



Annual Report 2025

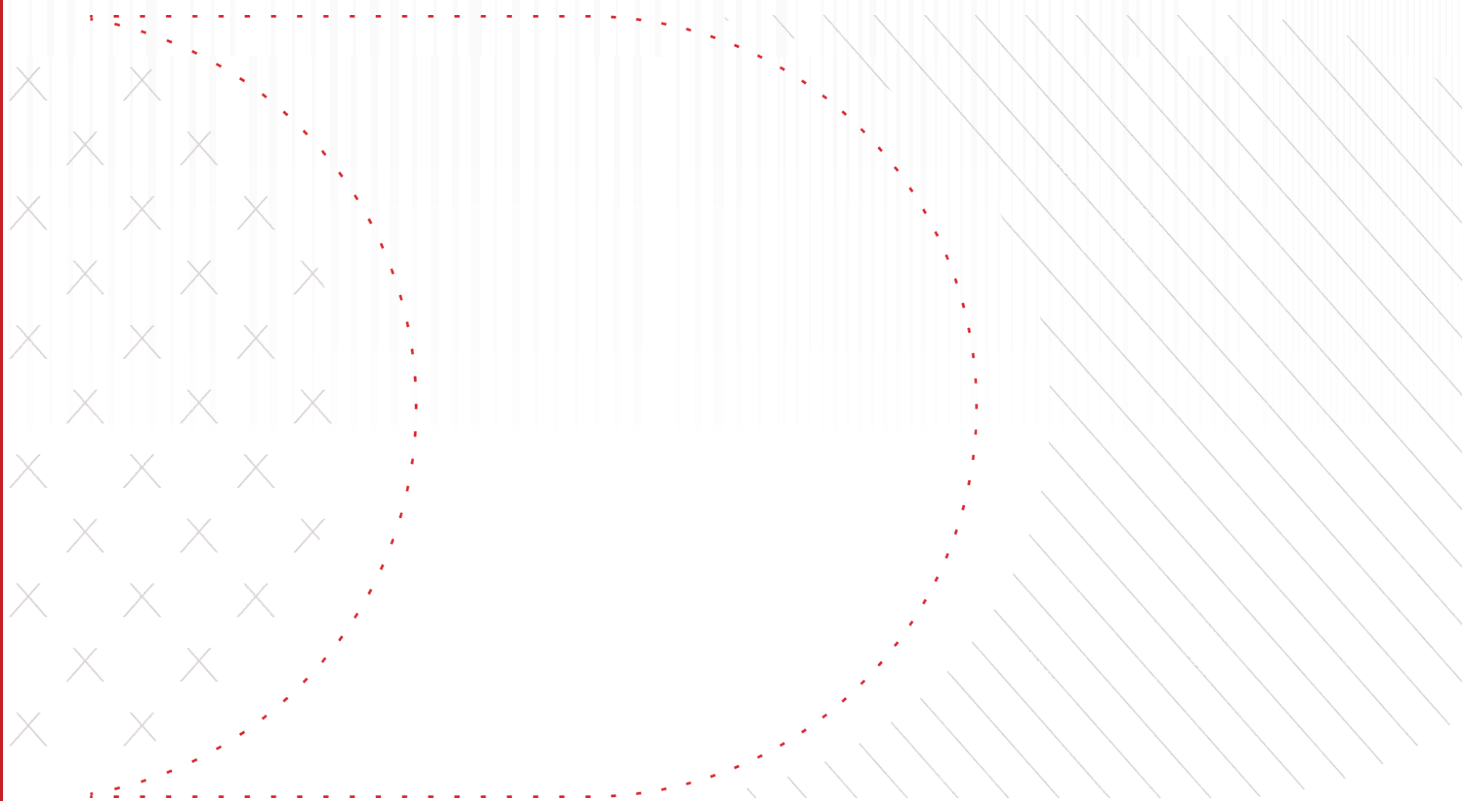


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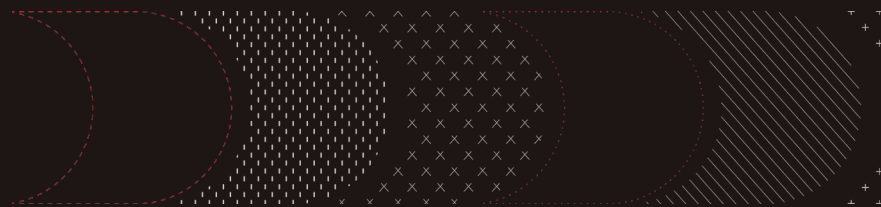
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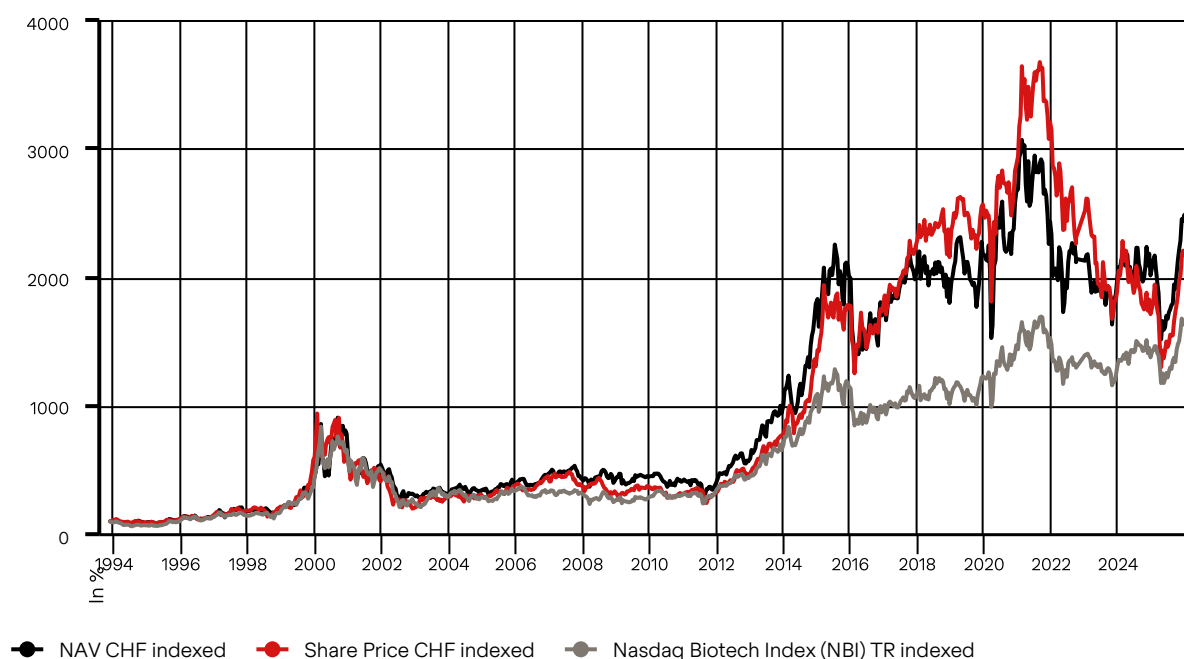
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Performance/Multi-year comparison

Indexed performance since launch

BB Biotech AG (SIX)-CHF



Annual performance

31.12.2025

	SHARE	NAV	NBI TR
2025	34.2%	26.5%	16.6%
2024	(13.5%)	3.0%	7.6%
2023	(18.1%)	(7.4%)	(4.8%)
2022	(24.3%)	(11.0%)	(9.1%)
2021	8.3%	(11.5%)	3.0%

Cumulated performance

31.12.2025

	SHARE	NAV	NBI TR
1 year	34.2%	26.5%	16.6%
3 years	(5.0%)	20.6%	19.4%
5 years	(22.1%)	(5.0%)	11.8%
10 years	28.7%	24.1%	36.5%
since inception ¹⁾	2 198%	2 452%	1 525%

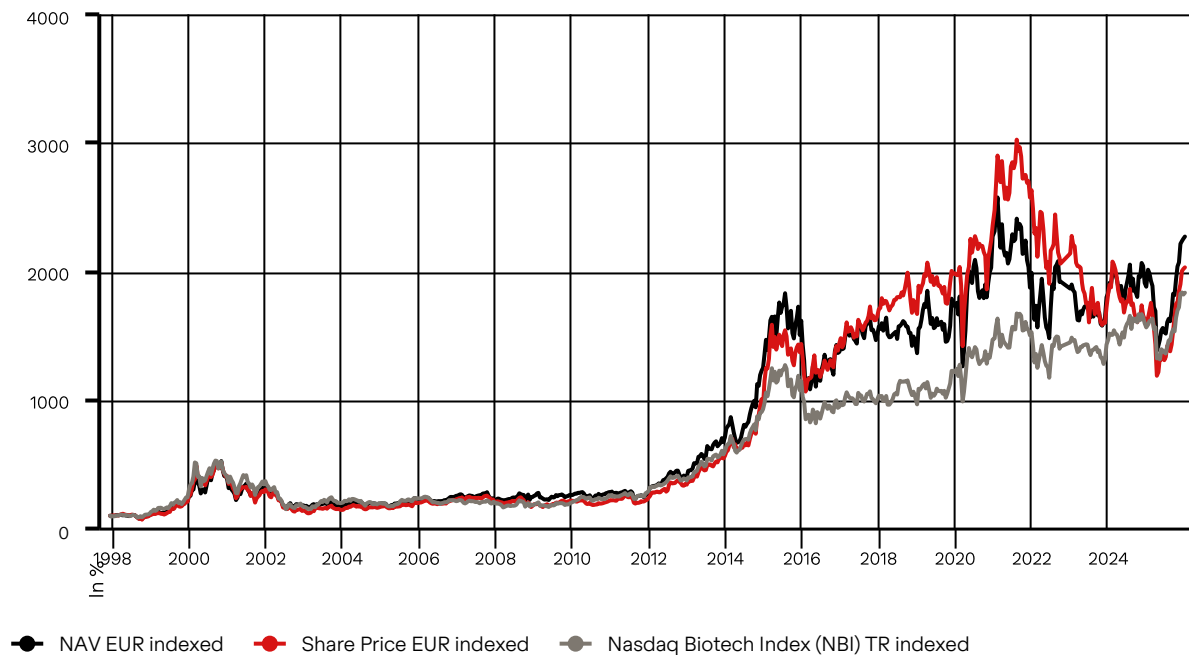
¹ 09.11.1993

Annualized performance

31.12.2025

	SHARE	NAV	NBI TR
1 year	34.2%	26.5%	16.6%
3 years	(1.7%)	6.4%	6.1%
5 years	(4.9%)	(1.0%)	2.3%
10 years	2.6%	2.2%	3.2%
since inception ¹⁾	10.2%	10.6%	9.1%

¹ 09.11.1993

BB BIOTECH AG (XETRA)-EUR**Annual performance**

31.12.2025

	SHARE	NAV	NBI TR
2025	37.0%	27.8%	17.7%
2024	(14.1%)	1.7%	6.3%
2023	(15.2%)	(1.3%)	1.3%
2022	(19.0%)	(6.7%)	(4.5%)
2021	13.3%	(7.8%)	7.4%

Cumulated performance

31.12.2025

	SHARE	NAV	NBI TR
1 year	37.0%	27.8%	17.7%
3 years	(0.2%)	28.3%	26.6%
5 years	(8.4%)	10.3%	29.9%
10 years	50.0%	45.0%	59.3%
since inception ¹⁾	2 047%	2 280%	1 735%

¹ 10.12.1997**Annualized performance**

31.12.2025

	SHARE	NAV	NBI TR
1 year	37.0%	27.8%	17.7%
3 years	(0.1%)	8.7%	8.2%
5 years	(1.7%)	2.0%	5.4%
10 years	4.1%	3.8%	4.8%
since inception ¹⁾	11.5%	11.9%	10.9%

¹ 10.12.1997

Multi-year comparison

	2025	2024	2023	2022	2021
Market capitalization at the end of the period (in CHF mn)	2 490.2	1 961.2	2 368.4	3 058.1	4 274.1
Net Asset Value at the end of the period (in CHF mn)	2 778.8	2 286.3	2 323.2	2 686.1	3 283.5
Number of shares (in mn)	55.4	55.4	55.4	55.4	55.4
Trading volume (in CHF mn)	965.3	974.0	906.3	1 482.0	2 101.0
Profit/(loss) (in CHF mn)	578.1	75.9	(206.6)	(357.8)	(404.8)
Closing price at the end of the period in CHF	44.95	35.40	42.75	55.20	77.15
Closing price at the end of the period in EUR	48.55	37.45	45.50	56.70	74.05
Stock performance (incl. distributions) ¹⁾	34.2%	(13.5%)	(18.1%)	(24.3%)	8.3%
High/low share price in CHF	47.10/25.25	49.35/35.30	60.70/35.60	78.15/51.00	92.20/73.40
High/low share price in EUR	50.00/27.15	52.00/37.45	60.50/37.10	75.40/49.60	86.20/67.80
Premium/(discount) (annual average)	(12.3%)	(6.6%)	7.5%	20.5%	19.5%
Dividend in CHF (*proposal)	2.25*	1.80	2.00	2.85	3.85
Degree of investment (quarterly figures)	97.2%	111.3%	113.7%	112.8%	108.6%
Total Expense Ratio (TER) p.a. ²⁾	1.39%	1.33%	1.34%	1.27%	1.22%

¹⁾ All figures in CHF %, total return-methodology


²⁾ Based on market capitalization

2025: Disciplined execution in a selective biotech market


Dear Shareholders

2025 was a year of tangible progress for BB Biotech. After a prolonged phase of valuation pressure and heightened uncertainty in the biotechnology sector, the year was characterized by improving fundamentals, successful portfolio execution and clear value realization. BB Biotech delivered strong absolute and relative performance, reflecting the focused application of its investment approach and disciplined capital allocation.

The years preceding 2025 were shaped by a sharp tightening of financial conditions. Rising interest rates, inflationary pressures and restricted access to capital disproportionately affected innovation-driven, long-duration sectors such as biotechnology. This environment weighed on valuations and investor sentiment, particularly for small- and mid-cap companies, and led to a sustained discount to net asset value. At the same time, it reinforced the importance of differentiation, balance sheet strength and clinical maturity.



BB Biotech delivered strong absolute and relative performance, reflecting disciplined capital allocation, selective portfolio positioning and successful value realization.



During 2025, financial conditions became more stable. While macroeconomic uncertainty did not disappear, interest rate expectations and capital costs became more predictable. Investor focus shifted away from broad sector exposure toward company-specific fundamentals, clinical progress and commercial execution. In this environment, biotech companies with validated pipelines and clear strategic relevance began to reprice.

Sector valuations remained selective. Many companies entered the year with de-risked development programs, supported by late-stage clinical data, regulatory progress or early commercial traction, yet continued to trade at valuation levels that did not fully reflect this progress. This disconnect created attractive opportunities for disciplined investors able to allocate capital selectively and with a long-term perspective.

