

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

Facts

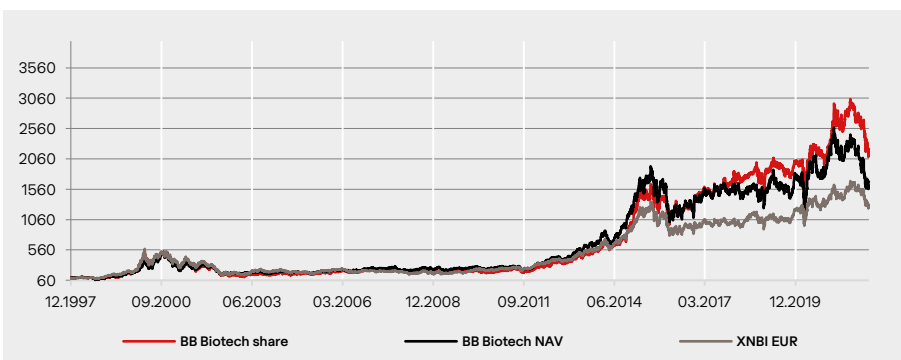
Share price	EUR 61.80
Net Asset Value (NAV)	EUR 48.60
Premium/(Discount)	27.2%
Market capitalization	EUR 3'423.7 mn
Investment manager	Bellevue Asset Management AG
AIC sector	Biotechnology
Benchmark (BM)	Nasdaq Biotech Index TR
Foundation	09.11.1993
Fiscal year end	31.12
Financial reports	Quarterly
Bloomberg	BBZA GY Equity
Valor	3838999
ISIN code	CH0038389992
WKN	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	1.19
Correlation	0.94
Volatility	33.9%
Tracking Error	12.98
Active Share	83.72
Sharpe Ratio	0.57
Information Ratio	0.06
Jensen's Alpha	-2.65

Source: BB Biotech AG, 28.02.2022;
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	-5.9%	-16.5%	-15.9%	16.1%	41.6%	701.8%	2116.5%
NAV	-0.6%	-15.1%	-26.3%	-0.9%	8.8%	414.7%	1588.3%
BM	-3.8%	-14.0%	-12.1%	16.8%	25.3%	302.9%	1204.2%

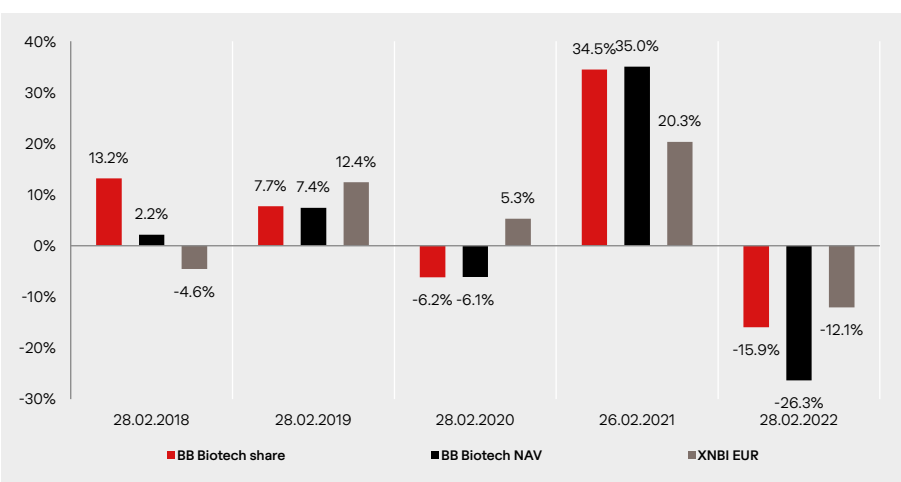
Annualized

	1 Y	3 Y	5 Y	5 Y	ITD
Share	-15.9%	5.1%	7.2%	23.1%	13.6%
NAV	-26.3%	-0.3%	1.7%	17.8%	12.4%
BM	-12.1%	5.3%	4.6%	14.9%	11.2%

Annual performance











	2017	2018	2019	2020	2021	YTD
Share	12.9%	-2.2%	23.4%	18.1%	13.3%	-16.5%
NAV	12.5%	-11.1%	28.1%	24.8%	-7.8%	-15.1%
BM	6.7%	-4.3%	27.6%	16.1%	7.4%	-14.0%

Rolling 12-month-performance








Source: BB Biotech AG, 28.02.2022; 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

