

Media release as at February 20, 2026

Annual Report 2025: BB Biotech delivers strong performance and portfolio value realization

- **2025 marked a year of tangible progress, with strong absolute and relative performance driven by disciplined portfolio execution and improving market fundamentals.**
- **BB Biotech shares delivered a total return of +34.2% in CHF, +37.0% in EUR and +53.7% in USD, significantly outperforming the Nasdaq Biotechnology Index in USD.**
- **NAV increased by +26.5% in CHF, +27.8% in EUR and +44.8% in USD, reflecting portfolio value creation and active capital management.**
- **Five portfolio companies were acquired in 2025, validating BB Biotech's focus on clinically mature, differentiated assets and enabling value realization.**
- **Net profit of CHF 578 mn in 2025, compared to CHF 76 mn in the prior year.**
- **Dividend proposal of CHF 2.25 per share, underscoring continued commitment to shareholder returns.**
- **Investment process and valuation framework further refined, strengthening risk assessment, capital allocation and long-term return discipline.**
- **Dr. Clive Meanwell will not stand for re-election at the upcoming Annual General Meeting; the Board will be composed of five members going forward, ensuring continuity and a well-balanced governance structure, with Prof. Dr. Mads Krosgaard Thomsen assuming the role of Vice Chairman.**
- **Launch of a new share buyback program under which BB Biotech AG is authorized to repurchase up to 10% of its shares over a three-year period.**

2025 was a year of tangible progress for BB Biotech. After a prolonged phase of valuation pressure and heightened uncertainty in the biotechnology sector, market conditions stabilized and investor focus returned to fundamentals. BB Biotech delivered strong performance across all currencies, reflecting disciplined capital allocation, selective portfolio positioning and successful value realization.

The preceding period of rising interest rates and restricted access to capital had disproportionately affected innovation-driven biotech companies. In 2025, more predictable financing conditions and improving sentiment supported a selective rebound, with investors increasingly rewarding clinical maturity, balance sheet strength and commercial visibility.

Investment performance and financial results full year and Q4

BB Biotech shares delivered a strong total return of +34.2% in CHF, +37.0% in EUR and +53.7% in USD (including the CHF 1.80 dividend paid in March 2025). This compares with a gain of +33.4% in USD for the Nasdaq Biotechnology Index, resulting in a share price outperformance of +20.3% in USD. NAV performance amounted to +26.5% in CHF, +27.8% in EUR and +44.8% in USD for the year. BB Biotech reported a full-year net profit of CHF 578 mn in 2025, compared to a net profit of CHF 76 mn in 2024.

Performance	Full-year 2025			Full-year 2024		
Currency	CHF	EUR	USD	CHF	EUR	USD
BB Biotech share price	34.2%	37.0%	53.7%	-13.5%	-14.1%	-19.8%
BB Biotech NAV	26.5%	27.8%	44.8%	3.0%	1.7%	-4.6%
NBI index	16.6%	17.7%	33.4%	7.6%	6.3%	-0.6%
Net profit	+578 mn			+76 mn		

BB Biotech shares delivered a strong total return of +24.0% in CHF, +26.1% in EUR and +24.6% in USD, clearly outperforming the Nasdaq Biotechnology Index, which gained 17.1% in USD over the quarter. NAV performance for the quarter amounted to +20.4% in CHF, +21.0% in EUR and +21.0% in USD. BB Biotech reported a net profit of CHF 472 mn in the fourth quarter of 2025, compared to a net profit of CHF 60 mn in Q4 2024.

Performance	Q4 2025			Q4 2024		
Currency	CHF	EUR	USD	CHF	EUR	USD
BB Biotech share price	24.0%	26.1%	24.6%	-2.7%	-3.5%	-9.4%
BB Biotech NAV	20.4%	21.0%	21.0%	+2.7%	2.8%	-4.3%
NBI Index	16.9%	17.3%	17.1%	-2.7%	-2.4%	-9.4%
Net profit	+472 mn			+60 mn		

BB Biotech's share price closed FY 2025 at a 10.8% discount to NAV in CHF, narrowing materially from the 15.2% discount recorded at year-end 2024. This reflects a partial recovery in investor sentiment following strong performance in 2025, while volatility in the biotech sector remains elevated.

	YE 2025	YE 2024
Discount, CHF	-10.8%	-15.2%

Selective capital deployment shaping the portfolio in Q4 2025

During the fourth quarter of 2025, BB Biotech continued to actively manage the portfolio, with a clear focus on selective new investments and targeted reallocations based on updated conviction and risk assessment.

New positions initiated during Q4 2025 included Amicus Therapeutics, Nuvalent, Krystal Biotech, Jade Biosciences, Maze Therapeutics and Tango Therapeutics. These investments reflect BB Biotech's focus on clinically differentiated assets with clearly defined development pathways and strategic relevance across rare diseases, oncology and immunology.