Structural drivers of biotechnology remained firmly intact. Aging populations, rising prevalence of chronic and complex diseases and increasing demand for targeted and precision-based therapies continue to support long-term innovation. Advances across modalities such as RNA-based therapeutics, biologics, targeted protein degradation and gene therapy are improving development success rates and expanding therapeutic possibilities. At the same time, the biopharmaceutical industry is approaching a significant patent cliff over the coming decade, reinforcing the strategic importance of external innovation.

The biopharmaceutical industry is approaching a significant patent cliff over the coming decade, reinforcing the strategic importance of external innovation.

M&A activity reflected these dynamics. In 2025, five BB Biotech portfolio companies were acquired, underlining the renewed willingness of large pharmaceutical companies to deploy capital for differentiated, clinically validated assets. These transactions were part of a broader industry response to pipeline gaps and patent expirations. BB Biotech's focus on scientific differentiation, clinical maturity and strategic relevance positioned the portfolio to participate directly in this value realization. This included both established core holdings and new investments initiated during the year. Notably, Amicus Therapeutics was added to the portfolio in the fourth quarter and entered into a definitive acquisition agreement shortly thereafter, underscoring BB Biotech's ability to identify strategically relevant assets at the right point in time and translate clinical maturity into immediate value realization.

Amicus was added in Q4 and agreed to be acquired shortly thereafter, underscoring BB Biotech's timing and strategic selection.

Within this environment, BB Biotech actively refined the portfolio, increased exposure to high-conviction investments and maintained disciplined risk management. As confidence returned, the share price recovered and the discount to net asset value narrowed, reflecting improved market recognition of portfolio quality and execution.

Alongside these developments, the Board of Directors continued to provide continuity and strategic oversight. After many years of dedicated service, Dr. Clive Meanwell has decided not to stand for re-election and will step down from the Board. Clive has been a highly influential voice at BB Biotech, contributing deep scientific insight, entrepreneurial thinking and long-term perspective across multiple cycles in the biotechnology industry. His ability to combine medical rigor with strategic vision has shaped many of the Board's discussions and decisions over the years.

«Clive has brought an exceptional combination of scientific excellence, entrepreneurial spirit and independent thinking to the Board,» said Dr. Thomas von Planta, Chairman of the Board of Directors. «His experience as a physician, biotech entrepreneur and long-term investor has been invaluable to BB Biotech. On behalf of the entire Board, we would like to thank him sincerely for his outstanding commitment, his intellectual leadership and the constructive challenge he consistently provided.»

Clive Meanwell's experience as a physician, biotech entrepreneur and long-term investor has been invaluable to BB Biotech.

Following his departure, the Board will be composed of five members going forward, reflecting the view of a well balanced and highly experienced team that works effectively together. Prof. Dr. Mads Krogsgaard Thomsen will assume the role of Vice-Chairman, ensuring continuity and further strengthening the Board's scientific and strategic expertise.

BB Biotech enters 2026 with a clear strategic orientation. The investment approach remains centered on identifying differentiated innovation, allocating capital with discipline and managing risk consistently across market cycles. With a strengthened process and a well-positioned portfolio, BB Biotech is well placed to pursue sustainable long-term value creation.

Share price performance and financial results

In 2025 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	2025			2024		
	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%
Net profit	578 mn			76 mn		

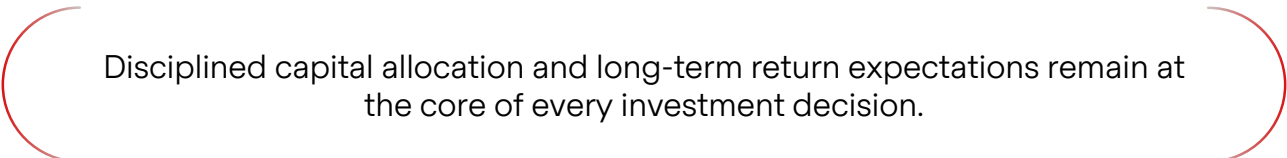
At the close of 2025, BB Biotech's share price closed FY 2025 at a 10.8% discount to NAV in CHF, narrowing materially from the 15.2% discount recorded at year-end 2024. This reflects a partial recovery in investor sentiment following strong performance in 2025, while volatility in the biotech sector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

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

Strategy and process evolution: strengthening conviction and scalability

BB Biotech's structure as an investment company with permanent capital remains well aligned with the specific characteristics of the biotechnology sector. The strategy centers on high scientific conviction, long-term value creation and disciplined capital allocation. Recent market cycles have reinforced the importance of continuously refining processes to ensure consistent execution, robust risk assessment and scalable decision-making.

At the core of the investment process is a clear long-term return objective. New investments are assessed against clearly defined return expectations over the investment horizon, ensuring alignment with BB Biotech's long-term value creation objectives. Only once this criterion is met are positions actively managed along dimensions such as risk, liquidity and capital intensity. This framework integrates long-term conviction and active portfolio management within a single, coherent process.



Disciplined capital allocation and long-term return expectations remain at the core of every investment decision.

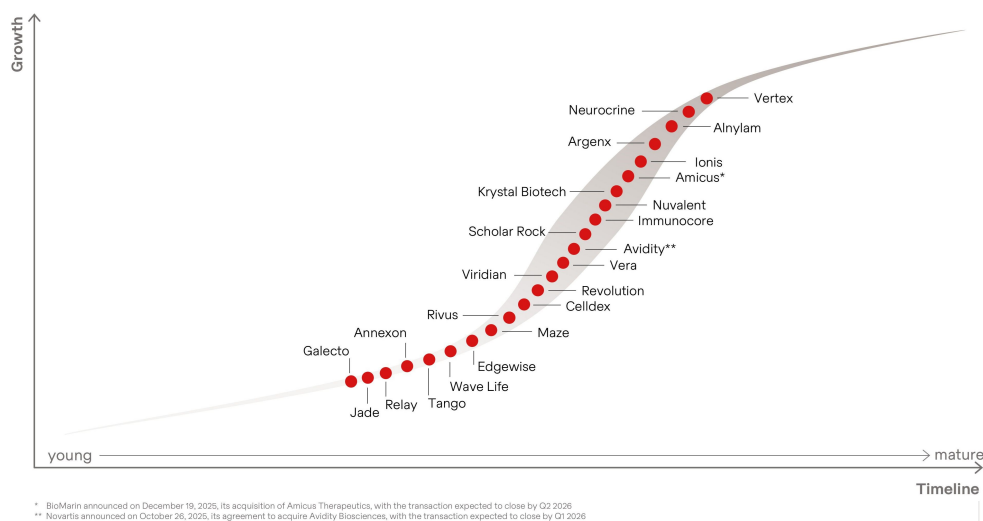
During 2025, further refinements were implemented across valuation, portfolio construction and capital deployment. The valuation framework places greater emphasis on scenario-based outcomes, catalyst timing and probability-weighted return profiles. This supports consistent capital allocation across development stages while maintaining discipline in an environment characterized by uneven access to capital and differentiated risk profiles.

Portfolio management continues to be guided by clinical validation and commercial visibility. Entry and exit decisions increasingly reflect where companies stand along the development and commercialization pathway, with selective exposure to earlier-stage opportunities and a growing emphasis on assets transitioning into late-stage development or commercial execution. This approach aligns with both market realities and strategic buyer behavior, which increasingly favors clinically mature, differentiated assets.

Over the course of 2025, the portfolio was actively refined. Positions were exited where long-term conviction weakened or the risk-reward profile deteriorated, including Moderna, Black Diamond Therapeutics, Agios Pharmaceuticals, Arvinas, Annexon, Sage Therapeutics, Fate Therapeutics and Esperion Therapeutics. In addition, positions such as Blueprint Medicines and Intra-Cellular Therapies were monetized following their respective acquisitions. These exits reflect a disciplined approach to capital recycling, allowing proceeds to be redeployed into higher-conviction opportunities while preserving portfolio coherence and risk discipline.

Following this phase of consolidation, new investments have been added selectively, reflecting a broader opportunity set supported by improved market conditions and a strong research pipeline. Portfolio expansion is approached deliberately, guided by risk assessment rather than position count. The objective is to position the portfolio thoughtfully across therapeutic areas and development stages, ensuring that each holding contributes meaningfully to long-term return potential. The portfolio breadth is managed as a function of opportunity, quality and risk assessment, allowing the investment process to scale as the public opportunity set evolves.

The S-curve framework continues to serve as a central organizing principle for portfolio construction. It provides a structured view of where companies sit in their value-creation lifecycle and supports differentiated position sizing, risk management and capital deployment. The portfolio is increasingly concentrated in mid-cap companies along the steepest part of the S-curve, where the balance between growth potential, clinical validation and strategic relevance is most attractive, while maintaining selective exposure to earlier-stage innovation and established commercial franchises.



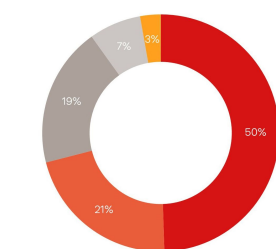
The portfolio composition as at December 31, 2025 reflects this approach. The portfolio remains focused on areas of high unmet medical need, with a strong emphasis on rare diseases and oncology, complemented by exposure to immunology, neurology and cardiometabolic indications. From a modality perspective, investments span small molecules, biologics, RNA-based therapies and gene therapy. In terms of market capitalization, the portfolio is centered on mid-cap companies, which continue to offer compelling risk-adjusted return potential and strategic relevance for larger industry players.

Crossover and private investments play a complementary role within this framework. As at December 31, 2025, private investments represented approximately 1-2% of portfolio exposure, well below the defined ceiling of 10%. These investments are limited to late-stage private companies with clear clinical or commercial inflection points and credible paths to public markets or strategic transactions, ensuring alignment with the overall risk profile of the portfolio.

Overall, the evolution of strategy and process reflects a clear objective: to combine high scientific conviction with disciplined capital allocation, consistent risk management and a research-driven decision framework. With a refined S-curve approach, active capital recycling and a growing pipeline of selectively chosen opportunities, BB Biotech is positioned to pursue sustainable long-term value creation across future phases of the biotechnology cycle.

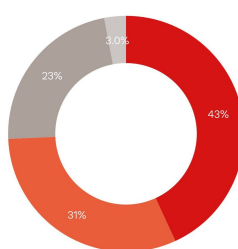
Portfolio breakdown as at December 31, 2025

Therapeutic Area: Addressing high unmet medical needs



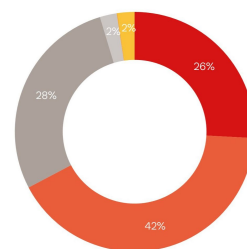
■ Orphan Diseases
■ Inflammation & Immunology
■ Cardiovascular Diseases
■ Oncology
■ Neurological Diseases
■ Infectious Diseases

Drug Modalities: Balanced technology focus



■ Small molecule
■ Biologics
■ RNA
■ Gene- and cell therapy
■ Private

Market Capitalization: Mid caps with an ideal Risk-Reward-Profile



■ > 30 bn
■ 5 - 30 bn
■ 1 - 5 bn
■ 500 mn - 1 bn
■ < 500 mn
■ Private

Innovation pipeline: strong execution and advancing clinical maturity

In 2025, BB Biotech's portfolio delivered substantial progress across multiple therapeutic areas, with a growing number of holdings reaching late-stage clinical, regulatory and commercial milestones. These developments reflect the increasing maturity of the portfolio and its focus on differentiated assets addressing areas of high unmet medical need. The portfolio is entering a phase of intensified late-stage activity, with several companies approaching important clinical, regulatory and commercial inflection points. The following highlights summarise key recent achievements and upcoming milestones across core therapeutic areas, reflecting the continued maturation of the portfolio and its focus on differentiated assets addressing high unmet medical need.

Immunology and inflammation

- **Argenx** – The company continues to advance the efgartigimod franchise across multiple late-stage and registrational programs. This includes the ongoing ADAPT-OCULUS study in ocular myasthenia gravis, Phase III programs in primary Sjögren's syndrome (UNITY) and idiopathic inflammatory myopathy (ALKIVIA+), as well as registrational development in thyroid eye disease (UpLightED). These programs support continued lifecycle expansion and further clinical and regulatory milestones as they mature.
- **Celldex Therapeutics** – Top-line Phase III results from the EMBARQ-CSU1 and EMBARQ-CSU2 studies of barzolvolimab in chronic spontaneous urticaria are expected in H2 2026.
- **Viridian Therapeutics** – The company is expected to deliver multiple Phase III milestones in thyroid eye disease, including top-line results from the REVEAL-1 and REVEAL-2 studies, as well as regulatory submissions in the US and Europe during 2026.
- **Annexon** – Top-line Phase III ARCHER II results for vonaprumment (ANX007) in dry age-related macular degeneration with geographic atrophy expected in H2 2026.

Oncology

- **Revolution Medicines** – A dense sequence of pivotal and registrational events across KRAS-driven oncology programs, including top-line Phase III data from the registrational second-line pancreatic ductal adenocarcinoma trial (RMC-6236), design disclosures and updated durability data in first-line pancreatic and lung cancer, and initiation of pivotal combination studies with next-generation RAS(ON) inhibitors.
- **Nuvalent** – Regulatory milestones for neladalkib (NVL-655), including FDA regulatory approval decisions and additional clinical data disclosures, alongside PDUFA data for zidesamtinib (NVL-520) in ROS1-positive non-small cell lung cancer in Q3 2025.
- **Relay Therapeutics** – Initial triplet and subsequent clinical data for RLY-2608 combinations in breast cancer, expanding the precision oncology pipeline.

Rare diseases

- **Ionis Pharmaceuticals** – Phase III readouts from the CARDIO-TTTransform study in hATTR cardiomyopathy, SHASTA 3 and 4 readouts for plozasiran in Q3 2025, and regulatory milestones for olezarsen (Tryngolza) in severe hypertriglyceridemia in Q4 2025.
- **Scholar Rock** – US launch of apitegromab for spinal muscular atrophy in H1 2025, alongside updates on regulatory timelines and further data supporting lifecycle expansion.
- **Wave Life Sciences** – Multiple value-defining readouts across RNA-targeting programs, including Phase III topline data from the HARBOR study in myotonic dystrophy in Q2 2025, biomarker data from the FORTITUDE study in facioscapulohumeral muscular dystrophy, and regulatory submissions for WVE-N531 in Duchenne muscular dystrophy.
- **Krystal Biotech** – Clinical and commercial updates across dermatology and ocular programs, including topline data for KB-803 in ocular dystrophic epidermolysis bullosa in H1 2025.
- **Vera Therapeutics** – FDA approval decision for atacicept expected in Q3 2026.
- **Vertex Pharmaceuticals** – Continued commercial rollout of Journavx (VX-548) for acute pain, alongside regulatory and clinical milestones across kidney disease and cell-based

therapies, including regulatory submissions for VX-880 in type 1 diabetes and additional data for inaxaplin.

Cardiometabolic

- Alnylam Pharmaceuticals – Continued commercial expansion of Amvuttra in ATTR cardiomyopathy following HELIOS-B, reinforcing Alnylam's move into broader cardiometabolic indications.
- Edgewise Therapeutics – Phase III data from the GRAND CANYON study of EDG-5506 in Becker muscular dystrophy expected in H2 2026, alongside additional data in hypertrophic cardiomyopathy.
- Rivus Pharmaceuticals (private) – Ongoing Phase II proof-of-concept study in metabolically associated steatohepatitis, focusing on selective fat loss with muscle preservation.