Moderna		10.6%
Argenx SE		8.5%
Ionis Pharmaceuticals		7.8%
Neurocrine Biosciences		6.4%
Vertex Pharmaceuticals		5.7%
Fate Therapeutics		5.4%
Incyte		5.3%
Alnylam Pharmaceuticals		4.7%
Intra-Cellular Therapies		4.6%
Arvinas		4.5%
Total top 10 positions		63.5%
Total positions		33

Sector breakdown

Small Molecule		47.4%
RNA		23.5%
Antibody		17.6%
Gene- and cell therapy		9.3%
Protein		2.2%

Currency breakdown

USD		100.0%
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Market commentary

February was a turbulent month in general with the Russia-Ukraine situation taking most of the focus. BB Biotech, with its entire portfolio exposure in US and Western European biotechnology companies, is carefully monitoring implications from the geopolitical situation and its effect on the markets. Also, on a company-specific level our investments do not seem to be affected operationally by the situation in Russia and Ukraine. BB Biotech's share price ended the month down by approximately 6%.

BB Biotech has published the agenda for its Annual General Meeting taking place on March 17 2022. Due to COVID-19, the general meeting will once again be held virtually. The Board of Directors will propose a regular dividend of CHF 3.85 per share which is consistent with the dividend policy that was introduced in 2013. BB Biotech is nominating two new board members at the general meeting – Pearl Huang, CEO of Cygnal Therapeutics, and Laura Hamill, former Executive Vice President Worldwide Commercial Operations for Gilead. All four existing board members will stand for re-election and the Board of Directors is proposed to be enlarged to six members.

Several of BB Biotech's portfolio companies published full-year financial results during the month of February. We have highlighted some of the portfolio news below:

Neurocrine (+13.7%, in USD) announced the company's full-year financial results on February 11. The results showed 2021 Ingressa net sales of USD 1.1 bn and guided Ingressa net sales of USD 1.25-1.35 bn for 2022. Ingressa is a drug for the treatment of tardive dyskinesia. The company also highlighted its pipeline of potential new drugs with 12 products being in mid- to late-stage clinical development. The results were positively perceived by the stock market.

Alnylam (+14.7%, in USD) announced the company's full year financial results on February 10. The results showed net product revenues of USD 662 mn for 2021 and expected to grow to between USD 900 mn and 1 bn in 2022. The company also provided a business update including commenting on the expected upcoming launch in the US of vutrisiran for the treatment of patients with polyneuropathy.

Sage (-7.7%, in USD) announced positive topline data from their Phase III CORAL MDD rapid-response trial evaluating zuranolone when co-initiated with a SOC anti-depressive agent. Current therapies alone may take 6-8 weeks to show any benefit and are associated with significant side effects. The study met its primary endpoint of rapid reduction in HAM-D-17 at day 3 as well as its key secondary endpoints measuring treatment effect over the 2-week treatment period. However, due to a high placebo effect the difference in HAM-D-17 was not statistically significant at day 15. The company is on track this year with its rolling NDA submission to the FDA for zuranolone in both MDD and PDD, which now includes 5 positive clinical studies.

Agios (+0.8%, in USD) announced on February 17 that FDA has approved PYRUKYND® (mitapivat) in the US for the treatment of hemolytic anemia in adults with pyruvate kinase (PK) deficiency, a rare, debilitating, lifelong hemolytic anemia. PYRUKYND® is a first-in-class, oral PK activator and the first approved disease-modifying therapy for this disease.

Outlook

We are seeing attractive valuation levels and are looking forward to an interesting year ahead with several key milestone events including new drug approvals from BB Biotech's portfolio. We remain convinced that BB Biotech's portfolio companies deliver positive returns in the long-term.

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

Team Curaçao

Rudy LeBlanc
 Hugo van Neutegem
 Jan Bootsma
 Nathalie Isidora-Kwidama

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:	<input checked="" type="checkbox"/> Compliance UNGC, HR, ILO	<input checked="" type="checkbox"/> Controversial weapons
	<input checked="" type="checkbox"/> Norms-based exclusions	
ESG Risk Analysis:	<input checked="" type="checkbox"/> ESG Integration	<input type="checkbox"/> Best-in-Class
Stewardship:	<input checked="" type="checkbox"/> Engagement	<input checked="" type="checkbox"/> Proxy Voting

CO2 intensity (T CO2/mn USD sales):	23.2 t (low)	MSCI ESG coverage: 96%
MSCI ESG Rating (AAA - CCC):	A	MSCI ESG coverage: 96%
EU SFDR 2019/2088 product category:	Article 8	

Based on portfolio data as per 31.12.2021 (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 (UNG), 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

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Dr. Stephen Taubenfeld
 Portfolio Manager

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.

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