indicator of future performance of BB Biotech it is compared to. There can be no assurance that a return will be achieved or that a substantial loss of capital will not be incurred.

### Top 10 positions

Ionis Pharmaceuticals		11.0%
Argenx SE		10.2%
Neurocrine Biosciences		9.9%
Moderna		8.2%
Vertex Pharmaceuticals		8.1%
Incyte		7.0%
Alnylam Pharmaceuticals		6.4%
Intra-Cellular Therapies		5.3%
Myovant Sciences		4.8%
Revolution Medicines		3.4%
Total top 10 positions		74.3%
Total positions		31

### Sector breakdown

Small Molecule		53.6%
RNA		26.6%
Antibody		15.9%
Gene- and cell therapy		3.9%

### Currency breakdown

USD		100.0%
-----	--	--------

### Market commentary

January was an overall positive month for the biotech sector. The Nasdaq Biotech Index was up by 3.5% (in USD) in January, while BB Biotech's share price was positive by 5.8% (in CHF) and Net Asset Value was positive by 2.5% (in USD) during the same period.

The investment management team was on site at the annual JP Morgan Healthcare Conference in San Francisco in early January. This was a good opportunity to meet with the management teams of most of the portfolio companies as well as new potential investment candidates.

On January 20, BB Biotech published consolidated figures (unaudited) for the financial year 2022 as well as a portfolio update, BB Biotech AG reported a loss of approximately CHF 358 mn for the financial year 2022 which reflects the share price development of the companies held in the portfolio. During the fourth quarter, the investment team made no new investments, but added to existing portfolio positions.

It was also announced that the Board of Directors will propose a regular dividend of CHF 2.85 per share at the annual general meeting on March 23 corresponding to 5% of the average share price of December 2022, consistent with the dividend policy introduced in 2013.

The complete annual report will be published on February 17, 2023.

We have highlighted some of the latest news from our portfolio companies below.

**Fate Therapeutics (-40.9%, in USD)** announced on January 5 that it has declined a proposal from Janssen for continuation of the collaboration and option agreement between the parties on revised terms and conditions and, as a result, the agreement has been terminated and all collaboration activities will be wound down in the first quarter of 2023. In addition, the Company has completed a strategic review of its natural killer (NK) cell product pipeline and has elected to focus on advancing its most innovative and differentiated programs, which have a multiplexed-engineered cellular framework of novel synthetic controls designed to promote multi-antigen targeting, increase potency, extend functional persistence, and enable patient dosing with reduced conditioning chemotherapy.

**Moderna (-2.0%, in USD)** announced on January 17 positive topline data from its ConquerRSV Phase III pivotal efficacy trial of mRNA-1345, an investigational mRNA vaccine targeting respiratory syncytial virus (RSV) in older adults. Following review by an independent Data and Safety Monitoring Board (DSMB), the primary efficacy endpoints have been met. Based on these results, Moderna intends to submit for regulatory approval in the first half of 2023.

### Outlook

We believe that 2023 will include multiple catalysts for the sector and for BB Biotech's portfolio companies, including product launches, important clinical trial results, licensing deals and M&A activity. We are still seeing attractive valuation levels and are looking forward to an interesting year with several key milestone events including new drug approvals from our portfolio.

Source: BB Biotech AG, 31.12.2022;

For illustrative purposes only. Holdings and allocations are subject to change. Any reference to a specific company or security does not constitute a recommendation to buy, sell, hold or directly invest in the company or securities. Where the Sub-Fund is denominated in a currency other than an investor's base currency, changes in the rate of exchange may have an adverse effect on price and income.

**Risk and return profile**

The investment company's objective is to generate attractive and competitive capital growth in the long term. It is therefore particularly suited to investors with an investment horizon of at least 5 years who want to selectively diversify their portfolio with investments in the biotechnology sector and who are willing to accept the equity risks typical of this sector.

**Target market**

The investment company is suitable for retail and professional investors in Switzerland as well as for professional and semi-professional investors in Germany and professional investors in the UK.