Regulatory environment: evolving frameworks amid ongoing uncertainty

The regulatory environment remained a significant factor for the biotechnology sector in 2025. Compared to the heightened volatility seen in prior periods, conditions were somewhat more stable; however, policy and regulatory uncertainty remains elevated.

In the United States, discussions around affordability, supply chain resilience and domestic manufacturing continued to shape the landscape. The Inflation Reduction Act remains a structural influence on pricing dynamics, particularly for mature products, while differentiated therapies addressing high unmet medical need continue to benefit from viable regulatory and reimbursement pathways.

At the same time, regulatory agencies are operating in a complex environment marked by leadership changes, resource constraints and evolving policy priorities. While review activity remained active across key therapeutic areas, including rare diseases and oncology, timelines and outcomes continue to reflect a selective and at times unpredictable approval environment.

Looking ahead, regulatory policy is expected to remain dynamic. For investors and companies alike, regulatory visibility cannot be assumed and requires careful assessment. In this context, disciplined capital allocation, portfolio diversification and a focus on clinically differentiated assets remain central to navigating regulatory complexity.

Team evolution: aligning structure, expertise and execution

Team and organizational development remained a central priority in 2025 as BB Biotech continued to align its structure with the requirements of an increasingly selective and data-driven biotechnology investment environment. The objective is to build an organization that combines deep scientific expertise, strong market proximity and disciplined execution, while remaining scalable across market cycles.

A key focus during the year was the further strengthening of the US investment platform. Expanding on-the-ground presence in the world's most important biotech market has enhanced access to management teams, clinical insight and transaction flow, particularly among innovation-driven small- and mid-cap companies. This closer market proximity improves the ability to assess opportunities early and to engage more effectively across the investment lifecycle.

At the same time, analytical and technological capabilities were further developed to support a more structured, consistent and risk-aware investment process. New roles and capabilities were added to strengthen the interface between investment analysis, execution, data science and portfolio oversight. This setup is designed to translate investment hypotheses into clearly defined decision frameworks and to improve consistency across portfolio construction, risk assessment and capital deployment.



Investor engagement and communication were also further developed during the year. The communication approach was refined to ensure clearer articulation of BB Biotech's equity story, portfolio logic and long-term investment approach, supporting transparent and consistent dialogue with shareholders and the broader investment community.

Overall, the organizational developments in 2025 reflect a clear structural phase: building the capabilities, interfaces and alignment required to support disciplined capital allocation, deeper research coverage and consistent execution in a biotechnology sector that is becoming increasingly selective.

Outlook: innovation, selectivity and strategic optionality

As we look ahead to 2026, biotechnology investing will continue to be shaped by both macroeconomic forces and company-specific execution. Interest rate expectations, capital market conditions and healthcare policy developments are likely to remain influential drivers of sentiment and valuation. At the same time, increasing selectivity and differentiation are defining performance within the sector.

Innovation remains abundant, but capital allocation has become more discriminating. In an environment where macro conditions can amplify volatility, companies with strong balance sheets, clinical maturity and clear strategic relevance are better positioned to attract capital and strategic interest.



Selectivity, execution quality and strategic relevance will define the next phase of biotechnology investing.

In this context, a defining structural dynamic remains the growing reliance on external innovation by large pharmaceutical companies. The upcoming patent cliff through the mid-2030s places sustained pressure on incumbents to replenish pipelines, while internal R&D alone is lacking to offset revenue erosion. With substantial balance sheet capacity still available and only partially deployed, strategic demand for clinically mature, differentiated assets is expected to remain a structural feature of the sector rather than a cyclical phenomenon.

At the same time, the operating environment continues to normalize. Financing conditions have become more predictable, improving visibility for development planning and capital allocation. Political and regulatory discussions around tariffs, supply chains and healthcare affordability remain relevant, but are increasingly embedded into corporate and investor decision-making frameworks rather than acting as abrupt shocks. This favors measured, long-term positioning over reactive behavior.

Technological progress is also reshaping how investment decisions are made. Artificial intelligence is increasingly integrated across research, development and portfolio oversight throughout the industry. At BB Biotech, these capabilities are embedded within our proprietary research platform, BioCarta, which supports structured scenario analysis, risk assessment and portfolio transparency. The objective is not speed for its own sake, but enhanced judgment, consistency and institutional learning across the portfolio lifecycle.

From a portfolio perspective, BB Biotech enters 2026 with a clearly defined strategic orientation. Portfolio construction is driven by continuous risk assessment, disciplined capital allocation and a research engine supporting consistent, high-quality decision-making. New investments are added selectively where scientific differentiation, clinical maturity and valuation offer attractive risk-adjusted opportunities. The portfolio is deliberately positioned across development stages and therapeutic areas, ensuring each position contributes meaningfully to long-term return potential while maintaining strict controls over risk, liquidity and capital intensity. Rather than relying on individual binary outcomes, the portfolio is built around a diversified set of catalysts, allowing exposure to be adjusted as information evolves while remaining anchored to long-term return objectives.

Valuations across the sector continue to offer an attractive entry point relative to long-term fundamentals. In an environment shaped by selective capital, strategic M&A demand and accelerating innovation, BB Biotech remains focused on executing its investment approach with discipline and flexibility. This combination provides a solid foundation to pursue sustainable value creation through the next phase of the biotechnology cycle.

Commitment to shareholders

At BB Biotech, alignment with shareholder interests remains a core principle of our strategy. Since the introduction of our dividend policy in 2013, we have consistently combined long-term investment in innovation with the delivery of tangible shareholder returns. In 2025, this approach was reaffirmed by strong performance and continued capital discipline. Based on the results for the year, the Board of Directors will propose a dividend of CHF 2.25 per share, reflecting both the earnings power of the portfolio and our commitment to sustainable distributions.

Beyond capital returns, transparent and consistent engagement with shareholders is a central element of our approach. Throughout 2025, BB Biotech maintained an active dialogue with investors across regions and formats. This ongoing exchange supports a clear understanding of our strategy, portfolio positioning and decision-making framework, and helps ensure that shareholder perspectives are considered within a disciplined investment process.

Responsible investing also remains an integral part of our long-term orientation. In 2025, BB Biotech was re-included in the SPI ESG Index, underscoring the company's commitment to sound governance, transparency and sustainability standards. ESG considerations are embedded in our investment analysis and oversight, complementing our focus on scientific quality, risk management and long-term value creation.

Looking ahead, BB Biotech remains firmly anchored in its core principles: long-term investing, disciplined capital allocation and a consistent focus on shareholder value. The experience of recent market cycles has reinforced the importance of resilience, adaptability and clear strategic orientation in a complex and evolving biotech landscape.

We are confident in the opportunities ahead, supported by ongoing scientific innovation, structural demand for differentiated assets and a portfolio positioned for value creation across multiple pathways. We thank our shareholders for their continued trust and engagement and look forward to further dialogue at the Annual General Meeting on March 19, 2026.

Together, we remain committed to supporting the development of breakthrough medicines for patients while delivering sustainable long-term value for shareholders.

Sincerely,

The Board of Directors of BB Biotech AG

Dr. Thomas von Planta

Chairman

Laura Hamill

Member

Camilla Soenderby

Member

Dr. Clive Meanwell

Vice-Chairman

Dr. Pearl Huang

Member

Prof. Dr. Mads Krogsgaard Thomsen

Member

Substantial fundamental progress in the portfolio throughout 2025

In 2025, BB Biotech's portfolio delivered broad-based fundamental progress across therapeutic areas and development stages. The year was characterized by advancing clinical maturity, regulatory execution and increasing strategic relevance of key holdings. Importantly, several portfolio companies transitioned from late-stage development toward commercialization or became attractive acquisition targets, underlining the strengthening quality of the portfolio.

Q1 2025

Intra-Cellular Therapies announced in January that it had entered into a definitive agreement to be acquired by Johnson & Johnson for USD 132.00 per share in cash, corresponding to an equity value of approximately USD 14.6 bn. The offer represented a premium of roughly 40% to the prior trading price and reflected the strategic value of Caplyta and the company's expanding CNS pipeline. BB Biotech had been invested in Intra-Cellular Therapies for several years, building the position through clinical and commercial milestones. The transaction resulted in significant value realization and exemplifies our strategy of investing in clinically differentiated assets that become strategically relevant for large pharmaceutical acquirers.

Vertex Pharmaceuticals achieved two important regulatory milestones. The FDA approval of suzetrigine (VX-548) for acute pain marked the first novel non-opioid analgesic mechanism approved in over 20 years. This represents a strategic diversification beyond cystic fibrosis and positions Vertex in a multi-billion-dollar pain market amid a structural shift away from opioids. In parallel, Alyftrek (vanzacaftor/tezacaftor/deutivacaftor) received approval, strengthening the long-term durability of the CF franchise. Conversely, the discontinuation of VX-264 in type 1 diabetes due to lack of efficacy reflected disciplined capital allocation and realistic prioritization within a complex cell-based development landscape.

Wave Life Sciences reported positive 48-week data from FORWARD-53 in Duchenne muscular dystrophy (WVE-N531). The durability of dystrophin expression supported a potential accelerated approval pathway in 2026 and demonstrated the maturing clinical credibility of its stereopure RNA platform.

Q2 2025

Alnylam Pharmaceuticals received FDA approval for Amvuttra (vutrisiran) in ATTR cardiomyopathy, a transformational milestone expanding the addressable market significantly beyond hereditary ATTR. The approval confirmed the robustness of RNA interference in large cardiometabolic indications. In addition, fitusiran received FDA approval in hemophilia, further broadening Alnylam's commercial footprint and reinforcing revenue diversification.

Argenx secured FDA approval for the Vyvgart pre-filled syringe formulation in MG and CIDP. The enhanced delivery format improves patient convenience and adherence, strengthening lifecycle durability and reinforcing Argenx's competitive leadership within FcRn inhibition.

Scholar Rock reported positive Phase II EMBRAZE data for apitegromab in obesity, demonstrating 55% muscle sparing when combined with weight loss. This mechanistic differentiation significantly expands the asset's strategic scope beyond spinal muscular atrophy into broader metabolic applications.

Relay Therapeutics provided updated Phase I/II data for zovogalisib in metastatic ER+/HER2- breast cancer. The data reinforced its precision oncology positioning and supported continued development in PI3K α -mutant disease.

Rivus Pharmaceuticals delivered six-month interim proof-of-concept data in MASH (M-ACCEL study), demonstrating weight reduction and improved glycemic control with HU6. Importantly, the mechanistic profile suggested selective fat loss with muscle preservation, differentiating the asset within an increasingly competitive metabolic landscape.

Edgewise Therapeutics reported Phase II data in hypertrophic cardiomyopathy (EDG-7500). While the data were mixed, the differentiated mechanism continues to position the asset as a potential alternative to current myosin inhibitors.

Q3 2025

Ionis Pharmaceuticals achieved FDA approval for donidalorsen in hereditary angioedema (HAE), representing a key regulatory milestone and expanding its commercial rare disease presence. In addition, Phase III CORE and CORE2 readouts for olezarsen in severe hypertriglyceridemia demonstrated clinically meaningful triglyceride reduction, strengthening Ionis' cardiometabolic platform.

Revolution Medicines delivered combination data updates for zoldonrasib (RMC-9805) and elironrasib (RMC-6291), further reinforcing the mechanistic depth of its RAS(ON) portfolio. Phase I data in KRAS-G12D mutant NSCLC demonstrated continued clinical activity and supported expansion into broader solid tumor indications.

Wave Life Sciences presented additional interim data from RestAATion-2 for WVE-006 in AATD. Continued protein restoration trends supported the platform's RNA-editing validation and long-term development trajectory.

Q4 2025

Amicus Therapeutics initiated during Q4, entered into a definitive acquisition agreement with BioMarin shortly after investment. The transaction translated clinical and commercial maturity into immediate value realization and demonstrated BB Biotech's ability to identify strategically relevant rare disease platforms at attractive entry points.

Avidity Biosciences also initiated during the quarter, represents a differentiated antibody-oligonucleotide conjugate platform targeting rare neuromuscular diseases. The company combines targeted delivery with RNA-based modulation, positioning it at the intersection of biologics and nucleic acid therapeutics. Within a short period following the investment, Avidity entered into an acquisition agreement, further validating both the asset quality and the timing of capital deployment. Together with Amicus, these transactions illustrate the

strategic relevance of clinically validated rare disease assets and reinforce the portfolio's exposure to structurally attractive therapeutic areas.

Revolution Medicines continued to progress its RAS(ON) inhibitor portfolio, with ongoing pivotal studies in pancreatic cancer and further expansion into lung cancer indications. Combination strategies targeting KRAS G12D and G12C mutations reinforced the depth and scalability of the platform. The company's advancing clinical programs strengthen its positioning as a leader in KRAS-driven oncology and enhance its strategic optionality within large-cap pharmaceutical portfolios.

Ionis Pharmaceuticals maintained momentum across late-stage cardiometabolic and rare disease programs, building on regulatory and clinical progress achieved earlier in the year. The expanding pipeline of approved and near-approval assets further reduces platform risk and increases the proportion of portfolio capital allocated to de-risked development programs.

Wave Life Sciences reported that a single 240mg dose of WVE-007 improved body composition at 3-months compared to baseline, with a 9.4% reduction in visceral fat, a 4.5% reduction in total body fat, and a 3.2% increase in lean mass. This dataset supports expectations for continued improvements in body composition and additional weight loss while preserving muscle mass, with once or twice yearly dosing.

Overall, 2025 showcased substantial progress across BB Biotech's portfolio, balancing expansion in high-conviction franchises with disciplined capital recycling and selective exits where risk-reward dynamics shifted. The breadth of regulatory approvals, pivotal readouts and strategic transactions reinforces the increasing clinical maturity and strategic relevance of our holdings. The year's milestones underscore our continued commitment to long-term value creation through disciplined, fundamental-driven biotech investing.

