

Media release as at April 24, 2026

## BB Biotech Q1 2026: Share price outperformance, narrowing discount and active portfolio repositioning

- **Q1 2026 delivered a share price total return of +4.1% in CHF, +5.2% in EUR and +3.2% in USD, outperforming the Nasdaq Biotechnology Index (NBI) across all three currencies.**
- **BB Biotech reported a net loss of CHF 21 mn for Q1 2026, a significant improvement compared to CHF 241 mn in Q1 2025, reflecting stronger portfolio positioning and more supportive market conditions.**
- **The share price discount to NAV narrowed to 6.9% at March 31, 2026, from 10.8% at year-end 2025, driven by improved investor sentiment and recognition of portfolio quality.**
- **Eleven new investments were initiated in oncology, rare diseases, immunology and cardiometabolic medicine, expanding the portfolio from 24 to 30 holdings. Investment guidelines were broadened from 20–35 to 20–50 listed positions.**
- **Terns Pharmaceuticals, a new Q1 investment, was acquired by Merck on March 25, 2026, confirming continued strategic M&A demand for innovative biotech assets and contributing positively to quarterly results.**
- **At the Annual General Meeting held in March 2026, shareholders approved all agenda items, including the dividend of CHF 2.25 per share for the 2025 financial year, paid in March 2026.**
- **BB Biotech was included in the SPI Select Dividend 20 Index, effective March 23, 2026, reflecting its track record of reliable dividend distributions alongside long-term investment in biotechnology innovation.**

BB Biotech delivered a solid result in Q1 2026, with its share price outperforming the Nasdaq Biotechnology Index across all currencies. The quarter was characterised by active portfolio repositioning, resulting in a more diversified portfolio with improved balance between near-term catalysts and long-term opportunities.

The first quarter unfolded against a backdrop of persistent global trade uncertainty, shifting geopolitical dynamics, and heightened volatility across equity markets. Within this environment, the biotech sector proved comparatively resilient, supported by continued M&A activity and solid commercial execution among large-cap biopharma companies. BB Biotech's focus on clinically differentiated companies with advancing commercial profiles provided a stabilizing anchor and supported portfolio performance through the quarter.

### Q1 2026 performance

BB Biotech's share price generated a total return of +4.1% in CHF, +5.2% in EUR and +3.2% in USD in Q1 2026, outperforming the Nasdaq Biotechnology Index in all three currencies. Net Asset Value (NAV) declined modestly by 0.6% in CHF and 1.5% in USD, while returning a marginal positive +0.1% in EUR. All performance figures include the dividend of CHF 2.25 per share paid in March 2026.

Performance	Q1 2026			Q1 2025		
	CHF	EUR	USD	CHF	EUR	USD
BB Biotech share price	4.1%	5.2%	3.2%	-8.8%	-10.3%	4.1%
BB Biotech NAV	-0.6%	0.1%	-1.5%	-10.8%	-12.3%	-0.6%
NBI index	3.4%	4.2%	2.5%	-3.9%	-5.5%	3.4%
<b>Net loss</b>	<b>-21 mn</b>			-241 mn		

The share price's outperformance relative to NAV by 4.7 percentage points in CHF led to a significant narrowing of the market discount to NAV during the quarter. As of March 31, 2026, BB Biotech's share price was trading at a discount of 6.9% to NAV in CHF, compared to 10.8% at year-end 2025. This reflects improved investor confidence and clearer portfolio positioning.

The net loss of CHF 21 mn for the quarter reflects a combination of portfolio repositioning dynamics and market timing effects. A small number of holdings saw share price reactions following clinical updates that came in slightly below market expectations, despite unchanged long-term conviction in the underlying science. The proactive increase in large-cap exposure early in the quarter, while structurally beneficial, created timing effects at the NAV level during the period. These factors were partially offset by the positive contribution from the Terns Pharmaceuticals acquisition by Merck, announced before quarter-end.

On currencies, Q1 2026 differed markedly from 2025. The US dollar held broadly stable and appreciated approximately 0.9% against the Swiss franc, providing a modest positive translation effect for the quarter. Our NAV declined 1.5% in US dollar terms but narrowed to 0.6% in Swiss franc terms, as USD-denominated assets translated at slightly more favourable rates at quarter end. This currency tailwind contrasts with the persistent headwind experienced through much of 2025.