**Board of Directors**

- Dr. Erich Hunziker (Chairman)
- Dr. Clive Meanwell
- Dr. Pearl Huang
- Laura Hamill
- Prof. Dr. Mads Krogsgaard Thomsen
- Dr. Thomas von Planta

**Chances**

- Unique opportunity for European investors to access the global biotech sector, a non-cyclical growth industry that is strongly supported by increasing demand, driven by demographic trends and life style changes.
- New innovative drugs and technologies are powering sustainable momentum in the biotech sector.
- Focus on a diversified portfolio of profitable companies as well as small and midcap companies with strong pipelines.
- Management Team with strong scientific and medical expertise. Renowned Board of Directors.
- Attractive dividend policy; Dividend payment of 5% p.a.

**Inherent risks**

- BB Biotech invests in equities. Equities are subject to strong price fluctuations and so are also exposed to the risk of price losses.
- Biotech equities can be subject to sudden substantial price movements owing to market, sector or company factors.
- BB Biotech invests in foreign currencies, which means a corresponding degree of currency risk against the reference currency.
- The price investors pay or receive, like other listed shares, is determined by supply and demand and may be at a discount or premium to the underlying net asset value of the Company.
- BB Biotech may take a leverage of up to 15%, which may lead to even higher price movements compared to the underlying market.

**Sustainability Profile – ESG**

<b>Exclusions:</b>	<input checked="" type="checkbox"/> Compliance UNGC, HR, ILO	<input checked="" type="checkbox"/> Controversial weapons
	<input checked="" type="checkbox"/> Norms-based exclusions	
<b>ESG Risk Analysis:</b>	<input checked="" type="checkbox"/> ESG Integration	<input type="checkbox"/> Best-in-Class
<b>Stewardship:</b>	<input checked="" type="checkbox"/> Engagement	<input checked="" type="checkbox"/> Proxy Voting

<b>CO2 intensity (T CO2/mn USD sales):</b>	28.3 t (low)	MSCI ESG coverage: 99%
<b>MSCI ESG Rating (AAA - CCC):</b>	BB	MSCI ESG coverage: 97%
<b>EU SFDR 2019/2088 product category:</b>	Article 8	

Based on portfolio data as per 30.12.2022 (quarterly updates) – ESG data base on MSCI ESG Research and are for information purposes only; compliance with global norms according to the principles of UN Global Compact (UNGC), UN Guiding Principles for Business and Human Rights (HR) and standards of International Labor Organisation (ILO); no involvement in controversial weapons; norms-based exclusions based on annual revenue thresholds; ESG Integration: Sustainability risks are considered while performing stock research and portfolio construction; Best-in-class: systematic exclusion of "ESG laggards"; MSCI ESG Rating ranges from "leaders" (AAA-AA), "average" (A, BBB, BB) to "laggards" (B, CCC). Note: in certain cases the ESG rating methodology may lead to a systematic discrimination of companies or industries, the manager may have good reasons to invest in supposed "laggards". The CO2 intensity expresses MSCI ESG Research's estimate of GHG emissions measured in tons of CO2 per USD 1 million sales; for further information c.f. [www.bellevue.ch/sustainability-at-portfolio-level](http://www.bellevue.ch/sustainability-at-portfolio-level)

**Investor Relations**



**Dr. Silvia Siegfried-Schanz**  
Investor Relations  
+41 44 267 72 66  
ssc@bellevue.ch



**Claude Mikkelsen**  
Investor Relations  
+44 755 704 85 77  
cmi@bellevue.ch



**Maria-Grazia Alderuccio**  
Investor Relations  
+41 44 267 67 14  
mga@bellevue.ch

**Investment Management Team**



**Dr. Daniel Koller**  
Head Investment Management Team



**Dallas Webb**  
Investment Management Team



**Dr. Christian Koch**  
Investment Management Team



**Dr. Leonidas Georgiou**  
Investment Management Team



**Dr. Maurizio Bernasconi**  
Investment Management Team



**Dr. Stephen Taubenfeld**  
Investment Management Team



**Dr. Samuel Crosset**  
Investment Management Team



**Felicia Flanagan**  
Investment Management Team



**Dr. Olivia Woolley**  
Investment Management Team



**Dr. Can Bulduin**  
Investment Management Team

Bellevue Asset Management AG is responsible for portfolio management, finance, marketing, sales and administration of BB Biotech AG.