Shortly after the investment, Amicus Therapeutics entered into a definitive agreement to be acquired by BioMarin, resulting in immediate value realization and underscoring the strategic attractiveness of the asset. Avidity Biosciences, an investment initiated in September, was likewise acquired within a short period, validating both asset quality and timing.

In parallel, positions in Scholar Rock Holding and Viridian Therapeutics were increased, reflecting

strengthened conviction following clinical and regulatory progress. Other core holdings, including Ionis Pharmaceuticals and Revolution Medicines, remained broadly stable in terms of the number of securities held.

At the same time, the portfolio was further streamlined. Macrogenics was fully exited, while exposure to Wave Life Sciences was reduced. In addition, previously announced exits earlier in the year were fully reflected in the year-end portfolio composition.

As a result of these actions, the portfolio ended 2025 with a higher number of positions, reflecting deliberate portfolio expansion within a disciplined framework. The changes implemented during Q4 underline BB Biotech's disciplined approach to capital deployment, active risk management and the continuous alignment of the portfolio with its long-term investment objectives.

Balancing long-term growth with capital income for shareholders

BB Biotech's stable dividend policy remains a key element of its shareholder value proposition in a sector traditionally focused on growth. The company continues to balance long-term investment in innovative biotechnology with the delivery of regular capital income. Since 2013, BB Biotech has consistently paid an annual dividend of 5% based on the average share price in December. For the 2025 financial year, the Board of Directors will propose a dividend of CHF 2.25 per share at the next Annual General Meeting, reflecting strong performance and continued alignment with shareholder interests.

Strategy and process evolution: disciplined execution and long-term value creation

BB Biotech's structure as an investment company with permanent capital remains well aligned with the specific dynamics of the biotechnology sector. The strategy centers on high scientific conviction, long-term value creation and disciplined capital allocation. At the same time, recent market cycles have reinforced the importance of continuously refining the investment process to ensure consistent execution, robust risk assessment and effective risk-adjusted returns.

In 2025, further enhancements were implemented across valuation, portfolio construction and capital deployment. The valuation framework places greater emphasis on scenario-based outcomes, catalyst timing and probability-weighted return profiles, supporting more consistent capital allocation in a selective market environment. Portfolio management has also evolved, with entry and exit decisions increasingly guided by clinical validation, commercial visibility and risk-adjusted return potential, while maintaining a cautious approach to early-stage investments and prioritizing differentiated assets with clear development and strategic pathways.

Team evolution: aligning expertise, market access and execution

In 2025, BB Biotech continued to develop its organizational setup to support disciplined execution and research depth in an increasingly selective biotech investment environment. The US investment platform was further strengthened, enhancing proximity to the world's most important biotech market and improving access to management teams, clinical insight and financing flow.

Analytical and technological capabilities were also expanded to support structured decision-making and risk assessment. In addition, Investor Relations and communication were further developed to ensure consistent, transparent engagement with shareholders and the broader investment community.

These organizational developments support BB Biotech's long-term investment approach and its focus on disciplined capital allocation across market cycles.

Honouring a long-standing contribution to BB Biotech's strategic development

After many years of dedicated service, Dr. Clive Meanwell will not stand for re-election to the Board of Directors of BB Biotech. Throughout his long tenure, he made highly valued contributions to the company's strategic development, bringing exceptional scientific expertise, entrepreneurial perspective and long-term industry insight to the Board. His background as a physician and biotech entrepreneur helped shape BB Biotech's investment thinking and strategic leadership across multiple market cycles, reinforcing disciplined and forward-looking decision-making at Board level.

The Board of Directors would like to express its sincere appreciation to Dr. Meanwell for his long-standing commitment, his leadership and the lasting impact of his contribution. Following his departure, the Board will be composed of five members going forward, reflecting a well-balanced and effective governance structure. Prof. Dr. Mads Krosgaard Thomsen will assume the role of Vice Chairman, ensuring continuity and further strengthening the Board's scientific and strategic expertise.

Innovation pipeline: advancing clinical maturity and strategic relevance

Looking ahead to 2026, BB Biotech's portfolio is positioned across a broad set of late-stage clinical, regulatory and commercial milestones, reflecting the increasing maturity and differentiation of its innovation pipeline. The portfolio spans multiple high-impact therapeutic areas, with a clear emphasis on assets that combine validated mechanisms of action with credible development and commercialization pathways.

Several core holdings are progressing toward important commercial and regulatory inflection points. Argenx continues to expand the efgartigimod franchise across additional indications and formulations, reinforcing its leadership position in immunology. Alnylam Pharmaceuticals is advancing the commercial rollout of Amvuttra in ATTR cardiomyopathy, extending its footprint beyond rare diseases into broader cardiometabolic indications. Neurocrine Biosciences is building on the launch of Crenesity in congenital adrenal hyperplasia, addressing a historically underserved endocrine disorder.

