

# Factsheet

Italian stock exchange (STAR)

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 participations. 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

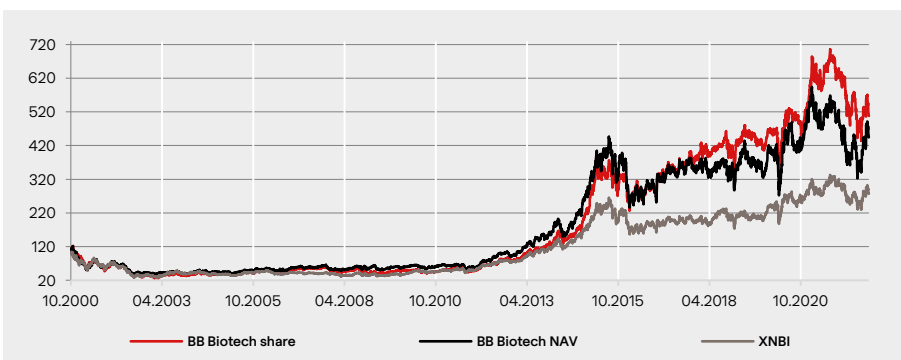
Share price	EUR 57.90
Net Asset Value (NAV)	EUR 51.40
Premium/(Discount)	12.6%
Market capitalization	EUR 3'207.7 mn
Investment manager	Bellevue Asset Management AG
AIC sector	Biotechnology
Benchmark (BM)	Nasdaq Biotech Index TR
Foundation	09.11.1993
Fiscal year end	31.12
Financial reports	Quarterly
Bloomberg	BB IM 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	36.8%
Tracking Error	14.26
Active Share	82.35
Sharpe Ratio	0.34
Information Ratio	0.08
Jensen's Alpha	-1.45

Source: BB Biotech AG, 31.08.2022;  
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	-1.0%	-17.6%	-25.6%	17.2%	36.6%	525.9%	407.5%
NAV	5.2%	-3.1%	-17.8%	22.2%	19.4%	348.7%	344.7%
BM	0.5%	-6.9%	-14.5%	33.2%	34.9%	257.0%	176.5%

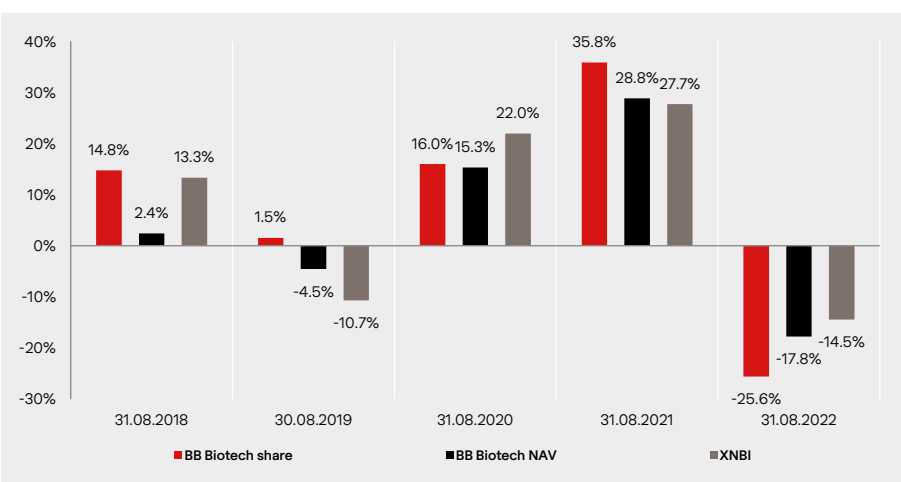
### Annualized

	1 Y	3 Y	5 Y	10 Y	ITD
Share	-25.6%	5.4%	6.4%	20.1%	7.7%
NAV	-17.8%	6.9%	3.6%	16.2%	7.1%
BM	-14.5%	10.0%	6.2%	13.6%	4.8%

## Annual performance

	2017	2018	2019	2020	2021	YTD
Share	12.2%	-1.3%	22.6%	19.7%	13.0%	-17.6%
NAV	12.5%	-11.1%	28.1%	24.8%	-7.8%	-3.1%
BM	6.7%	-4.3%	27.6%	16.1%	7.4%	-6.9%

