

Media release as at October 24, 2025

BB Biotech Q3 2025: Portfolio outperformance amid early signs of sector recovery

- **Share price: +20.0% in CHF / +20.1% in EUR / +19.5% in USD – notably outperforming the Nasdaq Biotech Index (NBI), which gained +15.6% in USD**
- **NAV: +24.0% in CHF / +24.0% in EUR / +23.5% in USD – surpassing the benchmark NBI by 7.9 percentage points**
- **Net profit of CHF 448 mn in Q3 2025, reflecting strong portfolio performance and renewed sector momentum**
- **Macro conditions improved: The Fed's September rate cut and moderating inflation boosted risk appetite**
- **Portfolio companies delivered key milestones – Ionis Pharmaceuticals, Alnylam and Revolution Medicines led clinical, regulatory and commercial progress**
- **M&A activity remained strong, with notable transactions across the industry – including deals by Pfizer (Metsera), Roche (89bio), Genmab (Merus) and Merck (Verona Pharma) – underscoring sustained strategic interest in innovation**
- **New investment in Avidity Biosciences expands exposure to RNA-based therapeutics and reinforces BB Biotech's focus on differentiated platforms with long-term growth potential**
- **Inclusion in the SPI ESG Index underscores BB Biotech's commitment to responsible investing and sustainable value creation**

BB Biotech delivered a strong third quarter, with both share price and Net Asset Value (NAV) outperforming the Nasdaq Biotechnology Index (NBI). The first US Federal Reserve rate cut of 2025 supported risk appetite and improved financing conditions, while structural tailwinds continued to strengthen the industry. Global pharmaceutical pricing is realigning, supporting a gradual rebalancing of industry economics. At the same time, a historic patent cliff is driving renewed M&A and partnership activity as large pharmaceutical companies seek to replenish pipelines with innovative assets. Meanwhile, the FDA, restructured under new leadership, is refining its review processes with the ambition of prioritizing therapies that address high unmet need even more.

With accelerating progress in novel approaches to medicinal chemistry, RNA medicines, and next-generation biologics, driven in part by machine learning and AI-enabled discovery, valuations remain attractive and the sector is positioned for sustained recovery. In addition, BB Biotech's inclusion in the SPI ESG Index underscores its commitment to responsible investing and long-term value creation.

Q3 2025 performance

After a volatile first half, BB Biotech delivered one of its strongest quarterly results in recent years. Net profit reached CHF 448 mn, marking a clear reversal from the CHF 157 mn loss recorded in Q3 2024. The company's NAV advanced 24.0% in CHF (EUR +24.0% / USD +23.5%), while the share price gained 20.0% (EUR +20.1% / USD +19.5%), both notably outperforming the NBI Index. These results were driven by impressive portfolio performance, renewed sector momentum, and rising M&A activity recycling capital back to investors for redeployment.

Performance	Q3 2025			Q3 2024		
Currency	CHF	EUR	USD	CHF	EUR	USD
BB Biotech share price	20.0%	20.1%	19.5%	-9.2%	-6.7%	-3.5%
BB Biotech NAV	24.0%	24.0%	23.5%	-6.6%	-4.4%	-0.6%
NBI Index	15.7%	15.7%	15.6%	-1.2%	1.0%	5.1%
Net profit/loss	448 mn			-157 mn		

Portfolio evolution reflecting accelerating innovation and disciplined value creation

Q3 2025 was marked by broad-based progress across BB Biotech's holdings, with multiple companies delivering meaningful clinical and commercial milestones. Ionis Pharmaceuticals, Alnylam, and Revolution Medicines advanced key programs, reinforcing the portfolio's focus on differentiated therapeutics. Avidity Biosciences, the newest addition, further expanded our exposure to RNA-based therapies through its AOC platform in muscle and rare diseases.

Disciplined portfolio management remained central to the quarter. The number of holdings was reduced from 23 to 21, with exits from Moderna, Black Diamond Therapeutics, and Blueprint Medicines, due to Sanofi's takeover, freeing capital for higher-conviction opportunities. Selective reinvestment increased exposure to positions such as Revolution Medicines, Akero Therapeutics and Scholar Rock strengthening BB Biotech's concentration in mid-cap innovators.

Strong M&A momentum across the sector underscores the strategic relevance of BB Biotech's portfolio. Transactions such as Novo Nordisk's announced acquisition of Akero Therapeutics highlight continued buyer demand for differentiated science and validate BB Biotech's conviction in its focused, innovation-driven investment approach. These adjustments reinforce BB Biotech's focus on scientific quality and financial resilience. Positioned at the lower end of its target range, the portfolio retains flexibility to add high-potential investments. With a solid cash position, an expanded US research presence, and attractively valued opportunities ahead, BB Biotech remains well positioned.

Turning innovation into enduring value

BB Biotech maintains a constructive yet realistic view of the biotech investment environment heading into 2026. The macroeconomic backdrop continues to improve, with moderating inflation and lower interest rates creating a more supportive setting for capital-intensive innovation. Policy visibility has also improved, as recent developments in the regulatory environment have brought greater clarity to pricing and trade dynamics.

Progress across the portfolio remains encouraging, with several important milestones expected in the coming months. Among them are clinical updates from Agios and Incyte, both in indications with high unmet medical needs, as well as additional meaningful data readouts across programs in neurological, cardiovascular, and metabolic diseases. These upcoming developments illustrate how mid-cap biotechnology companies continue to deliver tangible advances that can translate into long-term value creation.

Biotech valuations remain near historic lows, while fundamentals are clearly improving. The pace of scientific progress is accelerating, large biopharma players are returning to strategic deal-making, and capital markets are gradually re-opening for high-quality innovators. With its focused portfolio, long-term investment horizon, and expanding analytical and AI capabilities, BB Biotech is well positioned to benefit

from the next phase of sector normalization. As innovation, stability, and capital discipline continue to converge, BB Biotech aims to capture enduring value for its shareholders while contributing to scientific progress and better patient outcomes worldwide.

The interim report as at September 30, 2025, is available under report.bbbiotech.ch/Q325 or www.bbbiotech.com.

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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 September 30, 2025

(in % of securities, rounded values)

Ionis Pharmaceuticals	14.6%
Argenx SE	14.1%
Revolution Medicines	9.3%
Neurocrine Biosciences	8.8%
Alnylam Pharmaceuticals	7.1%
Vertex Pharmaceuticals	6.4%
Agios Pharmaceuticals	5.3%
Incyte	4.4%
Scholar Rock Holding	4.3%
Akero Therapeutics	4.0%
Immunocore	3.6%
Avidity Biosciences	3.4%
Celldex Therapeutics	3.3%
Beam Therapeutics	2.5%
Rivus Pharmaceuticals ¹⁾	1.9%
Edgewise Therapeutics	1.6%
Relay Therapeutics	1.6%
Biohaven	1.5%
Wave Life Sciences	1.1%
Macrogenics	0.6%
Annexon	0.6%
Blueprint Medicines - CVR	0.0%

Total securities **CHF 2 228.5 mn**

Other assets CHF 82.2 mn

Other payables CHF (3.7) mn

Net Asset Value **CHF 2 307.1 mn**

¹⁾ Unlisted company