

# 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 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

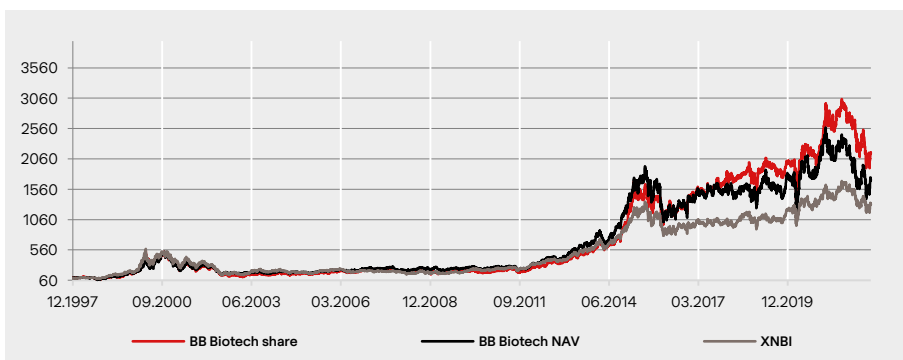
Share price	EUR 57.00
Net Asset Value (NAV)	EUR 45.75
Premium/(Discount)	24.6%
Market capitalization	EUR 3'157.8 mn
Investment manager	Bellevue Asset Management AG
AIC sector	Biotechnology
Benchmark (BM)	Nasdaq Biotech Index TR
Foundation	09.11.1993
Fiscal year end	31.12
Financial reports	Quarterly
Bloomberg	BBZA GY Equity
Valor	3838999
ISIN code	CH0038389992
WKN	AONFN3
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	1.23
Correlation	0.94
Volatility	36.4%
Tracking Error	14.15
Active Share	83.44
Sharpe Ratio	0.19
Information Ratio	-0.04
Jensen's Alpha	-2.42

Source: BB Biotech AG, 30.06.2022;  
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	2.2%	-18.6%	-23.9%	12.6%	36.7%	627.8%	2062.6%
NAV	11.4%	-13.8%	-25.9%	5.4%	12.3%	325.6%	1614.6%
BM	3.5%	-13.4%	-17.0%	21.0%	29.7%	250.5%	1262.1%

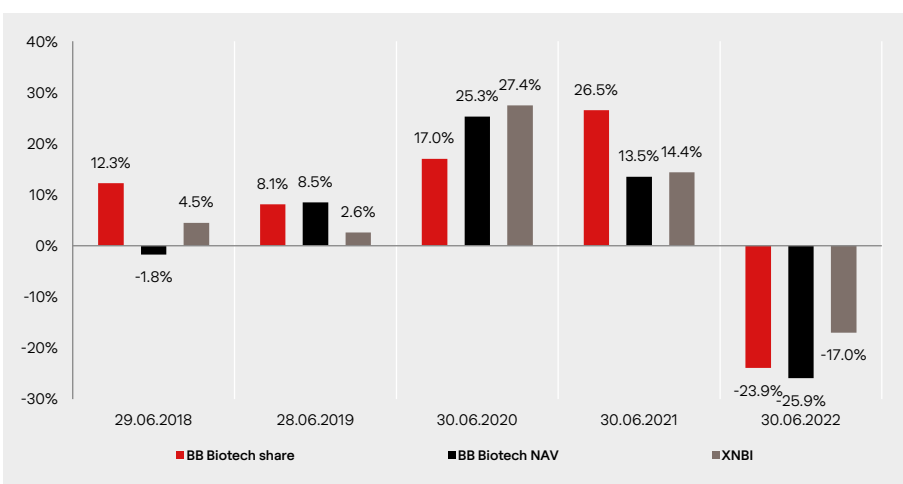
### Annualized

	1 Y	3 Y	5 Y	5 Y	ITD
Share	-23.9%	4.0%	6.5%	21.9%	13.3%
NAV	-25.9%	1.7%	2.3%	15.6%	12.3%
BM	-17.0%	6.5%	5.3%	13.4%	11.2%

## Annual performance

	2017	2018	2019	2020	2021	YTD
Share	12.9%	-2.2%	23.4%	18.1%	13.3%	-18.6%
NAV	12.5%	-11.1%	28.1%	24.8%	-7.8%	-13.8%
BM	6.7%	-4.3%	27.6%	16.1%	7.4%	-13.4%

## Rolling 12-month-performance



Source: BB Biotech AG, 30.06.2022; 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		10.7%
Argenx SE		8.6%
Moderna		8.1%
Neurocrine Biosciences		7.9%
Vertex Pharmaceuticals		7.6%
Incyte		6.5%
Intra-Cellular Therapies		6.1%
Alnylam Pharmaceuticals		5.1%
Arvinas		4.2%
Fate Therapeutics		4.0%
Total top 10 positions		68.8%
Total positions		31

### Sector breakdown

Small Molecule		52.8%
RNA		24.1%
Antibody		12.9%
Gene- and cell therapy		7.6%
Protein		2.6%

### Currency breakdown

USD		100.0%
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### Market commentary

The month of June was another volatile month for biotech stocks with the Nasdaq Biotech Index starting the month at 3711 hitting its low of 3368 on June 13th and ending the month at 3749. BB Biotech's share price declined by 0.9% (in CHF) in June.