Portfolio at a glance

Securities as at December 31, 2025

Company	Number of securities	Change since 31.12.2024	Local currency	Share price	Market value in CHF mn	In % of securities	In % of shareholders' equity	In % of company
Revolution Medicines	5 000 000	625 700	USD	79.65	315.7	11.8%	11.4%	2.6%
Argenx SE	459 000	(132 000)	USD	840.95	305.9	11.4%	11.0%	0.7%
Ionis Pharmaceuticals	4 774 223	(3 075 777)	USD	79.11	299.4	11.2%	10.8%	2.9%
Vertex Pharmaceuticals	667 375	192 375	USD	453.36	239.8	8.9%	8.6%	0.3%
Neurocrine Biosciences	1 696 683	(123 317)	USD	141.83	190.7	7.1%	6.9%	1.7%
Avidity Biosciences	2 630 969	2 630 969	USD	72.13	150.4	5.6%	5.4%	1.7%
Scholar Rock Holding	4 050 000	1 563 293	USD	44.05	141.4	5.3%	5.1%	4.0%
Alnylam Pharmaceuticals	438 679	(321 321)	USD	397.65	138.3	5.2%	5.0%	0.3%
Amicus Therapeutics	10 735 195	10 735 195	USD	14.24	121.2	4.5%	4.4%	3.5%
Viridian Therapeutics	4 355 726	4 355 726	USD	31.12	107.4	4.0%	3.9%	4.6%
Nuvalent	1 037 468	1 037 468	USD	100.59	82.7	3.1%	3.0%	1.4%
Krystal Biotech	408 920	408 920	USD	246.54	79.9	3.0%	2.9%	1.4%
Celldex Therapeutics	3 617 669	546 054	USD	27.16	77.9	2.9%	2.8%	5.4%
Immunocore	2 796 803	1 591 339	USD	34.71	76.9	2.9%	2.8%	5.5%
Vera Therapeutics	1 693 447	1 693 447	USD	50.64	68.0	2.5%	2.4%	2.4%
Relay Therapeutics	8 343 318	968 318	USD	8.46	55.9	2.1%	2.0%	4.8%
Rivus Pharmaceuticals ¹⁾			USD		43.2	1.6%	1.6%	
Jade Biosciences	3 341 103	3 341 103	USD	15.43	40.9	1.5%	1.5%	6.8%
Edgewise Therapeutics	1 528 518	99 589	USD	24.82	30.1	1.1%	1.1%	1.4%
Maze Therapeutics	887 708	887 708	USD	41.43	29.2	1.1%	1.1%	1.8%
Tango Therapeutics	3 927 670	3 927 670	USD	8.86	27.6	1.0%	1.0%	2.9%
Annexon	5 157 290	–	USD	5.02	20.5	0.8%	0.7%	3.6%
Wave Life Sciences	1 485 257	(2 609 201)	USD	17.00	20.0	0.7%	0.7%	0.8%
Galecto - Series C Preferred ¹⁾			USD		17.7	0.7%	0.6%	
Akero Therapeutics – Contingent Value Right	2 122 704	2 122 704	USD	0.65	1.1	0.0%	0.0%	
Blueprint Medicines – Contingent Value Right	284 900	284 900	USD	0.46	0.1	0.0%	0.0%	
Total securities					2 681.9	100.0%	96.5%	
Other assets					103.9		3.7%	
Other payables					(7.0)		(0.3%)	
Net Asset Value					2 778.8		100.0%	

¹ Unlisted

Exchange rate as at 31.12.2025: USD/CHF: 0.7926

Financial Report

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Consolidated balance sheet as at December 31

in CHF 1 000	Notes	2025	2024
Current assets			
Cash and cash equivalents		98 216	458
Receivables from brokers		5 514	–
Securities	4	2 681 873	2 406 881
Other assets		156	60
		2 785 759	2 407 399
Total assets		2 785 759	2 407 399
Current liabilities			
Short-term borrowings from banks	5	–	117 500
Payables to brokers		1 966	–
Other short-term liabilities	6	4 885	3 513
Tax liabilities		123	94
		6 974	121 107
Total liabilities		6 974	121 107
Shareholders' equity			
Share capital	7	11 080	11 080
Treasury shares	7	(8 169)	(39 640)
Retained earnings	7	2 775 874	2 314 852
		2 778 785	2 286 292
Total liabilities and shareholders' equity		2 785 759	2 407 399
Net asset value per share in CHF		50.40	41.75

The notes are an integral part of the consolidated financial statements.

The consolidated financial statements were approved by the Board of Directors of BB Biotech AG on February 17, 2026.

Consolidated statement of comprehensive income for the year ended December 31

in CHF 1 000	Notes	2025	2024
Operating income			
Gains from securities	4	614 143	111 548
Interest income		1 321	84
Foreign exchange gains		–	599
Other income		1 279	6
		616 743	112 237
Operating expenses			
Interest expenses		(55)	(4 978)
Foreign exchange losses		(8 191)	–
Administrative expenses	8	(23 917)	(27 359)
Other expenses	9	(6 381)	(3 947)
		(38 544)	(36 284)
Profit/(loss) before tax	12	578 199	75 953
Income taxes	10	(66)	(54)
Profit/(loss) for the period		578 133	75 899
Total comprehensive income/(loss) for the period		578 133	75 899
Earnings per share in CHF	11	10.54	1.38
Diluted earnings per share in CHF	11	10.54	1.38

The notes are an integral part of the consolidated financial statements.

Consolidated statement of changes in equity for the year ended December 31

in CHF 1 000	Share capital	Treasury shares	Retained earnings	Total
Balances at January 1, 2024	11 080	(36 508)	2 348 645	2 323 217
Dividend (CHF 2.00 per share)	–	–	(109 692)	(109 692)
Trade with treasury shares	–	(3 132)	–	(3 132)
Total comprehensive income for the period	–	–	75 899	75 899
Balances at December 31, 2024	11 080	(39 640)	2 314 852	2 286 292
Balances at January 1, 2025	11 080	(39 640)	2 314 852	2 286 292
Dividend (CHF 1.80 per share)	–	–	(98 487)	(98 487)
Trade with treasury shares	–	31 471	(18 624)	12 847
Total comprehensive income for the period	–	–	578 133	578 133
Balances at December 31, 2025	11 080	(8 169)	2 775 874	2 778 785

The notes are an integral part of the consolidated financial statements.

Consolidated statement of cash flow for the year ended December 31

in CHF 1 000	Notes	2025	2024
Cash flows from operating activities			
Proceeds from sales of securities	4	1 356 708	562 926
Purchase of securities	4	(1 021 106)	(227 152)
Interest receipts		1 321	84
Other proceeds		1 279	–
Payments for services		(29 022)	(31 229)
Income taxes paid		(35)	(69)
Total cash flows from operating activities		309 145	304 560
Cash flows from financing activities			
Dividend		(98 487)	(109 692)
Proceeds from sales of treasury shares	7	17 884	–
Purchase of treasury shares	7	(5 037)	(3 132)
Repayment of borrowings	5	(117 500)	(187 400)
Interest payments		(55)	(4 978)
Total cash flows from financing activities		(203 195)	(305 202)
Foreign exchange difference		(8 191)	599
Change in cash and cash equivalents		97 758	(43)
Cash and cash equivalents at the beginning of the period		458	501
Cash and cash equivalents at the end of the period		98 216	458

The notes are an integral part of the consolidated financial statements.

Notes to the consolidated financial statements

1. The Company and its principal activity

BB Biotech AG (the Company) is listed on the SIX Swiss Exchange as well as in the «Prime Standard Segment» of the German Exchange and has its registered office at Schwertstrasse 6 in Schaffhausen, Switzerland. Its principal activity is to invest in companies active in the biotechnology industry for the purpose of capital appreciation. The investments are held through its wholly owned subsidiaries.

Company	Capital in CHF 1 000	Capital and voting interest in %
Biotech Focus N.V., Curaçao	11	100
Biotech Growth N.V., Curaçao	11	100
Biotech Invest N.V., Curaçao	11	100
Biotech Target N.V., Curaçao	11	100

2. Accounting policies

General

The consolidated financial statements of the Company and its subsidiary companies (the Group) have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the IASB, as well as the provisions of the rules of the SIX Swiss Exchange for Investment Companies for the period January 1, 2025, until December 31, 2025. The consolidation is prepared from the financial statements of the Group companies using uniform accounting principles. With the exception of financial assets and liabilities (incl. derivative instruments), which are held at fair value through profit or loss, the financial statements are prepared under the historical cost convention. This requires management to make assumptions and estimates that have an impact on the balance sheet values and items of the income statement in the current financial year. In certain circumstances, the actual values may differ from these estimates.

The following amended standard, valid since January 1, 2025, has been applied in these consolidated financial statements.

- IAS 21 (amended, effective January 1, 2025) – Lack of Exchangeability

The Group assessed the impact of the above-mentioned amended standard. Based on the analysis, the Group concluded that the amended standard has no material impact on the Group's accounting policies and overall results and financial position.

The following new and amended standards were approved, but will only be applicable for the Group prospectively and were not early adopted in these annual consolidated financial statements.

- IFRS 9/IFRS 7 (amended, effective January 1, 2026) – Classification and Measurement of Financial Instruments
- IFRS 18 (effective January 1, 2027) – Presentation and Disclosure in Financial Statements
- IFRS 19 (effective January 1, 2027) – Subsidiaries without Public Accountability: Disclosures

The Group assessed the potential impact of the above-mentioned new and amended standards, including IFRS 18 Presentation and Disclosure in Financial Statements. The Group is not early adopting IFRS 18 and is currently evaluating its implications on the presentation of the primary financial statements and related disclosures; based on the analysis performed to date, no material impact on the Group's consolidated financial statements is expected. With respect to the other new and amended standards, the Group concluded that they have no material impact on the Group's accounting policies, financial position and overall results.

Basis of consolidation

The consolidated financial statements include the Company and the subsidiary companies which are controlled by it. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are fully consolidated from the date on which control is transferred to the Company and are deconsolidated from the date that control ceases. The consolidation is performed using the acquisition method. All intercompany transactions and balances with companies included in the consolidation are eliminated. All Group companies have a December 31 year-end.

Foreign currency translation

Based on the economic environment (primary listing, investors, costs and performance measurement) in which the Company and its subsidiaries operate, the consolidated financial statements of the Group are presented in Swiss francs, which is the Company's and its subsidiaries functional currency. Transactions in foreign currencies are converted at exchange rates as at transaction dates. Assets and liabilities in foreign currencies at year-end are translated at rates of exchange prevailing as at the balance sheet date. Exchange differences are reflected in the statement of income. Translation differences on marketable securities held at fair value through profit or loss are reported as part of the gains/(losses) from securities.

The following exchange rates have been used for the preparation of these consolidated financial statements:

Currency	31.12.2025	31.12.2024
USD	0.79260	0.90740
XCG ¹⁾	0.44528	0.50978
EUR	0.93073	0.94008
GBP	1.06790	1.13560

¹⁾ Since April 1, 2025, Caribbean Guilder, before ANG (Antillean Guilder)

Financial assets

The Group classifies its financial assets in the following categories:

- Financial assets at amortized cost
- Financial assets at fair value through profit or loss

Financial assets at amortized cost

Financial assets at amortized cost are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are generally financial assets held as part of a business model to collect contractual cash flows that are solely payments of interest and principal on the principal outstanding. They are included in current assets, except when they have maturities of greater than twelve months after the balance sheet date. Otherwise they are classified as non-current assets.

Cash and cash equivalents

Cash and cash equivalents comprise current accounts and money at banks which have a maturity of three months or less.

Receivables from brokers

Receivables from brokers result from security transactions and do not bear any interest.

These amounts are recognized initially at fair value and subsequently measured at amortized cost. At each reporting date, the Group shall measure the loss allowance on amounts due from broker at an amount equal to the Lifetime Expected Credit Loss («ECL») if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Group shall measure the loss allowance at an amount equal to 12-month ECLs. A significant increase in credit risk is defined as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired. For receivables from brokers which settle within 10 business days the ECL estimate is nil.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss comprise marketable and non-marketable securities which are classified as current assets.

Initially, securities and derivatives are measured at fair value and are subsequently remeasured at market values based on stock exchange prices or generally accepted valuation models that are based on market conditions existing at each balance sheet date, such as Black-Scholes, earnings multiple and discounted cash flow model. Purchases and sales of securities are accounted for at trade date. Realized gains and losses on security trading are recognized in the statement of comprehensive income as gains/losses from securities at the day of the transaction. Changes in fair value of securities are also recognized as gains/losses from securities in the statement of comprehensive income in the same period in which they arise. Securities are derecognized when the rights to receive cash flows from securities have expired or where the Group has transferred substantially all risks and rewards of ownership.

Transaction costs are costs to acquire financial assets at fair value through profit or loss. They include transfer taxes and duties as well as fees and commissions paid to agents, advisers, brokers and dealers. Transaction costs, when incurred, are immediately recognized as an expense.

Financial liabilities

Financial liabilities are generally classified and subsequently measured at amortized cost using the effective interest method, except for financial liabilities held for trading and derivatives.

Payables to brokers

Payables to brokers result from security transactions and do not bear any interest.

Short-term borrowings from banks

Short-term borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

Income taxes

Current income taxes are calculated on the basis of the applicable tax laws in individual countries and recognized as an expense in the period in which the related profits are made.

Assets or liabilities related to current income taxes are reported in the balance sheet in the items «Current tax assets» or «Current tax liabilities». Tax effects arising from temporary differences between the carrying amounts of assets and liabilities in the Group's balance sheet and their corresponding tax values are recognized, respectively, as «Deferred tax assets» and «Deferred tax liabilities». Deferred tax assets arising from temporary differences and from loss carry-forwards eligible for offset are capitalized if it is likely that sufficient taxable profits will be available against which those temporary differences or loss carry-forwards can be offset. Deferred tax assets and deferred tax liabilities are calculated at the tax rates expected to apply in the period in which the tax assets will be realized, or the tax liabilities settled.

Earnings per share

Basic earnings per share are calculated by dividing the net profit/loss attributable to shareholders by the weighted average number of registered shares in issue during the year, less treasury shares. For the diluted earnings per share, the weighted average number of registered shares in issue and the net profit is adjusted to assume conversion of all dilution potential registered shares.

Treasury shares

The company can buy and sell treasury shares in accordance with the Company's article of association, Swiss company law and in compliance with the listing rules of SIX Swiss Exchange.

Treasury shares are recorded as a deduction from the shareholders' equity at the amount of considerations paid («Total cost»). All gains and losses arising from trading in treasury shares are directly credited/debited to retained earnings. The FIFO (first in/first out) method is used for derecognition. The purchase price is booked gross with transaction costs. Treasury shares may be acquired and held by the Company or by other members of the consolidated Group.

Net asset value per share

The net asset value per share is calculated by dividing the shareholders' equity by the number of shares outstanding less treasury shares held at year end.

Dividend income

Dividends on securities are recognized in the income statement when the Group's right to receive payment is established.

Leasing contracts

The Group has two rental contracts for office space in Schaffhausen and Curacao. Due to the immateriality of a right-of-use-asset and a lease liability, no disclosures according to IFRS 16 are made within these consolidated financial statements.

Pension liability

BB Biotech AG maintains a defined benefit plan for its employees. There is no pension plan for employees of Group companies. Due to the immateriality of any potential pension liability or potential pension asset, no disclosures according to IAS 19 are made within these consolidated financial statements.

Segment reporting

IFRS 8 requires entities to define operating segments and segment performance in the financial statements based on information used by the chief operating decision-maker. The investment manager is considered to be the chief operating decision-maker. An operating segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other operating segments. The sole operating segment of the Group is investing in companies active in the biotechnology industry. The investment manager works as a team for the entire portfolio, asset allocation is based on a single, integrated investment strategy and the Group's performance is evaluated on an overall basis. Thus the results published in this report correspond to the sole operating segment of investing in companies active in the biotechnology industry.

Related party

Related parties are individuals and companies where the individual or company has the ability, directly or indirectly, to control the other party or to exercise significant influence over the other party in making financial and operating decisions.

