

Factsheet

German stock exchange (Xetra)

Marketing document

Investment focus

BB Biotech actively 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

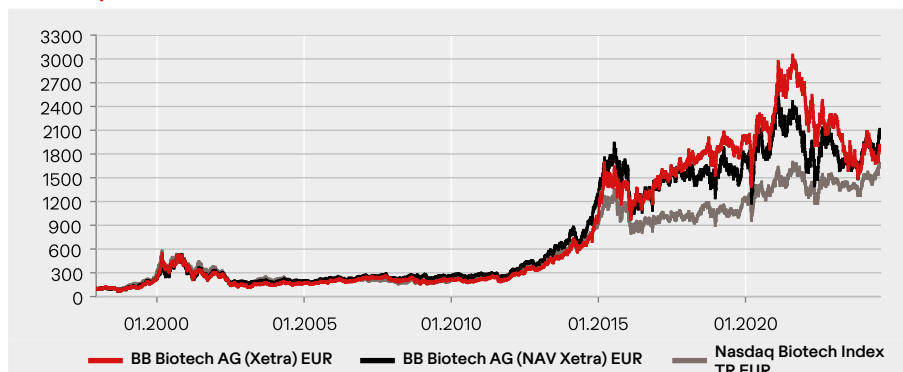
Share price	EUR 43.95
Net Asset Value (NAV)	EUR 48.85
Premium/(Discount)	(10.0%)
Market capitalization	EUR 2'434.8 mn
Investment manager	Bellevue Asset Management AG
AIC sector	Biotechnology
Benchmark (BM)	Nasdaq Biotech Index TR
Foundation	16.11.1993
Fiscal year end	31.12
Financial reports	Quarterly
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	1.31
Correlation	0.91
Volatility	31.9%
Tracking Error	14.73
Active Share	80.97
Sharpe Ratio	-0.11
Information Ratio	-0.10
Jensen's Alpha	-0.94

Source: BB Biotech AG, 31.07.2024;
Calculation based on the Net Asset Value (NAV) over the last 3 years.

Indexed performance since launch



Cumulative & annualised performance

Cumulative

	1M	YTD	1Y	3Y	5Y	10Y	ITD
Share	5.6%	0.8%	-2.8%	-36.5%	-3.7%	179.3%	1739.4%
NAV	8.1%	11.9%	19.9%	-10.4%	28.7%	150.1%	1949.2%
BM	5.6%	14.0%	20.4%	6.0%	55.7%	142.2%	1571.4%

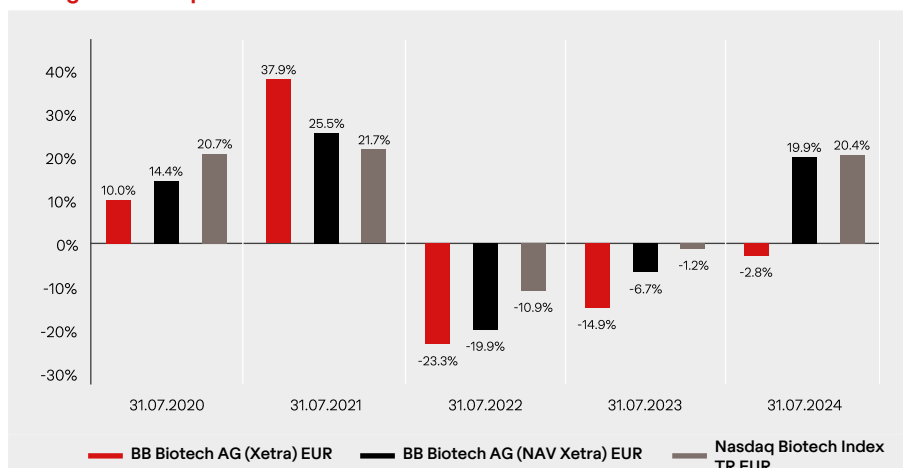
Annualised

	1Y	3Y	5Y	10Y	ITD
Share	-2.8%	-14.1%	-0.8%	10.8%	11.5%
NAV	19.9%	-3.6%	5.2%	9.6%	12.0%
BM	20.4%	2.0%	9.3%	9.3%	11.1%

Annual performance

	2019	2020	2021	2022	2023	YTD
Share	23.4%	18.1%	13.3%	-19.0%	-15.2%	0.8%
NAV	28.1%	24.8%	-7.8%	-6.7%	-1.3%	11.9%
BM	27.6%	16.1%	7.4%	-4.5%	1.3%	14.0%

Rolling 12-month-performance



Source: BB Biotech AG, 31.07.2024; 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		13.0%
Argenx		9.8%
Neurocrine Biosciences		8.6%
Vertex Pharmaceuticals		8.1%
Alnylam Pharmaceuticals		7.3%
Revolution Medicines		6.4%
Moderna		6.1%
Intra Cellular Therapies		5.6%
Agios Pharmaceuticals		5.5%
Incyte		4.3%
Total top 10 positions		74.8%
Total positions		31

Sector breakdown

Small Molecule		53.1%
RNA		27.1%
Antibody		16.8%
Gene- and cell therapy		3.1%

Currency breakdown

USD		100.0%
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Market commentary

In July BB Biotech's share price increased by 4.4% (in CHF) and the Net Asset Value increased by 9.3% (in USD). The Nasdaq Biotech Index was up by 6.6% (in USD) in July.