**Important information**

This marketing document relates to BB Biotech AG (hereinafter the "Company"). As defined under Swiss law, the Company is structured as an holding company with fixed capital (SICAF, cf. Art. 110 ff. of the Swiss Collective Investment Schemes Act, "CISA"), but it is not subject to the CISA due to its listing on the SIX Swiss Exchange, the German Stock Exchange and the Italian Stock Exchange (Art. 2 para. 3 and Art. 110 para. 1c CISA); instead the Company is subject to the supervision of the respective stock exchange authorities. This marketing document is issued by Bellevue Asset Management AG, which is an authorized asset manager subject to the supervision of the Swiss Financial Market Supervisory Authority (FINMA) and which acts as the Investment Manager of the Company.

This communication is issued in the UK by Bellevue Asset Management (UK) Ltd, which is authorised and regulated by the Financial Conduct Authority (FRN: 825152). Consequently, this communication is only made available to professional clients and eligible counterparties as defined by the FCA. The rules made under the Financial Services and Markets Act 2000 for the protection of retail clients may not apply. The Financial Services Compensation Scheme is unlikely to be available.

The prospectus, statutes, the annual and half-yearly reports, share price information and other data about the Company can be obtained free of charge in English and German from the Company, BB Biotech AG, Schwertstrasse 6, CH-8200 Schaffhausen, from the Investment Manager of the Company, Bellevue Asset Management AG, Seestrasse 16, CH-8700 Küsnacht, or online at [www.bbbiotech.ch](http://www.bbbiotech.ch).

This document is neither directed to, nor intended for distribution to or use by, any person or entity who is a citizen or resident of any locality, state, country or jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. In particular, it is not intended for distribution to any US person within the meaning of Regulation S of the US Securities Act of 1933, as amended. The information and data presented in this document are not to be considered as an offer to buy or sell or an invitation to buy any securities or financial instruments. The information, opinions and estimates contained in this document reflect a judgment at the original date of release and are subject to change without notice. This information does not take into account the specific or future investment objectives, financial or tax situation or particular needs of any specific recipient and in particular tax treatment depends on individual circumstances and may be subject to change. This document is not to be relied upon in substitution for the exercise of independent judgment. Before making an investment decision, investors are recommended to ascertain if this investment is suitable for them in the light of their financial knowledge and experience, investment goals and financial situation, or to obtain specific advice from an industry professional. The details and opinions contained in this document are not to be considered as a recommendation or as investment advice

Every investment involves risk, especially with regard to fluctuations in value and return, and investors' capital may be at risk. If the currency of a financial product is different from your reference currency, the return can increase or decrease as a result of currency fluctuations. Past performance is not an indicator of the current or future performance. The performance data are calculated without taking account of commissions and costs that result from subscriptions and redemptions. Commissions and costs have a negative impact on performance. Any benchmarks/indices cited herein are provided for information purposes only. No benchmark/index is directly comparable to the investment objectives, strategy or the investment universe of the Company. The performance of a benchmark is not an indicator of the Company's past or future

performance. Financial transactions should only be undertaken after having carefully studied the current valid prospectus and they are only valid on the basis of the latest version of the prospectus and available annual and interim reports. Please take note of the risk factors.

© 2023 MSCI ESG Research LLC. Reproduced by permission. Although Bellevue Asset Management information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness of any data herein. None of the ESG Parties makes any express or implied warranties of any kind, and the ESG Parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to any data herein. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein. Further, without limiting any of the foregoing, in no event shall any of the ESG Parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

Copyright © 2023 Bellevue Asset Management AG. All rights reserved.