At the same time, late-stage clinical programs across the portfolio are expected to drive further value creation. Revolution Medicines is advancing multiple KRAS-driven oncology programs toward pivotal and registrational milestones. Nuvalent and Relay Therapeutics are progressing differentiated precision oncology and targeted protein degradation approaches. Rare diseases remain a key focus, with Scholar Rock, Ionis Pharmaceuticals, Wave Life Sciences, Krystal Biotech and Vera Therapeutics advancing programs toward regulatory decisions or late-stage readouts. In cardiometabolic disease, Edgewise Therapeutics and Rivus Pharmaceuticals continue to progress late-stage and proof-of-concept studies.

Despite the recovery seen in 2025, valuation dispersion across the biotech sector remains pronounced. Many companies with advanced clinical programs and improving visibility continue to trade at levels that do not fully reflect their progress. This environment supports selective capital deployment into high-quality, mid- to late-stage opportunities, while maintaining disciplined exposure to earlier-stage innovation. As a result, BB Biotech's portfolio is well positioned to benefit from a dense set of upcoming milestones and to translate clinical progress into sustainable long-term value creation.

M&A as a structural driver of value creation

M&A activity played an important role in the biotech sector in 2025, reflecting the growing need of large biopharmaceutical companies to replenish pipelines through external innovation. The largest global biopharma companies continue to hold substantial balance sheet capacity, while facing significant patent expirations over the coming years. Several hundred billion US dollars of revenues are at risk through the mid-2030s, reinforcing external innovation as a structural growth mechanism rather than a cyclical option.

Against this backdrop, valuation normalization and increased visibility around late-stage assets supported a more constructive environment for transactions, particularly in the sub-USD 20 bn range. In 2025, BB Biotech directly benefited from this dynamic, with five portfolio companies being acquired. These transactions underline the strategic relevance of clinically mature, differentiated assets and validate BB Biotech's focus on scientific quality, development maturity and strategic fit.

Regulatory environment: navigating complexity in a shifting policy landscape

The regulatory environment in 2025 remained a key contextual factor for the biotechnology sector. While certain areas showed signs of greater clarity, ongoing policy discussions and leadership transitions at major institutions continued to contribute to an element of uncertainty.

In the United States, regulatory focus increasingly centered on affordability, supply chain resilience and domestic manufacturing, underlining the strategic importance of biopharmaceuticals. At the same time, operational capacity and institutional continuity at regulatory agencies remained under close observation amid leadership changes and personnel turnover. Despite these dynamics, core regulatory processes continued to function, providing visibility for ongoing clinical development and commercialization programs.

The Inflation Reduction Act remains a structural element influencing pricing dynamics, particularly for mature blockbuster products, while differentiated therapies addressing high unmet medical need continue to benefit from viable regulatory and reimbursement pathways. The US Food and Drug Administration remains the global benchmark for drug approvals, although the operating environment has become more complex and requires careful navigation by companies and investors alike.

Looking ahead, regulatory policy is likely to remain an evolving backdrop. In this context, disciplined capital allocation, regulatory awareness and portfolio resilience remain essential. BB Biotech remains focused on clinically differentiated assets and disciplined capital allocation, positioning the portfolio to navigate regulatory variability while advancing long-term value creation.

BB Biotech's annual report 2025 is available at www.bbbiotech.ch/report-2025



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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 December 31, 2025

(in % of securities, rounded values)

Revolution Medicines	11.8%
Argenx SE	11.4%
Ionis Pharmaceuticals	11.2%
Vertex Pharmaceuticals	8.9%
Neurocrine Biosciences	7.1%
Avidity Biosciences	5.6%
Scholar Rock Holding	5.3%
Alnylam Pharmaceuticals	5.2%
Amicus Therapeutics	4.5%
Viridian Therapeutics	4.0%
Nuvalent	3.1%
Krystal Biotech	3.0%
Celldex Therapeutics	2.9%
Immunocore	2.9%
Vera Therapeutics	2.5%
Relay Therapeutics	2.1%
Rivus Pharmaceuticals ¹⁾	1.6%
Jade Biosciences	1.5%
Edgewise Therapeutics	1.1%
Maze Therapeutics	1.1%
Tango Therapeutics	1.0%
Annexon	0.8%
Wave Life Sciences	0.7%
Galecto Inc. - Series C Preferred ¹⁾	0.7%
Akero Therapeutics – CVR	0.0%
Blueprint Medicines – CVR	0.0%

Total securities **CHF 2 681.9 mn**

Other assets CHF 103.9 mn

Other payables CHF (7.0) mn

Net Asset Value **CHF 2 778.8 mn**

¹⁾ Unlisted