In June we saw a number of positive clinical trial read-outs and approvals from BB Biotech's portfolio companies including Alnylam Pharmaceuticals, Kezar Life Sciences and Ionis Pharmaceuticals. Radius Health, one of BB Biotech's long-standing portfolio companies, announced on June 23 that the company has agreed to be acquired by two private equity companies.

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

**Ionis Pharmaceuticals (+1.4% in USD)** announced on June 21 positive topline results from a 35-week interim analysis of the Phase-III-NEURO-TTRansform study of Ionis and AstraZeneca's eplontersen in patients with hereditary transthyretin-mediated amyloid polyneuropathy (ATTRv-PN). Eplontersen demonstrated a statistically significant and clinically meaningful change from baseline for the co-primary endpoints of percent change in serum transthyretin (TTR) concentration and the modified Neuropathy Impairment Score +7 (mNIS+7), a measure of neuropathic disease progression, versus the historical placebo group. Eplontersen also met its key secondary endpoint of change from baseline in the Norfolk Quality of Life Questionnaire-Diabetic Neuropathy (Norfolk QoL-DN) showing treatment with eplontersen significantly improved patient-reported quality of life versus the historical placebo group. Ionis plans to file for approval by year-end 2022.

**Alnylam Pharmaceuticals (+15.9%, in USD)** announced on June 13 that the FDA approved AMVUTTRA™ (vutrisiran), an RNAi therapeutic administered via subcutaneous injection once every three months (quarterly) for the treatment of the polyneuropathy of hereditary transthyretin-mediated (hATTR) amyloidosis in adults. hATTR amyloidosis is a rare, inherited, rapidly progressive, and fatal disease with debilitating polyneuropathy manifestations, for which there are few treatment options. The FDA approval is based on positive 9-month results from the HELIOS-A Phase-III-study, where AMVUTTRA significantly improved the signs and symptoms of polyneuropathy, with more than 50% of patients experiencing halting or reversal of their disease manifestations.

**Kezar Life Sciences (+63.8%, in USD)** announced on June 27 positive topline results from the MISSION Phase II clinical trial evaluating zetomipzomib, a novel, first-in-class selective immunoproteasome inhibitor, in patients with active lupus nephritis (LN). The MISSION Phase II topline results show a clinically meaningful overall renal response to zetomipzomib after 6 months, without high-dose induction therapy. Patients in the trial also experienced reductions in extra-renal manifestations of lupus. Zetomipzomib appears to be immunomodulatory, well-tolerated and steroid-sparing. The MISSION Phase II clinical trial is an open-label study designed to demonstrate the responder rate of zetomipzomib in patients with active LN.

**Radius Health (+63.8%, in USD)** announced on June 23rd that it has entered into a definitive agreement to be acquired by Gurnet Point Capital and Patient Square Capital in a transaction valued at approximately USD 890 mn, including the assumption of debt and assuming full payment of the CVR (Contingent Value Right). Under the terms of the agreement, an entity jointly owned by Gurnet Point and Patient Square will initiate a tender offer to acquire all of the outstanding shares of Radius for USD 10.00 per share in cash plus a CVR of USD 1.00 per share.

### Outlook

We are still seeing very attractive investment opportunities in the biotech sector. 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**

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- Hugo van Neutegem
- Jan Bootsma
- Nathalie Isidora-Kwidama

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**Management Team**



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Head Investment Management Team



**Felicia Flanagan**  
Portfolio Manager



**Dallas Webb**  
Portfolio Manager



**Dr. Christian Koch**  
Portfolio Manager



**Dr. Samuel Croset**  
Portfolio Manager



**Dr. Maurizio Bernasconi**  
Portfolio Manager



**Dr. Stephen Taubenfeld**  
Portfolio Manager

**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**

**Exclusions:**

- Compliance UNGC, HR, ILO
- Norms-based exclusions

Controversial weapons

**ESG Risk Analysis:**

- ESG Integration
- Engagement

Best-in-Class

**Stewardship:**

Proxy Voting

**CO2 intensity (T CO2/mn USD sales):** 23.8 t (low)

**MSCI ESG Rating (AAA - CCC):** A

**EU SFDR 2019/2088 product category:** Article 8

MSCI ESG coverage: 99%

MSCI ESG coverage: 97%

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)

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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