## Rolling 12-month-performance



Source: BB Biotech AG, 31.08.2022; 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		11.8%
Argenx SE		11.5%
Neurocrine Biosciences		9.1%
Vertex Pharmaceuticals		9.0%
Moderna		7.3%
Incyte		6.8%
Intra-Cellular Therapies		6.3%
Alnylam Pharmaceuticals		5.0%
Sage Therapeutics		3.2%
Radius Health		3.0%
Total top 10 positions		73.0%
Total positions		31

### Sector breakdown

Small Molecule		51.7%
RNA		24.7%
Antibody		14.3%
Gene- and cell therapy		6.3%
Protein		3.0%

### Currency breakdown

USD		100.0%
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### Market commentary

The month of August was a volatile month for stock markets with geopolitical issues dominating the investor sentiment. The Nasdaq Biotech Index TR was down by 1.0% in August, BB Biotech's net asset value was up by 3.8% (in USD) and BB Biotech's share price decreased by 0.9% (in CHF) during the same period.

The Nasdaq Biotech Index increased substantially, by nearly 10%, in the first half of August catalyzed by the positive Phase III results announced by Alnylam in early August. These long awaited pivotal data was seen by many as the biotech event of 2022, however sector sentiment and the general stock market turned negative once again in the second half of August.

Please find below selected highlights from a few of BB Biotech's portfolio companies:

**Alnylam (+45.5%, in USD)** announced on August 3 that the APOLLO-B Phase III study of patisiran, an investigational RNAi therapeutic in development for the treatment of transthyretin-mediated (ATTR) amyloidosis with cardiomyopathy, met the primary endpoint. The study also met the first secondary endpoint of change from baseline in quality of life compared to placebo. Patisiran also demonstrated an encouraging safety and tolerability profile, with deaths numerically favoring the patisiran arm in comparison to placebo. ATTR amyloidosis with cardiomyopathy is an increasingly recognized cause of heart failure, affecting greater than 250000 patients around the world. These patients have limited treatment options, and disease progression is common. Patisiran can improve the functional capacity and quality of life of patients living with this fatal, multi-system disease.

**Myovant (+30.7%, in USD)** announced on August 5 with its partner Pfizer that the FDA has approved Myfembree as a one-pill, once-a-day therapy for the management of moderate to severe pain associated with endometriosis in pre-menopausal women, with a treatment duration of up to 24 months. Myfembree also is approved for heavy menstrual bleeding associated with uterine fibroids in pre-menopausal women. Myovant and Pfizer will continue to jointly commercialize Myfembree in the US and product is available immediately.

**Moderna (-19.4%, in USD)** announced on August 31 that it has received emergency use authorization (EUA) from the FDA for its BA.4/5 Omicron-targeting bivalent COVID-19 booster vaccine, mRNA-1273.222. Authorization has been given for a 50 µg booster dose for adults over 18 years of age who have received either a primary series or an initial booster of any of the authorized or approved COVID-19 vaccines. The 50 µg booster dose of mRNA-1273.222 includes 25 µg of mRNA encoding for the spike protein of BA.4/5 and 25 µg encoding for the original strain of the SARS-CoV-2 virus. This vaccine provides broader protection against Omicron variants.

### Outlook

We are still seeing very attractive investment opportunities in the biotech sector and the investment team will continue to seek investments in biotech companies that deploy novel approaches to create breakthrough clinical benefits for patients and society.

**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 the UK.

**Board of Directors**

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

**Team Curaçao**

Rudy LeBlanc  
 Hugo van Neutegem  
 Jan Bootsma  
 Nathalie Isidora-Kwidama

**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

**CO2 intensity (T CO2/mn USD sales):** 23.8 t (low)      MSCI ESG coverage: 99%  
**MSCI ESG Rating (AAA - CCC):** A      MSCI ESG coverage: 97%  
**EU SFDR 2019/2088 product category:** Article 8

Based on portfolio data as per 30.06.2022 (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)

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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.

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).

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