

## 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. The Fund takes ESG factors into consideration while implementing the aforementioned investment objectives.

## Facts

Share price	EUR 82.35
Net Asset Value (NAV)	EUR 67.45
Premium/(Discount)	22.1%
Market capitalisation	EUR 4'562.2 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

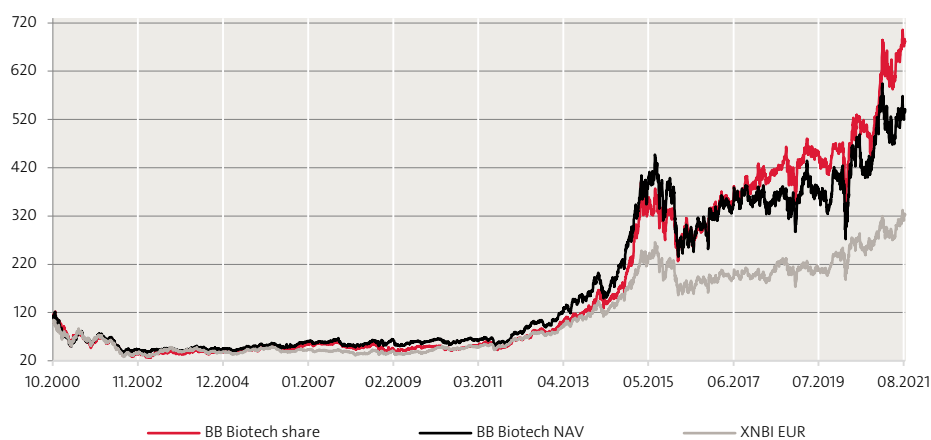
## Key figures

Beta	1.18
Correlation	0.94
Volatility	34.8%
Tracking Error	13.23
Active Share	77.89
Sharpe Ratio	0.65
Information Ratio	0.35
Jensen's Alpha	2.19

Source: BB Biotech AG, 31.08.2021;

Calculation based on the Net Asset Value (NAV) over the last 3 years.

## Indexed performance since launch



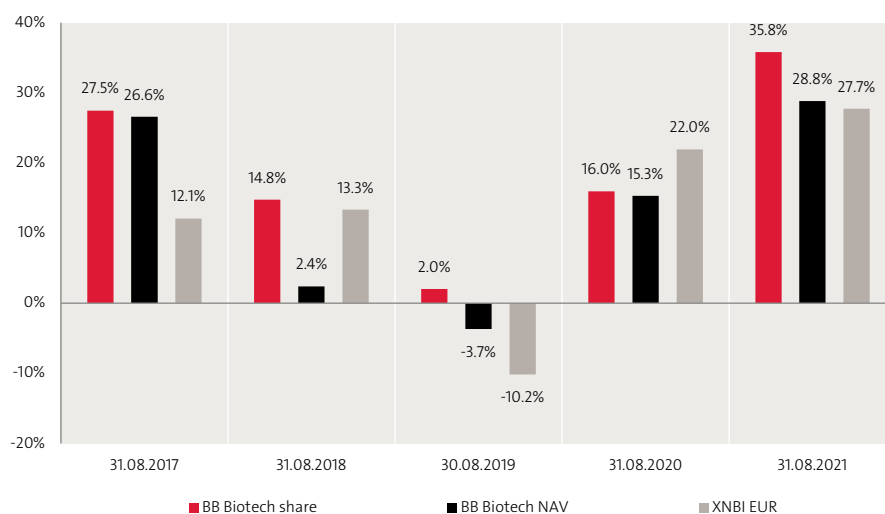
## Cumulated & annualized performance

	Cumulated						Annualized			
	1 month	YTD	1 year	3 years	5 years	since launch	1 year	3 years	5 years	since launch
Share	2.0%	25.1%	35.8%	59.9%	133.9%	582.0%	35.8%	16.9%	18.5%	9.6%
NAV	2.5%	8.6%	28.8%	41.9%	83.9%	440.9%	28.8%	12.3%	13.0%	8.4%
BM	4.6%	16.8%	27.7%	39.1%	76.7%	223.2%	27.7%	11.6%	12.1%	5.8%

## Annual performance

	2016	2017	2018	2019	2020	YTD
Share	1.2%	12.2%	-1.3%	22.6%	19.7%	25.1%
NAV	-17.8%	12.5%	-11.1%	28.1%	24.8%	8.6%
BM	-19.0%	6.7%	-4.3%	27.6%	16.1%	16.8%











## Rolling 12-month-performance








Source: BB Biotech AG, 31.08.2021; 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

Moderna		12.2%
Ionis Pharmaceuticals		7.7%
Argenx SE		6.1%
Neurocrine Biosciences		6.0%
Incyte		5.2%
Agios Pharmaceuticals		5.0%
Fate Therapeutics		4.7%
Vertex Pharmaceuticals		4.5%
Alnylam Pharmaceuticals		4.0%
Biogen		3.7%
Total top 10 positions		59.2%
Total positions		34

## Sector breakdown

Small Molecule		42.0%
RNA		24.3%
Antibody		18.9%
Gene- and cell therapy		10.9%
Protein		3.9%

## Currency breakdown

USD		100.0%
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Source: BB Biotech AG, 30.06.2021;

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.