In July we saw a more positive sentiment in the biotech sector and noted several positive Q2 updates from portfolio companies.

On July 26, BB Biotech published its results for the first six months of 2024. The net profit in the first half of 2024 amounted to CHF 173 mn compared to a loss of CHF 267 mn in H1 2023. In the second quarter, portfolio adjustments primarily involved capitalizing on gains from larger, established long-term holdings, following through on the investment team's portfolio rejuvenation that started in the fourth quarter of 2023. This strategy allowed for participation in capital increases, augmenting the more recently initiated holdings and introducing one new position, Edgewise Therapeutics, a company focused on developing therapeutic candidates aimed at regulating key muscle proteins, both for skeletal and cardiac muscles.

In the Q2 update it was announced that Dr. Daniel Koller has informed the Board of Directors of his intention to retire from his position as head of BB Biotech's Investment Management Team. He has served 20 years in BB Biotech's Investment Management Team, since 2010 as its head. The Board and Dr. Koller will ensure an orderly transition until the end of 2024. Dr. Christian Koch, one of the two deputy heads of the Investment Management Team and a portfolio manager at Bellevue Asset Management since 2014, will become head of the Investment Management Team at the beginning of 2025.

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

Ionis Pharmaceuticals (+3.8%, in USD) announced on July 22 positive results from the completed multiple ascending dose (MAD) portion of the Phase I/II open-label study of ION582 in people with Angelman syndrome (AS) demonstrating consistent and encouraging clinical improvement on measures assessing all functional domains including communication, cognition and motor function. Overall, 97% of people in the medium and high dose groups saw an improvement in overall AS symptoms as measured by the Symptoms of Angelman Syndrome–Clinician Global Impression-Change (SAS-CGI-C). ION582 showed favorable safety and tolerability at all dose levels in the study.

Argenx (+20.0%, in USD) announced on July 25 its Q2 results and a business update. The company had USD 478 mn in second quarter global net product sales. First CIPD patients were treated with Vyvgart Hytrulo following FDA approval and the company is on track to begin four additional registrational studies across efgartigimod and empasiprubart by end of 2024.

Outlook

As we look towards the second half of 2024, several key factors will play a significant role in shaping the biotechnology landscape and BB Biotech's performance.

Central bank interest rate decisions remain a pivotal influence on biotech investments. The sector's valuations are notably sensitive to interest rates due to the long-term nature of expected returns. Investors are closely monitoring potential rate adjustments, which will likely impact capital flows into biotech assets in late 2024.

The upcoming US presidential election and potential shifts in congressional power are critical factors to watch. Although healthcare and drug pricing have not dominated early campaign discussions, the focus on specific issues such as pricing of obesity treatments could gain prominence. Policy developments in these areas will be closely monitored for their potential impact on the sector.

Many of our portfolio companies have strengthened their financial positions and de-risked their growth trajectories. This includes significant milestones achieved in the second quarter by Alnylam, Intra-Cellular Therapies, and Agios. These improvements enhance the quality and growth potential of our portfolio.

Source: BB Biotech AG, 30.06.2024;

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. Thomas von Planta (president)
 Dr. Clive Meanwell
 Dr. Pearl Huang
 Laura Hamill
 Camilla Soenderby
 Prof. Dr. Mads Krogsgaard Thomsen

Investor Relations



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Benefits

- 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 actively 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

EU SFDR 2019/2088 product category: Article 8

Exclusions:	ESG Risk Analysis:	Stewardship:
Compliance UNGC, HR, ILO	ESG-Integration	Engagement
Norms-based exclusions		Proxy Voting
Controversial weapons		

Key Figures:

CO ₂ -intensity (t CO ₂ /mn USD sales):	34.8 (Low)	Coverage:	98%
MSCI ESG Rating (AAA - CCC):	BBB	Coverage:	95%

Based on portfolio data as per 31.07.2024; – 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; Stewardship: Engagement in an active and constructive dialogue with company representatives on ESG aspects as well as exercising voting rights at general meetings of shareholders. MSCI ESG Rating ranges from "leaders" (AAA-AA), "average" (A, BBB, BB) to "laggards" (B, CCC). The CO₂-intensity expresses MSCI ESG Research's estimate of GHG emissions measured in tons of CO₂ per USD 1 million sales. The decision to invest in the promoted fund should take into account all the characteristics or objectives of the promoted fund as described in the prospectus. For further information c.f. www.bellevue.ch/sustainability-at-portfolio-level.

Investment Management Team



Dr. Daniel Koller
 Head Investment Management Team



Dr. Christian Koch
 Deputy Head Investment Management Team



Dr. Maurizio Bernasconi
 Deputy Head Investment Management Team



Dr. Leonidas Georgiou
 Investment Management Team



Dallas Webb
 Investment Management Team



Dr. Stephen Taubenfeld
 Investment Management Team



Dr. Samuel Croset
 Investment Management Team



Dr. Olivia Woolley
 Investment Management Team



Dr. Can Buldun-Gora
 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"). In Switzerland, the Company is structured as a 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 and the German 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 quarterly 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.

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