### Active portfolio rotation reshapes positioning across 30 holdings

Q1 2026 marked one of the most active periods of portfolio repositioning in BB Biotech's recent history. Eleven new positions were initiated, increased exposure to selected existing holdings, and exited or reduced others where the investment case had evolved or been realized. As a result, the portfolio expanded from 24 to 30 holdings as of March 31, 2026, in line with the updated investment guidelines.

The new investments span oncology, rare diseases, immunology, and cardiometabolic medicine. A key element of this repositioning was the introduction of the first meaningful large-cap positions in the current portfolio cycle, including Regeneron Pharmaceuticals, Gilead Sciences, and Amgen. These additions enhance portfolio stability and liquidity while maintaining exposure to innovation through their late-stage pipelines.

Alongside these, several mid- and small-cap companies were added based on differentiated science and clear clinical or commercial inflection points. These include Crinetics Pharmaceuticals, Enliven Therapeutics, Vaxcyte, Disc Medicine, Ultragenyx Pharmaceutical, Monte Rosa Therapeutics, and Oruka Therapeutics. Terns Pharmaceuticals, also initiated during the quarter, was subsequently acquired by Merck before quarter-end, contributing positively to performance.

Exposure was selectively increased in existing positions where conviction strengthened. In particular, Viridian Therapeutics and Krystal Biotech were added to following positive clinical developments and improving commercial visibility.

At the same time, the portfolio was actively streamlined. Positions in Neurocrine Biosciences, Wave Life Sciences, and Maze Therapeutics were exited following updated risk-return assessments, with capital redeployed into new opportunities with more attractive entry points. Additional exits, including Amicus Therapeutics and Avidity Biosciences, reflected the completion of acquisitions and the realization of investment gains. The position in Atrium Therapeutics arose as a spin-off in connection with the acquisition of Avidity Biosciences by Novartis and is reported separately.

Position sizes were also actively managed. Selected core holdings, including Revolution Medicines and Ionis Pharmaceuticals, were reduced following strong prior performance and elevated valuations, allowing capital to be reallocated across a broader opportunity set.

Overall, the portfolio repositioning resulted in a more diversified and balanced structure, with improved exposure to near-term catalysts while maintaining focus on high-conviction, clinically differentiated innovation.

### **Updated investment guidelines broaden portfolio range to 20–50 positions**

A key strategic development in Q1 2026 was the update of BB Biotech's investment guidelines, expanding the targeted portfolio range from 20–35 to 20–50 holdings. This represents a considered evolution of the conviction-driven approach that has defined BB Biotech since inception, reflecting the growing set of clinically differentiated opportunities across the investment universe, enhanced research capabilities, and the diversification benefits achievable without compromising analytical depth.

The broader range allows the team to build appropriately sized initial positions across a wider opportunity set, including earlier-stage ideas where initial position sizes are naturally smaller, while maintaining high-conviction concentration in core holdings. As of March 31, 2026, the portfolio comprised 30 holdings, up from 24 at year-end 2025, demonstrating that this evolution is already reflected in the portfolio.

Supporting this expansion, BB Biotech welcomed a new senior US analyst with deep expertise in large-cap biopharmaceutical companies in Q1 2026. This addition expands analytical coverage of larger, commercially established innovators, a segment that has historically played a more limited role in BB Biotech's portfolio but offers attractive opportunities in the current environment.

### **Inclusion in SPI Select Dividend 20 Index reflects commitment to shareholders**

Effective March 23, 2026, BB Biotech was included in the SPI Select Dividend 20 Index. This inclusion reflects the company's focus on reliable and consistent distribution alongside its long-term investment in biotechnology innovation. This inclusion reflects BB Biotech's positioning as a dividend-paying investment vehicle with a differentiated focus on biotech, and as a reinforcement of its continued commitment to shareholders. BB Biotech has maintained a dividend policy of distributing 5% of the average December share price per year since 2013 and paid CHF 2.25 per share for the 2025 financial year in March 2026.

### **Outlook: navigating macro complexity while accelerating investment transformation**

As BB Biotech enters Q2 2026, the macroeconomic environment remains complex and fluid. Elevated global trade policy uncertainty, shifting geopolitical dynamics, and evolving interest rate expectations continue to influence broader equity markets. While the direct exposure of most portfolio companies to tariffs remains limited, indirect effects through investor sentiment, discount rates, and financing conditions warrant continued attention.