## Market commentary

August was a volatile month for biotech stocks. The month ended with positive performance for BB Biotech and the biotech sector in general. BB Biotech's share price closed up 1.7% in CHF in August. A number of BB Biotech's portfolio companies announced results for the second quarter of 2021. We remain confident that our portfolio will perform well in the long term.

BB Biotech's portfolio company Moderna was once again in focus due to the company's potential booster vaccine against Covid-19. Moderna reported their quarterly results in the beginning of August as well as other positive news throughout the month.

Below we have highlighted some of the recent developments in a few of our portfolio companies:

**Fate Therapeutics (-11.5% in USD)** announced on August 19 positive interim clinical data from the company's FT516 and FT596 programs for patients with relapsed / refractory B-cell lymphoma. FT516 is the company's universal, off-the-shelf natural killer (NK) cell product candidate derived from a clonal master induced pluripotent stem cell (iPSC) line engineered with a novel high-affinity, non-cleavable CD16 (hnCD16) Fc receptor, which is designed to maximize antibody-dependent cellular cytotoxicity (ADCC), a potent anti-tumor mechanism by which NK cells recognize, bind and kill antibody-coated cancer cells. The company's FT596 program incorporates both the hnCD16 Fc receptor and a chimeric antigen receptor (CAR) targeting CD19, which is designed to enable multi-antigen targeting of tumor cells, as well as an IL-15 receptor fusion (IL-15RF) to enhance NK cell activity and survival. The market reacted negatively to the update and the stock traded down in August.

**Argenx (+11.1% in USD)** announced quarterly update at the end of July and the stock had positive momentum in August. On August 25 the company announced that they have submitted, and the European Medicines Agency (EMA) has validated, the marketing authorization application (MAA) for the company's investigational FcRn antagonist, efgartigimod, for the treatment of generalized myasthenia gravis (gMG). Validation of the MAA confirms that the application is sufficiently complete to begin the formal review process. The MAA is supported by results from the pivotal Phase III ADAPT trial evaluating the safety and efficacy of efgartigimod for the treatment of patients with gMG.

**Moderna (+6.5% in USD)** announced on August 5 the company's quarterly results showing total revenues of USD 4.4 bn. On August 13 Moderna announced that the FDA has approved an update to the emergency use authorization for the Moderna COVID-19 vaccine (mRNA-1273) to include a third dose for immunocompromised individuals 18 years of age or older in the United States who have undergone solid organ transplantation, or who are diagnosed with conditions that are considered to have an equivalent level of immunocompromise.

## Outlook

We are seeing positive progress in our portfolio companies and remain optimistic about the future of the biotech industry in general and our portfolio companies in particular.

## *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 Krosggaard Thomsen

## *Team Curaçao*

Rudy LeBlanc  
Hugo van Neutegem  
Jan Bootsma  
Nathalie Isidora-Kwidama

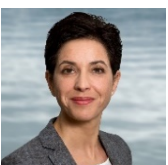
## *Investor & Media Relations*



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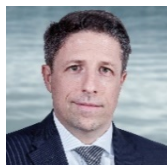
## *Chances*

- 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.

## *Investment Management*



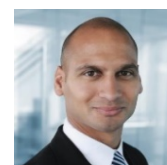
**Dr. Daniel Koller**  
Head Investment  
Management Team  
Expertise: Hematology



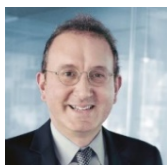
**Dallas Webb**  
Portfolio Manager  
Expertise: Oncology,  
antibiotics, Women's  
Health



**Felicia Flanigan**  
Portfolio Manager  
Expertise: Immune  
Oncology, infectious  
diseases



**Dr. Christian Koch**  
Portfolio Manager  
Expertise: Metabolic  
and cardiovascular  
diseases and Genetic  
Medicines



**Dr. Stephen Taubenfeld**  
Portfolio Manager  
Expertise: Neurology,  
Psychiatry



**Dr. Maurizio Bernasconi**  
Portfolio Manager  
Expertise: Inflammatory  
and autoimmune diseases



**Dr. Samuel Crosset**  
Portfolio Manager  
Expertise: Data science,  
machine learning

Bellevue Asset Management AG is responsible for portfolio management, finance, marketing, sales and administration of BB Biotech AG.

## Sustainability Profile – ESG

<b>Norms-based exclusions:</b>	<input checked="" type="checkbox"/> Compliance UNGC, HR, ILO	<input checked="" type="checkbox"/> Controversial weapons
<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
<b>CO2 intensity (t CO2/mn USD sales):</b>	22.3 t (low)	MSCI ESG coverage: 99%
<b>MSCI ESG Rating (AAA - CCC):</b>	BBB	MSCI ESG coverage: 99%
<b>EU SFDR 2019/2088 product category:</b>	Article 8	

Based on portfolio data as per 30.06.2021 (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; 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/en/corporate-information/sustainability](http://www.bellevue.ch/en/corporate-information/sustainability)

## 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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Any benchmarks/indices cited herein are provided for information purposes only. No benchmark/index is directly comparable to the investment objectives, strategy or the investment universe of the Company. The performance of a benchmark is not an indicator of the Company's past or future performance. Financial transactions should only be undertaken after having carefully studied the current valid prospectus and they are only valid on the basis of the latest version of the prospectus and available annual and interim reports. Please take note of the risk factors.

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