Commitments, contingencies and other off-balance sheet transactions

The operations of the Group are affected by legislative, fiscal and regulatory developments for which provisions are made where a legal or constructive obligation has been incurred which will probably lead to an outflow of resources that can be reasonably estimated.

Critical accounting estimates and judgments

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group makes estimates and assumptions that are mainly based on market conditions to value these financial instruments. Since these financial instruments are not traded in an active market, inherent difficulties exist to value these financial instruments. These difficulties cannot be eliminated. The difference between the proceeds from sale of these financial instruments and the carrying amount may be material. Note 4 discloses further details on fair values of financial instruments not traded in active markets.

The Company has assessed whether it is appropriate under IFRS 10 to consolidate the Subsidiaries. IFRS 10 states that an investor controls the investee if, and only if, the investor has all of the following:

- Power over the investee;
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect the amount of the investor's returns

The Company owns 100% of the capital and voting interest in all four subsidiaries as disclosed in [note 1](#). Therefore the Company has power over the organization and directs the investment activities and dividend policy of its subsidiaries. The scope of the investment management and administration agreement with the investment manager also includes all subsidiaries.

Further, IFRS 10 requires that a subsidiary that provides services related to the parent's investment activities should not be consolidated if the subsidiary itself is an investment entity. The Company also made an assessment as to whether the Company's Subsidiaries meet the definition of an investment entity. IFRS 10 provides that an investment entity should have the following typical characteristics:

- It has more than one investment;
- It has more than one investor;
- It has investors that are not related parties of the entity; and
- It has ownership interests in the form of equity or similar interests.

An investment entity is still required to consolidate its subsidiaries if the subsidiary provides services that relate to the investment entity's investment activities.

The Company concluded that the Subsidiaries do not qualify as investment entities, but are effectively operating subsidiaries as they act as an extension of the Company. They provide requisite investment-related services to the Company and incur costs in doing so, thus the Company consolidates its subsidiaries. Fair value accounting would not have a material impact on the net income and equity of the Group.

3. Financial risk management

Within the framework of the law, articles of incorporation and regulations, the investment manager carries out currency and security forward transactions, buys, sells and makes use of options as well as fulfills all necessary obligations that result from these businesses.

Credit risk

The Group is exposed to credit risk, which is the risk that a counterparty will be unable to pay amount in full when due. The Group measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. The Group considers both historical analysis and forward looking information in determining any expected credit loss.

The Group manages and controls its credit risk by maintaining business relations only with counterparties with an acceptable credit rating. All transactions in securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation. The Group's credit positions, if any, are monitored on a daily basis by the investment manager and are reviewed on a regular basis by the Board of Directors.

As at December 31, 2025 and 2024, the ECL-impairment model did not have a material impact as (i) the majority of the financial assets are measured at fair value through profit or loss and the impairment requirements do not apply to such instruments; and (ii) the financial assets at amortized cost are short-term (no longer than 10 days). As a result, no loss allowance has been recognized.

Market risks

Risk associated with changing market prices

Due to its business activity and the resulting high portion of securities in relation to total assets, the Group is exposed to market price risk arising from uncertainties and fluctuations on the financial and foreign exchange markets.

The Group participates occasionally, but to a substantial extent, in the capital of its investments. In the case of sales of large parts of these investments, it may be able to influence the market price. The Group's securities positions are monitored on a daily basis by the investment manager and are reviewed on a regular basis by the Board of Directors.

The Group's business is to invest in biotechnology companies with the purpose of capital appreciation. Consequently, it is exposed to market risks of this industry. The individual securities are disclosed in [note 4](#) and the valuation is made at fair value. Consequently, any price changes are reflected accordingly by the changes in fair value in the context of the subsequent valuation.

The annual volatility of registered shares BB Biotech AG (reference volatility for the marketable securities) for 2025 is 28.02% (2024: 21.37%). At December 31, 2025, had the value of listed securities increased or decreased by 28.02% (2024: 21.37%) with all other variables held constant, the increase or decrease respectively in net income/loss as well as shareholders' equity would amount to CHF 734.0 mn (2024: CHF 506.3 mn).

At December 31, 2025, the Company holds two investments in unlisted shares (2024: one).

Interest risk

Interest rates on liquid funds are based on market rates. The funds are due on demand.

Short-term borrowings from banks are on current and short-term loan accounts with interest, based at market rates. Due to the high level of own funds, the effect of interest payable on the statement of income is insignificant. The majority of the Group's securities are non-interest bearing; as a result, the Group is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

The Group's interest sensitivity is monitored on a daily basis by the investment manager and reviewed on a regular basis by the Board of Directors.

Currency risk

The Group hold assets denominated in currencies other than the Swiss franc, the functional currency. They are therefore exposed to currency risk, as the value of the securities denominated in other currencies will fluctuate due to changes in exchange rates. Depending on the market situation the Group could use foreign currency options and/or forward contracts to reduce the currency risk.

The following table summarizes the Group's exposure to currency risks:

2025	Net exposure 31.12. (in CHF 1 000)	Annual volatility (in %)	Potential impact (in CHF 1 000)¹⁾
USD	2 783 519	9.01	250 795
XCG ²⁾	41	9.01	4
2024			
USD	2 407 011	7.07	170 176
ANG	84	7.07	6

¹⁾ Potential impact on total comprehensive income as well as shareholders' equity with all other variables held constant

²⁾ Since April 1, 2025, Caribbean Guilder, before ANG (Antillean Guilder)

The Group's currency position is monitored on a daily basis by the investment manager and is reviewed on a regular basis by the Board of Directors.

Liquidity risk

The Group invests the majority of its assets in investments that are traded in an active market and can be readily disposed of. The Group's treasury shares, with the exception of shares purchased under a share buy-back program, are considered readily realizable as they are listed on two stock exchanges. The Group can invest a minor part of its portfolio in securities, which are not traded on a stock exchange and may be illiquid. As a result, the Group may not be able to liquidate its investments in these instruments on short notice. In addition, the Group has access to a credit line (notes [5](#) and [13](#)).

The tables below analyze the Group's financial liabilities into relevant maturity groupings based on the period between the balance sheet date and the contractual maturity date (in CHF 1 000):

At December 31, 2025	Less than 1 month	1–3 months	More than 3 months / no stated maturity
Payables to brokers	1 966	–	–
Other short-term liabilities	4 424	461	–
Total liabilities	6 390	461	–
At December 31, 2024			
Short-term borrowings from banks	117 500	–	–
Other short-term liabilities	2 962	551	–
Total liabilities	120 462	551	–

The Group's liquidity position is monitored on a daily basis by the investment manager and is reviewed on a regular basis by the Board of Directors.

Diversification

The investment portfolio usually consists of 20 to 35 investments. This includes five to eight large core investments, defined as positions > 5%. Together, these investments will generally account for up to two-thirds of the portfolio. Companies without a stock market listing shall not exceed 10% of the portfolio.

As at December 31, 2025, the Group held eight core investments, representing 66% of the Company's securities (2024: eight core investments, 68%). The portfolio is – in line with the strategy – concentrated on a limited number of investments. Risk diversification is therefore limited.

4. Financial assets

Fair values

The following table presents the Group's assets that are measured at fair value through profit and loss at December 31 (in CHF 1 000):

2025	Level 1	Level 2	Level 3	Total
Assets				
Securities				
- Shares	2 619 716	17 745	43 215	2 680 676
- Derivative instruments	–	–	1 197	1 197
Total assets	2 619 716	17 745	44 412	2 681 873
2024				
Assets				
Securities				
- Shares	2 369 436	–	37 444	2 406 881
Total assets	2 369 436	–	37 444	2 406 881

There were no material transfers between level 1, 2 and 3 during the reporting period.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the closing price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available. As of December 31, 2025, the Company holds one level 2 instrument (December 31, 2024: zero).

The fair value of level 2 instruments at initial recognition represents the transaction price (purchase of unlisted preferred stocks of Galecto in November 2025 for 5 630 TCHF), which was paid in a financing round together with other investors. As at December 31, 2025, the fair value is determined based on the observable market price of the listed Galecto shares, taking into account the contractually defined conversion ratio.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The valuation of level 3 instruments is quarterly reviewed. As soon as new or adjusted parameters are available the valuation of unlisted shares is adjusted accordingly (e.g. discounted cash flow model, round of financing). As of December 31, 2025, the Company holds three level 3 instruments (December 31, 2024: two).

The table below summarizes the transactions in level 3 instruments (in CHF 1 000):

	2025	2024
Opening balance	37 444	14 725
Purchases	12 079	15 139
Sales	(7 900)	–
Realized gains/(losses) included in gains/losses from securities	7 900	–
Unrealized gains/(losses) included in gains/losses from securities	(5 111)	7 581
Closing balance	44 412	37 444
Gains/(losses) on level 3 instruments included in gains/losses from securities	2 789	7 581

The fair value of level 3 instruments at initial recognition represents the transaction price (purchase of preferred stocks of Rivus Pharmaceuticals in August 2022 for TCHF 16 875, August 2024 for TCHF 15 139 and January 2025 TCHF 12 079), which was paid in financing rounds together with other investors. As at December 31, 2025, the fair value is determined using a discounted cash flow model. The valuation incorporates estimated future cash flows, discounted using a risk-adjusted discount rate. As at December 31, 2024, the latest transaction price in USD was deemed to be a reasonable approximation of fair value.

In August 2022, 8 733 538 Radius Health – Contingent Value Rights were allocated from a corporate action. In February 2025, BB Biotech received USD 1 per Right. In July 2025, 284 900 Blueprint Medicines – Contingent Value Rights were allocated from a corporate action. The valuation as of December 31, 2025, is USD 0.46 per Right. In December 2025, 2 122 704 Akero Therapeutics – Contingent Value Rights were allocated from a corporate action. The valuation as of December 31, 2025, is USD 0.65 per Right.

For assets and liabilities carried at amortized cost, their carrying values are a reasonable approximation of fair value.

Key assumptions for the valuation of the level 3 financial instruments vary from investment to investment. The following table shows the effect on the valuation when these assumptions are changed:

2025	Fair value in CHF 1 000	Key assumption	Changes in key assumption	Change in fair value in CHF 1 000
Sensitivity analysis				
Rivus Pharmaceuticals	43 215	Future free cash flows	+ 5 percent	+ 2046
			- 5 percent	- 2171
		Discount rate	- 2 percentage points	+ 7259
			+ 2 percentage points	- 9218
Contingent Value Rights	1 197	Milestone of a drug	Not met	- 1197
			Met	+ 10253
2024				
	Fair value in CHF 1 000	Key assumption	Changes in key assumption	Change in fair value in CHF 1 000
Sensitivity analysis				
Unlisted shares	37 444	Transaction price	+ 5 percentage points	+ 1872
			- 5 percentage points	- 1872
Contingent Value Rights	0	Net sales target of a drug	Not met	0
			Met	+ 7925

Securities

The changes in value of securities by investment category are as follows (in CHF 1 000):

	Listed shares	Unlisted shares	Derivative instruments	Total
Opening balance as at 01.01.2024 at fair values	2 619 989	14 725	–	2 634 714
Purchases	206 303	15 139	316	221 758
Sales	(561 097)	–	(42)	(561 139)
Gains/(losses) from securities	104 241	7 581	(274)	111 548
<i>Realized gains</i>	107 900	–	–	107 900
<i>Realized losses</i>	(46 182)	–	(274)	(46 456)
<i>Unrealized gains</i>	480 172	7 581	–	487 753
<i>Unrealized losses</i>	(437 649)	–	–	(437 649)
Closing balance as at 31.12.2024 at fair values	2 369 436	37 444	–	2 406 881
Opening balance as at 01.01.2025 at fair values	2 369 436	37 444	–	2 406 881
Purchases	1 005 363	17 709	–	1 023 072
Sales	(1 354 321)	–	(7 900)	(1 362 221)
Gains/(losses) from securities	599 238	5 807	9 097	614 143
<i>Realized gains</i>	260 639	–	7 900	268 539
<i>Realized losses</i>	(194 327)	–	–	(194 327)
<i>Unrealized gains</i>	562 618	12 115	1 197	575 930
<i>Unrealized losses</i>	(29 692)	(6 308)	–	(36 000)
Closing balance as at 31.12.2025 at fair values	2 619 716	60 960	1 197	2 681 873

Securities comprise the following:

Company	Number 31.12.2024	Change	Number 31.12.2025	Market price in original currency 31.12.2025	Valuation CHF mn 31.12.2025	Valuation CHF mn 31.12.2024
Revolution Medicines	4 374 300	625 700	5 000 000	USD	79.65	315.7
Argenx SE	591 000	(132 000)	459 000	USD	840.95	305.9
Ionis Pharmaceuticals	7 850 000	(3 075 777)	4 774 223	USD	79.11	299.4
Vertex Pharmaceuticals	475 000	192 375	667 375	USD	453.36	239.8
Neurocrine Biosciences	1 820 000	(123 317)	1 696 683	USD	141.83	190.7
Avidity Biosciences	–	2 630 969	2 630 969	USD	72.13	150.4
Scholar Rock Holding	2 486 707	1 563 293	4 050 000	USD	44.05	141.4
Alnylam Pharmaceuticals	760 000	(321 321)	438 679	USD	397.65	138.3
Amicus Therapeutics	–	10 735 195	10 735 195	USD	14.24	121.2
Viridian Therapeutics	–	4 355 726	4 355 726	USD	31.12	107.4
Nuvalent	–	1 037 468	1 037 468	USD	100.59	82.7
Krystal Biotech	–	408 920	408 920	USD	246.54	79.9
Celldex Therapeutics	3 071 615	546 054	3 617 669	USD	27.16	77.9
Immunocore	1 205 464	1 591 339	2 796 803	USD	34.71	76.9
Vera Therapeutics	–	1 693 447	1 693 447	USD	50.64	68.0
Relay Therapeutics	7 375 000	968 318	8 343 318	USD	8.46	55.9
Jade Biosciences	–	3 341 103	3 341 103	USD	15.43	40.9
Edgewise Therapeutics	1 428 929	99 589	1 528 518	USD	24.82	30.1
Maze Therapeutics	–	887 708	887 708	USD	41.43	29.2
Tango Therapeutics	–	3 927 670	3 927 670	USD	8.86	27.6
Annexon	5 157 290	–	5 157 290	USD	5.02	20.5
Wave Life Sciences	4 094 458	(2 609 201)	1 485 257	USD	17.00	20.0
Intra-Cellular Therapies	2 425 000	(2 425 000)	–	USD	n.a.	–
Incyte	2 150 000	(2 150 000)	–	USD	98.77	–
Agiros Pharmaceuticals	3 515 150	(3 515 150)	–	USD	27.22	–
Biohaven	2 040 853	(2 040 853)	–	USD	11.29	–
Moderna	1 600 000	(1 600 000)	–	USD	29.49	–
Arvinas	2 380 000	(2 380 000)	–	USD	11.86	–
Beam Therapeutics	1 518 121	(1 518 121)	–	USD	27.72	–
MacroGenics	9 929 963	(9 929 963)	–	USD	1.61	–
Sage Therapeutics	4 460 693	(4 460 693)	–	USD	n.a.	–
Esperion Therapeutics	9 944 064	(9 944 064)	–	USD	3.70	–
Black Diamond Therapeutics	8 517 839	(8 517 839)	–	USD	2.43	–
Fate Therapeutics	4 839 779	(4 839 779)	–	USD	0.98	–
Akero Therapeutics	–	–	–	USD	n.a.	–
Blueprint Medicines	–	–	–	USD	n.a.	–
Listed shares					2 619.8	2 369.5
Rivus Pharmaceuticals				USD	43.2	37.4
Galecto - Series C Preferred				USD	17.7	–
Unlisted shares					60.9	37.4
Total shares					2 680.7	2 406.9
Akero Therapeutics – Contingent Value Right	–	2 122 704	2 122 704	USD	0.65	1.1
Blueprint Medicines – Contingent Value Right	–	284 900	284 900	USD	0.46	0.1
Molecular Templates – Warrants, 2.4.29	769 334	(769 334)	–	USD	n.a.	–
Radius Health – Contingent Value Right	8 733 538	(8 733 538)	–	USD	n.a.	–
Total derivative instruments					1.2	–
Total securities					2 681.9	2 406.9

Securities are deposited with Bank Julius Baer & Co. Ltd., Zurich.