Against this backdrop, the portfolio is positioned for a dense calendar of clinical and regulatory catalysts across 2026. Several key holdings are approaching value-defining milestones, including regulatory

decisions and late-stage data readouts. This concentration of events reflects the deliberate portfolio construction of the past twelve months and provides multiple potential inflection points for value creation.

In parallel, BB Biotech continues to refine its investment process and organisational capabilities. The recent expansion of the portfolio range and the strengthening of the investment team increase flexibility in capital allocation and support a broader opportunity set, while maintaining a clear focus on high-conviction positions.

At the same time, BB Biotech is advancing the evolution of its investment process through the integration of AI-enabled analytical capabilities. The firm is developing a proprietary platform to better connect scientific data, clinical signals, and regulatory insights within a more systematic framework. Agent-based AI is being applied to enhance the depth, speed, and consistency of analysis, enabling continuous monitoring of developments and more structured risk assessment across the portfolio.

This approach moves beyond standalone tools toward a more scalable investment architecture, combining human expertise with machine-supported insight. As the portfolio expands, these capabilities support BB Biotech's ability to maintain the rigour and depth of analysis that have defined its long-term track record.

BB Biotech enters the next quarter with a more diversified portfolio, a strengthened investment framework, and a clearly defined set of near-term catalysts. The portfolio is positioned to navigate continued macro uncertainty while capturing the value potential of differentiated innovation in biotechnology.

The interim report as at March 31, 2026, is available under [www.bbbiotech.ch](http://www.bbbiotech.ch).

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**Company profile**

BB Biotech AG is an investment company with its registered office in Schaffhausen/Switzerland and listed on the Swiss and German stock exchanges. It has invested in innovative drug developers headquartered primarily in the US and Western Europe. BB Biotech is one of the world's largest investors in this sector. The competent Board of Directors with its long-standing experience set the investment strategy and guidelines. Investment decisions are taken by the experienced investment management team of Bellevue Asset Management AG based on their extensive investment research.

**Disclaimer**

This release contains forward-looking statements and expectations as well as assessments, beliefs and assumptions. Such statements are based on the current expectations of BB Biotech, its directors and officers, and are, therefore, subject to risks and uncertainties that may change over time. As actual developments may significantly differ, BB Biotech and its directors and officers accept no responsibility in that regard. All forward-looking statements included in this release are made only as of the date of this release and BB Biotech and its directors and officers assume no obligation to update any forward-looking statements as a result of new information, future events or other factors.

## Composition of BB Biotech's portfolio as at March 31, 2026

(in % of securities, rounded values)

Vertex Pharmaceuticals	10.4%
Argenx SE	8.0%
Regeneron Pharmaceuticals	7.5%
Scholar Rock Holding	6.2%
Gilead Sciences	5.5%
Revolution Medicines	5.2%
Ionis Pharmaceuticals	4.7%
Viridian Therapeutics	4.6%
Krystal Biotech	4.3%
Crinetics Pharmaceuticals	4.2%
Nuvalent	3.8%
Amgen	3.3%
Enliven Therapeutics	3.2%
Immunocore	2.9%
Relay Therapeutics	2.7%
Alnylam Pharmaceuticals	2.7%
Vaxcyte	2.4%
Vera Therapeutics	2.4%
Damora Therapeutics	2.1%
Rivus Pharmaceuticals <sup>1</sup>	1.9%
Tango Therapeutics	1.8%
Ultragenyx Pharmaceutical	1.7%
Jade Biosciences	1.7%
Edgewise Therapeutics	1.7%
Celldex Therapeutics	1.3%
Disc Medicine	1.0%
Annexon	1.0%
Oruka Therapeutics	0.9%
Monte Rosa Therapeutics	0.7%
Atrium Therapeutics	0.1%
Akero Therapeutics – CVR	0.0%
Blueprint Medicines – CVR	0.0%

**Total securities** **CHF 2 285.7 mn**

Other assets CHF 355.5 mn

Other payables CHF (7.9) mn

**Net Asset Value** **CHF 2 633.3 mn**

<sup>1)</sup> Unlisted