5. Short-term borrowings from banks

At December 31, 2025, there is no short-term loan outstanding (2024: CHF 117.5 mn at 0.90% p.a.).

6. Other short-term liabilities

Other short-term liabilities comprise the following:

in CHF 1 000	31.12.2025	31.12.2024
Payables to investment manager	2 357	1 892
Other liabilities	2 528	1 621
Total liabilities to third parties	4 885	3 513

7. Shareholders' equity

The share capital of the Company consists of 55.4 mn fully paid registered shares (2024: 55.4 mn registered shares) with a par value of CHF 0.20 each (2024: CHF 0.20). CHF 2.2 mn of the retained earnings (2024: CHF 2.2 mn) are undistributable.

in CHF 1 000	Share capital	Treasury shares	Retained earnings	Total
Balances at January 1, 2024	11 080	(36 508)	2 348 645	2 323 217
Dividend (CHF 2.00 per share)	–	–	(109 692)	(109 692)
Trade with treasury shares	–	(3 132)	–	(3 132)
Total comprehensive income for the period	–	–	75 899	75 899
Balances at December 31, 2024	11 080	(39 640)	2 314 852	2 286 292
Balances at January 1, 2025	11 080	(39 640)	2 314 852	2 286 292
Dividend (CHF 1.80 per share)	–	–	(98 487)	(98 487)
Trade with treasury shares	–	31 471	(18 624)	12 847
Total comprehensive income for the period	–	–	578 133	578 133
Balances at December 31, 2025	11 080	(8 169)	2 775 874	2 778 785

Paid dividend per share 2025: CHF 1.80 (2024: CHF 2.00).

At December 31, 2025 and 2024, the Company has neither authorized nor conditional capital.

Treasury shares

The Company can buy and sell treasury shares in accordance with the Company's articles of association and Swiss company law and in compliance with the listing rules of the SIX Swiss Exchange. During the period from January 1, 2025, to December 31, 2025, the Company has bought 166 750 treasury shares and has sold 554 000 treasury shares (01.01.–31.12.2024: Purchase of 84 000 treasury shares, no sales). As at December 31, 2025, the Company holds 250 750 treasury shares (December 31, 2024: 638 000 shares). The treasury shares as at

December 31, 2025, were treated as a deduction from the consolidated shareholders' equity using cost values of TCHF 8 169 (December 31, 2024: TCHF 39 640)

Share buy-back 2nd line (bought for cancellation)

The Board of Directors has approved the repurchase of a maximum of 5 540 000 own registered shares with a nominal value of CHF 0.20 each. Until the end of the program at April 11, 2025, 250 750 registered shares were repurchased via a second trading line for the purpose of capital reduction (December 31, 2024: 84 000 shares).

8. Administrative expenses

Administrative expenses comprise the following:

in CHF 1 000	2025	2024
Investment manager		
– Management fees	21 490	24 943
Personnel		
– Board of Directors remuneration	1 660	1 665
– Wages and salaries	634	623
– Social insurance contributions and duties	133	128
	23 917	27 359

The remuneration model of BB Biotech AG is determined by the Board of Directors.

Since 2014, the remuneration paid to the investment manager is based upon a 1.1% p.a. all-in fee on the average market capitalization without any additional fixed or performance-based elements of compensation, which is paid on a monthly basis. The compensation of the Board of Directors consists of a fixed compensation since 2014.

9. Other expenses

Other expenses comprise the following:

in CHF 1 000	2025	2024
Bank charges	443	492
Marketing and financial reporting	653	995
Legal and consulting expenses	352	244
Transaction costs	3 180	1 082
Other expenses	1 753	1 134
	6 381	3 947

10. Income taxes

in CHF 1 000	2025	2024
Operating income before tax	578 199	75 953
Expected tax rate (Direct federal, cantonal and communal tax)	15.6%	14.2%
Expected income tax	89 962	10 757
Difference between effective local tax rates and the expected Swiss tax rate	89 896	10 703
Total income tax	66	54

In the current year, the average effective income tax rate on a consolidated basis was less than 1% (2024: <1%). This low rate is mainly attributable to the fact that a large proportion of operating income was generated by companies located in Curaçao. As at December 31, 2025, there is no nettable loss carry forward (2024: none).

11. Earnings per share

	2025	2024
Profit/(loss) for the period (in CHF 1 000)	578 133	75 899
Weighted average number of shares in issue	54 845 193	54 831 538
Earnings per share in CHF	10.54	1.38
Income used to determine diluted earnings per share (in CHF 1 000)	578 133	75 899
Weighted average number of shares in issue following the dilution	54 845 193	54 831 538
Diluted earnings per share in CHF	10.54	1.38

12. Segment reporting

The sole operating segment of the Group reflects the internal management structure and is evaluated on an overall basis. Revenue is derived by investing in a portfolio of companies active in the biotechnology industry for the purpose of capital appreciation. The following results correspond to the sole operating segment of investing in companies active in the biotechnology industry.

The geographical analysis of the profit/(loss) before tax is as follows – all income from financial assets are attributed to a country based on the domiciliation of the issuer of the instrument:

Profit/(loss) before tax in CHF 1 000	2025	2024
USA	600 500	(440)
Netherlands	58 870	159 365
Singapore	14 902	29 295
Great Britain	1 732	(31 921)
Canada	–	(33 305)
Switzerland	(13 117)	(11 354)
Curaçao	(24 102)	(31 628)
British Virgin Islands	(60 586)	(4 059)
	578 199	75 953

13. Assets pledged

At December 31, 2025, the securities in the amount of CHF 2 681.9 mn (2024: CHF 2 406.9 mn) are a collateral for a credit line of CHF 700 mn (2024: CHF 700 mn).

At December 31, 2025, no short-term loan is outstanding (2024: CHF 117.5 mn).

14. Commitments, contingencies and other off-balance sheet transactions

The Group had no commitments or other off-balance sheet transactions open at December 31, 2025 (2024: none).

The operations of the Group are affected by legislative, fiscal and regulatory developments for which provisions are made where deemed necessary. The Board of Directors concludes that as at December 31, 2025, no proceedings existed which could have any material effect on the financial position of the Group (2024: none).

15. Financial instruments by category

Financial assets and liabilities are allocated to categories as follows (in CHF 1 000):

At December 31, 2025	Financial assets at amortized cost	Financial assets at fair value through profit or loss	Total
Assets as per balance sheet			
Cash and cash equivalents	98 216	–	98 216
Receivables from brokers	5 514	–	5 514
Securities	–	2 681 873	2 681 873
	103 730	2 681 873	2 785 603
	Financial liabilities at amortized cost	Financial liabilities at fair value through profit or loss	Total
Liabilities as per balance sheet			
Payables to brokers	1 966	–	1 966
Other short-term liabilities	4 885	–	4 885
	6 851	–	6 851
At December 31, 2024	Financial assets at amortized cost	Financial assets at fair value through profit or loss	Total
Assets as per balance sheet			
Cash and cash equivalents	458	–	458
Securities	–	2 406 881	2 406 881
	458	2 406 881	2 407 339
	Financial liabilities at amortized cost	Financial liabilities at fair value through profit or loss	Total
Liabilities as per balance sheet			
Short-term borrowings from banks	117 500	–	117 500
Other short-term liabilities	3 513	–	3 513
	121 013	–	121 013

Profit and loss from financial assets and liabilities are allocated to categories as follows
(in CHF 1 000):

2025	Financial assets at amortized cost	Financial instruments at fair value through profit or loss	Financial liabilities at amortized cost	Total
Profit and loss from financial instruments				
Gains from securities	–	614 143	–	614 143
Interest income	1 321	–	–	1 321
Interest expenses	–	–	(55)	(55)
Foreign exchange losses	(8 191)	–	–	(8 191)
2024				
Profit and loss from financial instruments				
Gains from securities	–	111 548	–	111 548
Interest income	84	–	–	84
Foreign exchange gains	599	–	–	599
Interest expenses	–	–	(4 978)	(4 978)

16. Transactions with the investment manager and related party transactions

The investment management and administration of the Company has been delegated to Bellevue Asset Management AG. Based on the 1.1% p.a. all-in fee model, no additional costs incurred at Bellevue Asset Management AG were charged to the BB Biotech Group (2024: none). The amounts outstanding at the balance sheet date are disclosed in [note 6](#), «Other short-term liabilities».

17. Significant shareholders

Based on information received and published by the Company, the following party owns significant voting rights:

Voting rights in %	31.12.2025	31.12.2024
Saba Capital Management, L.P., New York, USA	5.004%	n.a.
UBS Fund Management AG, Zurich, Switzerland	4.356%	4.356%

18. Subsequent events

There have been no events subsequent to December 31, 2025, until the date of the issue of these consolidated financial statements, which would affect the 2025 consolidated financial statements.

Report on the Audit of the Consolidated Financial Statement

Report of the statutory auditor to the General Meeting of BB Biotech AG, Schaffhausen

Opinion

We have audited the consolidated financial statements of BB Biotech AG (the Company) and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2025, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and comply with Swiss law.

Basis for Opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the «Auditor's Responsibilities for the Audit of the Consolidated Financial Statements» section of our report. We are independent of the Group in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities, as well as those of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter

Valuation of investment securities

The investment portfolio as of 31 December 2025 comprises investments in marketable and non-marketable securities.

As set out in note 4 (Schedule of securities) securities amount to CHF 2 682 million or 96.3% of total assets.

The valuation of the securities is prepared by the Investment Manager using the valuation methods disclosed in note 2 (Accounting policies).

We consider this area to be a key audit matter because of the significant value of the securities in the consolidated financial statements.

How our audit addressed the key audit matter

We gained an understanding of the controls in place related to the valuation of investment securities to determine whether the Investment Manager has appropriate controls in place. Further, we verified the adequacy of the applied valuation methods as well as the appropriateness of the resulting valuations.

To audit the valuation of the investment securities we performed the following procedures.

- We compared the valuation methods applied by the Investment Manager with generally accepted valuation methods. Further, we verified the quoted prices of marketable investment securities by comparing them with those from an independent source different from that used by the Investment Manager;
- Additionally, we verified that the valuation of the non-marketable investment securities is in line with the valuation policies of the Group. We involved a valuation specialist challenging the relevant input factors applied in the valuation by comparing them with past figures, benchmarks, publicly available data and our own market assessments.

Based on the procedures performed above, we obtained sufficient audit evidence to address the risk of valuation of investment securities.

Key audit matter**Ownership of investment securities**

The securities are safeguarded by an independent custodian.

As set out in note 4 (Schedule of securities) securities amount to CHF 2 682 million or 96.3% of total assets.

There is a risk that the Group may not have sufficient legal entitlement to the securities.

We consider this area to be a key audit matter because of the significant value of the securities in the consolidated financial statements.

How our audit addressed the key audit matter

We gained an understanding of the controls in place related to the ownership of investment securities to determine whether the Investment Manager has appropriate controls in place.

We examined the ownership of the securities by requesting a confirmation of the securities directly from the custodian.

We obtained sufficient audit evidence to address the risk of insufficient legal entitlement to the securities portfolio.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' Responsibilities for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with IFRS Accounting Standards and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high

level of assurance but is not a guarantee that an audit conducted in accordance with Swiss law, ISA and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

Report on Other Legal and Regulatory Requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Deloitte AG

Chris Krämer

Licensed Audit Expert
Auditor in Charge

Mathieu Valette

Licensed Audit Expert

Zurich, 17 February 2026

Balance sheet as at December 31

in CHF	Notes	2025	2024
Current assets			
Cash and cash equivalents		70 536	125 695
Other current receivables		5 423 931	5 022 840
		5 494 467	5 148 535
Non-current assets			
Investments		1 177 069 500	1 177 069 500
		1 177 069 500	1 177 069 500
Total assets		1 182 563 967	1 182 218 035
Current liabilities			
Other current liabilities	2.1	388 056	348 387
Accrued expenses		252 533	801 979
		640 589	1 150 366
Total liabilities		640 589	1 150 366
Shareholders' equity			
Share capital	2.2	11 080 000	11 080 000
Legal capital reserves			
- Paid-in capital reserve ¹⁾		20 579 224	20 579 224
Legal profit reserves			
- General legal reserve		4 500 000	4 500 000
- Reserve for treasury shares ²⁾		–	39 640 314
Other reserves		226 827 756	187 187 442
Retained earnings	4/5	927 105 831	921 212 821
Treasury shares		(8 169 433)	(3 132 132)
		1 181 923 378	1 181 067 669
Total liabilities and shareholders' equity		1 182 563 967	1 182 218 035

¹⁾ Of which CHF 20 441 000 not confirmed by the Swiss Tax Authorities due to present regulation

²⁾ For treasury shares held by subsidiaries

The financial statements were approved by the Board of Directors of BB Biotech AG on February 17, 2026.

Statement of income for the year ended December 31

in CHF	Notes	2025	2024
Operating income			
Income from investments		104 025 000	111 263 000
Other income	2.3	5 357 200	4 968 669
		109 382 200	116 231 669
Operating expenses			
Administrative expenses	2.4	(2 244 842)	(2 270 291)
Other expenses	2.5	(2 621 777)	(2 241 885)
		(4 866 619)	(4 512 176)
Profit/(loss) before finance income and tax		104 515 581	111 719 493
Finance income		2 334	1 182
Finance expenses		(7 483)	(19 932)
Profit/(loss) before tax		104 510 432	111 700 743
Tax expenses	2.6	(129 972)	(113 776)
Net income for the year		104 380 460	111 586 966

Notes to the financial statements

BB Biotech AG

1. Accounting policies

General

The financial statements of BB Biotech AG (the Company) have been prepared in accordance with the provisions of commercial accounting as set out in the Swiss Code of Obligations. The financial statements have been prepared under the historical cost convention.

Cash and cash equivalents

Cash and cash equivalents includes current accounts at banks. These are stated at the notional amount.

Investments

The investments include the subsidiaries over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Initially and subsequently, investments are valued at historical cost. An impairment is recognized if the value in use is expected to permanently fall below the book value.

Income from investments is recognized in the income statement when the Company's right to receive the dividend payment is established.

Receivables/liabilities

Receivables/liabilities are classified as current assets/liabilities if maturity is expected to be within twelve months after the balance sheet date. Else, they are classified as long-term assets/liabilities. Receivables/liabilities are recognized at notional value. Receivables/liabilities against related parties include transactions with the Board of Directors as well as Group companies and affiliates. Receivables/liabilities against group companies result mainly from cash-pooling activities of the Group. The Group consists of BB Biotech AG and the mentioned subsidiaries under 3.3.

Treasury shares

Treasury shares are deducted from shareholders' equity. All profits and losses arising from trading in treasury shares are included in the income statement. A reserve for treasury shares is built for treasury shares held by the subsidiaries, booked against other reserves. The reserve is based on cost prices.

2. Details and explanations to the financial statements

2.1 Other current liabilities

The other current liabilities comprise the following (in CHF):

	2025	2024
Third parties	341 798	311 259
Investment Manager	46 259	37 127
	388 056	348 387

2.2 Shareholders' equity

The share capital of the Company consists of 55.4 mn fully paid registered shares (2024: 55.4 mn registered shares) with a par value of CHF 0.20 each (2024: CHF 0.20).

The Board of Directors has approved the repurchase of a maximum of 5 540 000 own registered shares with a nominal value of CHF 0.20 each. Until the end of the program at April 11, 2025, 250 750 registered shares were repurchased via a second trading line for the purpose of capital reduction (2024: 84 000 shares).

At December 31, 2025 and 2024, the Company has neither authorized nor conditional capital.

2.3 Other income

Other income comprises the following (in CHF):

	2025	2024
Income group services	5 352 000	4 963 000
Other income	5 200	5 669
	5 357 200	4 968 669

2.4 Administrative expenses

Administrative expenses comprise the following (in CHF):

	2025	2024
Board of Directors remuneration	1 660 000	1 665 000
Social insurance contributions and duties	46 508	46 111
Investment manager compensation	390 720	453 516
Staff costs	147 614	105 665
	2 244 842	2 270 291

The remuneration report discloses further details to the Board of Directors compensation.

2.5 Other expenses

Other expenses comprise the following (in CHF):

	2025	2024
Marketing and financial reporting	652 800	994 990
Audit, legal and consulting expenses	351 710	243 937
Bank charges	1 345	1 107
Other expenses	1 615 922	1 001 850
	2 621 777	2 241 885

2.6 Tax expenses

Tax expenses comprise the following (in CHF):

	2025	2024
Income taxes	65 599	53 644
Capital taxes	64 373	60 132
	129 972	113 776

3. Other information

3.1 Name, legal form and registered office

BB Biotech AG is a limited company according to the Swiss Code of Obligation and has its registered office at Schwertstrasse 6 in Schaffhausen, Switzerland.

3.2 Declaration of number of full-time equivalents

The number of full-time equivalents did not exceed 10 in the calendar year 2025 (2024: below 10).

3.3 Investments

Investments of BB Biotech AG comprise, in the business years 2025 and 2024, the following subsidiaries:

Company	Capital in CHF 1 000	Capital and voting interest in %
Biotech Focus N.V., Curaçao	11	100
Biotech Growth N.V., Curaçao	11	100
Biotech Invest N.V., Curaçao	11	100
Biotech Target N.V., Curaçao	11	100

3.4 Treasury shares (balances and change)

Treasury shares are held directly by BB Biotech AG and indirectly by its 100% subsidiary Biotech Target N.V.

	BB Biotech AG	Biotech Target N.V.	Total
Balance at January 1, 2024	–	554 000	554 000
Purchase of shares at an average price of CHF 37.29	84 000	–	84 000
Balance at December 31, 2024	84 000	554 000	638 000
Balance at January 1, 2025	84 000	554 000	638 000
Purchase of shares at an average price of CHF 30.21	166 750	–	166 750
Sales Biotech Target N.V. at an average price of CHF 32.28	–	(554 000)	(554 000)
Balance at December 31, 2025	250 750	–	250 750

3.5 Audit fees

The audit fees comprise the following (in CHF):

	2025	2024
Audit fees	120 000	120 000
Audit-related fees	–	5 000
	120 000	125 000

3.6 Commitments and contingencies

The Company had no commitments or other off-balance sheet transactions open at December 31, 2025 (2024: none).

The operations of the Company are affected by legislative, fiscal and regulatory developments for which provisions are made where deemed necessary. The Board of Directors concludes that as at December 31, 2025, no proceedings existed which could have any material effect on the financial position of the Company (2024: none).

3.7 Subsequent events

There have been no events subsequent to December 31, 2025, until the date of the issue of these financial statements, which would affect the 2025 financial statements.

3.8 Significant shareholders

Based on information received and published by the Company, the following party owns significant voting rights:

Voting rights in %	31.12.2025	31.12.2024
Saba Capital Management, L.P., New York, USA	5.004%	n.a.
UBS Fund Management AG, Zurich, Switzerland	4.356%	4.356%

3.9 Statement of holdings of the Board of Directors

As at December 31, the Board of Directors held the following registered shares of BB Biotech AG:

	2025	2024
Dr. Thomas von Planta, Chairman	20 000	18 888
Dr. Clive Meanwell, Vice-Chairman	5 163	5 163
Laura Hamill	–	–
Dr. Pearl Huang	–	–
Prof. Dr. Mads Krosgaard Thomsen	17 750	17 750
Camilla Soenderby	–	–

3.10 Management contracts

On behalf of the Company, the Board of Directors has entered into a management contract with Bellevue Asset Management AG (investment manager and administrator). In this contract, the investment manager commits to carry out management services relating to the investment activity and general management of BB Biotech AG. Under this contract the Company paid in the business year 2025 CHF 390 720 (2024: CHF 453 516) to Bellevue Asset Management AG.

3.11 Management report and cash flow statement

Due to the fact that BB Biotech AG prepares consolidated financial statements in accordance with a recognized international accounting standard (IFRS), the Company doesn't prepare, in line with the legal requirements, a management report and cash flow statement.

4. Movements on retained earnings

in CHF	2025	2024
Retained earnings at the beginning of the year	921 212 821	919 317 855
Dividend	(98 487 450)	(109 692 000)
Net income for the year	104 380 460	111 586 966
Retained earnings at the end of the year	927 105 831	921 212 821

5. Proposal of the Board of Directors for the appropriation of retained earnings

in CHF	2025 Proposal of the Board	2024 Resolution passed at the AGM
Retained earnings at the disposal of the Annual General Meeting	927 105 831	921 212 821
Dividend (per share 2025: CHF 2.25; 2024: CHF 1.80)	(124 650 000)	(98 487 450)
Carry forward to the next period	802 455 831	822 725 371
	927 105 831	921 212 821

Report on the Audit of the Financial Statements

Report of the statutory auditor to the General Meeting of BB Biotech AG, Schaffhausen

Opinion

We have audited the financial statements of BB Biotech AG (the Company), which comprise the balance sheet as at 31 December 2025, the statement of income for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements comply with Swiss law and the Company's articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the «Auditor's Responsibilities for the Audit of the Financial Statements» section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, that are relevant to audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to be communicated in our report.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' Responsibilities for the Financial Statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

Report on Other Legal and Regulatory Requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

Based on our audit in accordance with Art. 728a para. 1 item 2 CO, we confirm that the proposal of the Board of Directors complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Deloitte AG

Chris Krämer

Licensed Audit Expert
Auditor in Charge

Mathieu Valette

Licensed Audit Expert

Zurich, 17 February 2026

Corporate Governance

Corporate Governance 61-74

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Corporate Governance

Corporate governance is an integral component of the business of BB Biotech AG (the Company). The Board of Directors is committed to implementing corporate governance policies which are aligned with the size and complexity of the Company's activities. We ensure transparency for our shareholders by disclosing the articles of incorporation, the organizational regulations as well as the Audit and Risk Committee Charter, the Remuneration and Nomination Committee Charter and the Sustainability and Governance Committee Charter on our [website](#). This report is intended to supplement the annual report with respect to corporate governance policies and implementation of these policies in our business. As BB Biotech AG is listed on the Swiss and German stock exchanges, the Company is required to comply with the rules and regulations that apply to each of these markets.

Unless otherwise indicated, the following information refers to the situation on December 31, 2025.

1. Introductory remarks with respect to the specific structure of BB Biotech AG as an investment company

BB Biotech AG is an investment company listed on a stock exchange according to article 2 paragraph 3 of the Swiss Federal Act on Collective Investment Schemes (CISA) in the form of a corporation limited by shares. As a corporation limited by shares which is listed on a stock exchange, BB Biotech AG is subject to the supervision and regulation by the SIX Swiss Exchange. Therefore, BB Biotech AG is exempted from the supervision of the Swiss Financial Market Supervisory Authority FINMA as well as from the regulation pursuant to the Financial Institutions Act (FinIA).

As an investment company, the sole purpose of BB Biotech AG is the management of its assets and investments. The BB Biotech Group does not pursue any commercial or operational activity other than investing in the biotech industry.

2. Group structure and shareholders

2.1 Group structure

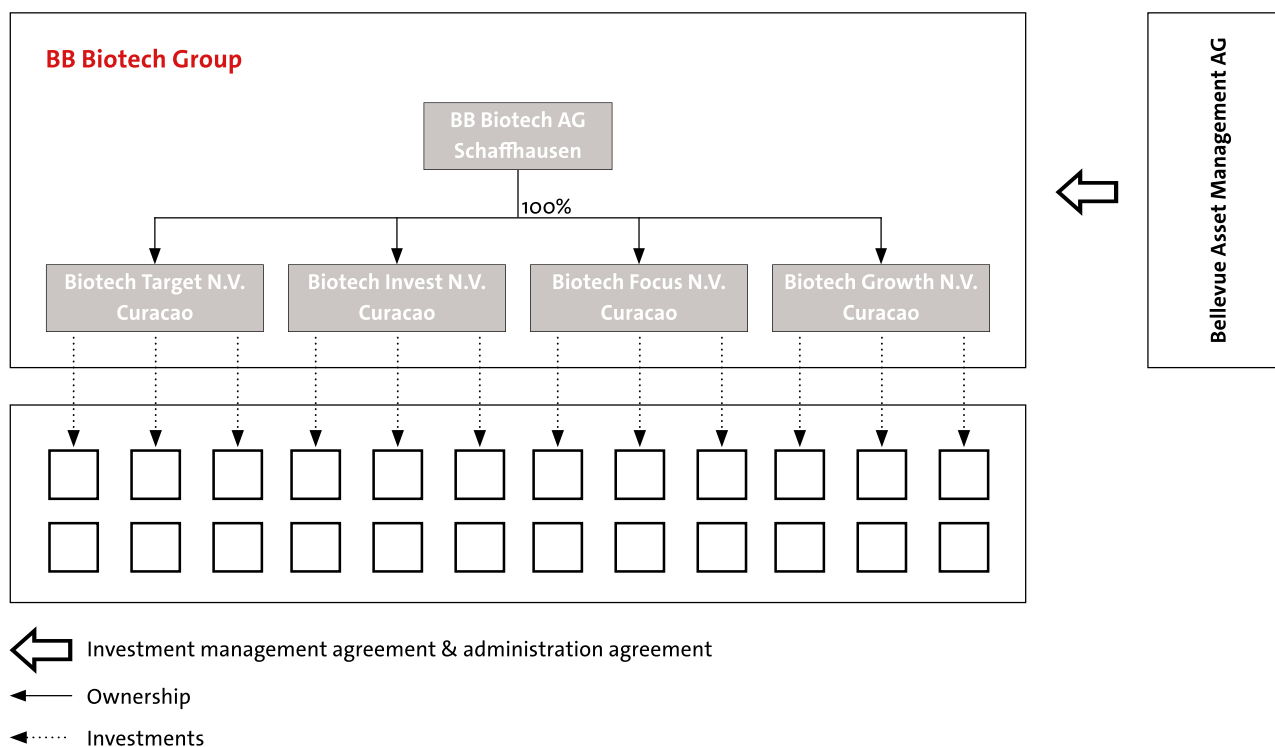
BB Biotech AG (ISIN CH0038389992) has its registered office at Schwertstrasse 6, 8200 Schaffhausen, Switzerland. Its principal activity is to invest in companies in the biotechnology industry. These companies are active in the research, development and commercialization of therapies and drugs.

BB Biotech AG is listed on the SIX Swiss Exchange (BION) and in the «Prime Standard Segment» of the German Exchange XETRA (BBZA). Additional information on this can be found [here](#).

Please refer to [note 1 to the consolidated annual financial statements](#) for more information on the Company's group structure.

The investments are held through its four, fully owned subsidiaries:

Company name	Registered office / Country	BB Biotech AG interest %	Share Capital
Biotech Focus N.V.	Curaçao	100	CHF 10 778
Biotech Growth N.V.	Curaçao	100	CHF 10 778
Biotech Invest N.V.	Curaçao	100	CHF 10 778
Biotech Target N.V.	Curaçao	100	CHF 10 778



BB Biotech AG controls and is the ultimate parent company of its subsidiaries (Subsidiaries). Together they form the BB Biotech Group (Group). In this function, the Company performs tasks of management, organization as well as financing for itself and for its Subsidiaries. To the extent permitted by applicable law, the corporate bodies of the Company may therefore also promulgate guidelines and directives for the Subsidiaries. Notwithstanding these endeavors, the legal independence of the Subsidiaries and the provisions of applicable laws, rules and regulations relating to them must be observed to the extent legally required.

On behalf of the Company, the Board of Directors has entered into a management contract with Bellevue Asset Management AG, domiciled in Zurich, Switzerland. Under the management agreement, Bellevue Asset Management AG agreed to carry out management services relating to the investment activity and the management of the Group. Bellevue Asset Management AG is subject to supervision by the Swiss Financial Market Supervisory Authority FINMA and has a license as authorized manager for collective assets. Bellevue Asset Management AG is fully owned by Bellevue Group AG, which is an independent Swiss financial boutique listed on the SIX Swiss Exchange.

2.2 Significant shareholders

As of December 31, 2025, the Company had 14 603 registered shareholders. Shareholders are institutional and private investors. For details of shareholders with equity holdings of 3% or more, see [note 17](#) «Significant shareholders» to the Group Financial Statements prepared in accordance with International Financial Reporting Standards (IFRS). 100% of BB Biotech AG's share capital is free float. The notifications which have been submitted to the Company and the disclosure office of the SIX Swiss Exchange during the fiscal year under review pursuant to article 120 of the Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading and which have been published on the latter's electronic publication platform may be accessed via the search function [here](#).

2.3 Cross-shareholdings

The Board of Directors is not aware of any cross-holdings with other companies exceeding a limit of 5% in terms of capital or the number of votes.

3. Capital structure

As of December 31, 2025, the Company's nominal value of the share capital of CHF 11 080 000 consisted of 55 400 000 fully paid up registered shares with a par value of CHF 0.20 each. There is only one share class. Each registered share has one voting right. Voting rights may be exercised only after a shareholder has been registered in the share register of the Company as a shareholder with the right to vote. Each registered share is entitled to dividend payment. No share certificates are issued. There is no authorized capital or conditional capital outstanding, and the Company has not implemented a capital range. There are no participation certificates or profit-sharing certificates. The Company has also not issued any options or convertible bonds.

The capital structure has not changed in the period over the last three years (financial years 2023, 2024, 2025).

4. Limitations on transferability and nominee registrations

BB Biotech AG may decline a registration as shareholder with voting rights if a shareholder does not expressly declare that it has acquired the shares in its own name and for its own account, that there is no agreement on the return and redemption of the relevant shares and that it bears the economic risks associated with the shares. If the shareholder refuses to make such declaration, the shareholder will be registered as a shareholder without voting rights.

A person failing to expressly make such declaration in its registration/application (a nominee) will be entered in the share register with voting rights only if such nominee has entered into an agreement with BB Biotech AG concerning its status.

In the financial year under review, the Board of Directors granted no exemptions from the transfer restrictions.

After hearing the registered shareholder or nominee, the Board of Directors may delete entries in the share register with retroactive effect if such entries were made on the basis of false information (see [article 3](#) of the articles of incorporation of the Company).

5. Board of Directors

5.1 Members and background

Dr. Thomas von Planta

Chairman

Dr. Thomas von Planta is Chairman since 2024 and has been a member of the Board of Directors of BB Biotech AG since 2019. Since 2006, he is owner of CorFinAd AG – Corporate Finance Advisory (advisory for M&A transactions and capital market financings). He chaired the Bellevue Group from March 2015 until March 2019. Previously he worked for Vontobel Group from 2002 until 2006 as interim Head Investment Banking/Head of Corporate Finance and member of the extended executive board. Prior to that he was with Goldman Sachs from 1992 until 2002, lastly in London in the Equity Capital Markets Group/Investment Banking Division. Dr. von Planta holds a degree in law from the Universities of Basel and Geneva (Dr. iur.) and is also an attorney at law. Dr. von Planta has served as Chairman of the Board of Directors of Baloise Holding AG since April 2021 and, following the merger with Helvetia, as Chairman of the successor company Helvetia Baloise Holding AG since December 2025.



Dr. Clive Meanwell

Vice-Chairman

Dr. Clive Meanwell is Vice-Chairman and has been a member of the Board of Directors of BB Biotech AG since 2004. He founded and is the Chairman of Population Health Partners, L.P, a private equity firm based in New York and London. Dr. Meanwell is also a member of the Board of Directors of Fractyl Health Inc., Saama Technologies Inc. and the Chairman of Civia Health LLC. Previously, Dr. Meanwell founded The Medicines Company in 1996 and from then until January 2020 he was a member of the Board of Directors and held a range of leadership positions including Chairman, Executive Chairman, Chief Executive and Chief Innovation Officer. From 1995 until 1996, he was a founding partner and managing director of MPM Capital L.P. Earlier in his career, Dr. Meanwell held various positions at Hoffmann-La Roche in Basel and Palo Alto, California. He received his MD and PhD from the University of Birmingham in the UK where he also trained in medical oncology.



Laura Hamill

Member

Laura Hamill has been a member of the Board of Directors of BB Biotech AG since March 2022. She brings more than 35 years of experience in the biopharma industry and most recently served as Executive Vice President of Worldwide Commercial Operations at Gilead Sciences. Prior to Gilead, Ms. Hamill worked at Amgen for almost 20 years in a number of executive leadership roles in the United States (US) and internationally. In her last role at Amgen, she led the US Commercial Operations with annual revenue of USD 20bn. Ms. Hamill is a Director of Jazz Pharmaceuticals, Unchained Labs and consults with Launch Therapeutics, part of the Carlyle Group. Ms. Hamill holds a B.A. in Business Administration, with an emphasis in Marketing, from the University of Arizona.



Dr. Pearl Huang

Member

Dr. Pearl Huang has been a member of the Board of Directors of BB Biotech AG since March 2022. Dr. Huang studied life sciences at MIT as an undergraduate and earned a doctorate in Molecular Biology from Princeton University. She has spent over 30 years in the pharma and biotech industries, and to date, has contributed to the development of nine medicines that are used by patients every day. Dr. Huang was appointed CEO of Dunad Therapeutics in June 2022. Prior to that she served as CEO of Cygnal Therapeutics as a Venture Partner at Flagship Pioneering. She is currently a member of the Board of Directors of Waters Corporation and a member of the advisory committee of MIT Corporation.



Camilla Soenderby

Member

Camilla Soenderby has been a member of the Board of Directors of BB Biotech AG since March 2024. She brings 25 years of international leadership experience from executive roles at leading biopharma companies in the EU, the US and Asia. Most recently, Ms. Soenderby was a corporate officer at Takeda leading global portfolio commercialisation. Prior to that, she worked as SVP, Head of Global Product Strategy for Shire, having previously held regional and general management positions at Roche Pharma, Abbott (now AbbVie) and Schering Plough (now Merck & Co). She began her career as a consultant at McKinsey & Company, and holds a Master's degree from Copenhagen University. She is a member of the Board of Directors at Abivax, F2G, member of the Novo Advisory Group and advisor to the private equity group EQT.



Prof. Dr. Mads Krogsgaard Thomsen

Member

Prof. Dr. Mads Krogsgaard Thomsen has been on the Board of Directors of BB Biotech AG since 2020. In 2021, Prof. Dr. Thomsen became CEO of the Novo Nordisk Foundation. He was previously with Novo Nordisk where he served as Executive Vice President, Head of R&D and Chief Science Officer. Prof. Dr. Thomsen has chaired Danish Research Council programs within endocrinology, and he is a former president of Denmark's National Academy of Technical Sciences. Until 2020, Prof. Dr. Thomsen chaired the governing board of the University of Copenhagen. He received his MD and PhD from the University of Copenhagen. He is a member of the Board of Directors of the BioInnovation Institute and a member of the Scientific Advisory Board of Felix Pharmaceuticals.



5.2 Independence

All members of the Board of Directors are independent and have no executive functions at the company or a subsidiary, neither today nor in the last three years and do not serve, and have not served during the last two years as lead auditor of the Company's auditors. Moreover, no business relations are in place between the Board members and BB Biotech AG or a subsidiary.

5.3 Number of permissible external mandates

No member of the Board of Directors can have more than ten additional mandates, thereof no more than four in listed entities.

The detailed rule with respect to the number of permissible external mandates of members of the Board of Directors is defined in article 23 of the articles of incorporation of the Company.

5.4 Election, term of office and nationality

The Board of Directors is elected by a simple quorum for a term of office of one year. There are no limitations to the board members' tenure. The members of the Board of Directors have first been elected at the following General Meetings:

	ARC ¹⁾	RNC ²⁾	SGC ³⁾	Nationality	Born in	Elected in
Dr. Thomas von Planta, Chairman (since 2024)			M	CH	1961	2019
Dr. Clive Meanwell, Vice-Chairman (since 2011)	M	C		UK	1957	2004
Laura Hamill			C	US	1964	2022
Dr. Pearl Huang	C			US	1957	2022
Prof. Dr. Mads Krogsgaard Thomsen		M		DK	1960	2020
Camilla Soenderby	M			DK	1972	2024

C: Chair, M: Member

¹⁾ Audit and Risk Committee

²⁾ Remuneration and Nomination Committee

³⁾ Sustainability and Governance Committee

5.5 Internal organization

The Board of Directors consists of a Chairman, Vice-Chairman and four members. The Board of Directors has appointed a secretary who is not a member of the Board of Directors. The Board has three committees: Audit and Risk Committee, Remuneration and Nomination Committee as well as a Sustainability and Governance Committee. The members of the Remuneration and Nomination Committee are elected by the General Meeting. The Chairperson of the Remuneration and Nomination Committee is appointed by the committee members. The Chairperson and members of the Audit and Risk Committee as well as the Sustainability and Governance Committee are appointed by the Board of Directors.

The members of the Board of Directors have extensive experience in all relevant areas, especially from the healthcare and financial industry. With this experience, the members of the Board of Directors are well suited to supervise the Company's activities.

The Chairman and members of the Board of Directors are elected by the shareholders at the Company's General Meeting. If the position as Chairman is vacant, the Board of Directors will nominate one of its members to serve as Chairman until the end of the next General Meeting.

Board meetings are normally convened by the Chairman or, in his absence, the Vice-Chairman. The individual board members can also require that the Chairman calls for a board meeting. The Board of Directors receives comprehensive information regarding each of the agenda items at the board meetings. The Board of Directors generally meets via video or telephone conference. In addition, two strategy meetings, each lasting two to three days, take place each year. The board meetings are also attended by representatives of Bellevue Asset Management AG as investment manager and administrator. In addition, the representatives entrusted with the asset management present the respective investment and divestiture decisions. The Board of Directors examines the individual investment decisions with respect to the compliance with the investment strategy as well as the investment process. On a yearly basis, the Board of Directors performs and approves a comprehensive risk assessment. Financial risk management is disclosed in note 3 to the consolidated annual financial statements. Performance of relevant service providers as well as the auditor are evaluated at least on a yearly basis.

The following table provides an overview of the in person strategy meetings and other meetings of the Board of Directors in 2025.

	Strategy Meeting	Online Meetings	Circular resolutions
Total	2	8	–
Average duration (in hours)	17:38	1:52	–
Participation:			
Dr. Thomas von Planta, Chairman	2	8	–
Dr. Clive Meanwell, Vice-Chairman	2	7	–
Laura Hamill	2	8	–
Dr. Pearl Huang	2	8	–
Prof. Dr. Mads Krogsgaard Thomsen	2	8	–
Camilla Soenderby	2	8	–

The Board of Directors passes its resolutions by a majority of the votes and the Chairman has the casting vote in case of a tie. The Board of Directors is quorate when the majority of its members are present at the board meetings.

Audit and Risk Committee

The Audit and Risk Committee examines whether all systems created to monitor compliance with legal and statutory provisions are appropriate and whether they are being applied properly. It reports to the Board of Directors and makes recommendations to the same.

The Audit and Risk Committee also monitors and evaluates the integrity of the financial reports, internal controls, the effectiveness of the external auditor as well as risk management and compliance, taking into consideration the risk profile of the Group. It maintains board level contact with the external auditors and monitors their performance and independence as well as their collaboration with the investment manager and administrator.

All members of the Audit and Risk Committee are independent. The Audit and Risk Committee meets at least once a quarter. The Audit and Risk Committee Charter is available for download [here](#).

In 2024, Pearl Huang as Chair of the Audit and Risk Committee has successfully completed a two day in person training «Audit Committees in a New Era of Governance» provided by Harvard Business School – Executive Education in Boston.

The following table provides an overview of the meetings and circular resolutions of the Audit and Risk Committee in 2025.

	Meetings	Circular resolutions
Total	4	–
Average duration (in hours)	1:00	–
Participation:		
Dr. Pearl Huang, Chair	4	–
Dr. Clive Meanwell	4	–
Camilla Soenderby	4	–

Remuneration and Nomination Committee

The members of the Remuneration and Nomination Committee are elected by the General Meeting. The Remuneration and Nomination Committee supports the Board of Directors in the following areas: Composition of the Board of Directors and nomination of new board members, compensation policy and guidelines, performance targets and preparation of proposals regarding compensation to the Board of Directors. It reports to the Board of Directors and makes recommendations to the same. The Remuneration and Nomination Committee meets as often as necessary but in any event at least once a year. The Remuneration and Nomination Committee Charter is available for download [here](#).

The following table provides an overview of the meetings and circular resolutions of the Remuneration and Nomination Committee in 2025.

	Meetings	Circular resolutions
Total	2	–
Average duration (in hours)	1:00	–
Participation:		
Dr. Clive Meanwell, Chair	2	–
Prof. Dr. Mads Krogsgaard Thomsen	2	–

Sustainability and Governance Committee

The Sustainability and Governance Committee supports the Board of Directors in environmental, social and governance (ESG) matters. As outlined in the publicly available Charter of the Committee (which is available for download [here](#)), ESG is defined as follows:

(i) Environmental: the impact of the Group and the impacts of the portfolio companies on the natural environment, including, but not limited to, carbon emissions, air and water pollution, energy efficiency, waste management, and natural resources conservation;

(ii) Social: the role of the Group and the roles of the portfolio companies within the relevant societies and their interaction with stakeholders and communities, covering aspects of human rights, supply chain sustainability, diversity and inclusion, non-discrimination, and equal treatment; and

(iii) Governance: the Company's corporate governance framework and all applicable standards, codes, and best practices to the extent not under supervision by the Company's Audit and Risk Committee or the Nomination and Remuneration Committee, including aspects such as bribery and corruption, lobbying, and political contributions.

The Sustainability and Governance Committee reviews periodically and, if required, makes recommendations to the Board of Directors regarding the investment strategy, policies and guidelines concerning ESG matters. It monitors the investment, regulatory and reputational impacts of ESG matters on the Group and provides guidance to the Board of Directors concerning the management of such impacts. Furthermore, it assesses the performance of the investment manager with regard to ESG matters and reviews the Group's sustainability report. It reviews and makes recommendations to the Board of Directors on significant emerging and current trends and stakeholders' views regarding ESG matters.

All members of the Sustainability and Governance Committee are independent. The Committee meets as often as required but in any case at least once a year.

The following table provides an overview of the meetings and circular resolutions of the Sustainability and Governance Committee in 2025.

	Meetings	Circular resolutions
Total	3	–
Average duration (in hours)	1:00	–
Participation:		
Laura Hamill, Chair	3	–
Dr. Thomas von Planta	3	–

6. Investment management

BB Biotech AG does not have an internal management. The Board of Directors of BB Biotech AG has – as it is customary for investment companies – delegated the investment management based on the investment management agreement to Bellevue Asset Management AG, domiciled in Zurich, Switzerland. Bellevue Asset Management AG offers a select range of active equity strategies in fast-growing markets, the healthcare sector and in other special themes such as owner-managed companies, as well as holistic investment strategies across all traditional asset classes.

The supervision of Bellevue Asset Management AG acting as external investment manager and its adherence to the investment policy remains with the Board of Directors of BB Biotech AG as a non-transferable duty. The investment management contract is valid for an indefinite period and can be terminated by either party with a notice period of twelve months with effect as per the end of the following calendar year. Bellevue Asset Management AG has a team of dedicated experts and analysts to fulfill the duties of the investment management contract.

Since January 1, 2014, the remuneration paid to the investment manager has been based upon a 1.1% p.a. all-in fee on the average market capitalization of BB Biotech AG without any additional fixed or performance-based elements of compensation, which is paid on a monthly basis. The amount is disclosed in [note 8 to the consolidated financial statements](#).

The Board of Directors approves on a yearly basis that an adequate portion of the fees shall be used for incentives and remuneration of those people at Bellevue Asset Management AG who are assigned with tasks under the investment management and administrative agreements.

In order to align the interests between shareholders of BB Biotech AG and these assigned people at Bellevue Asset Management AG, a long-term incentive plan is in place. Pay-out after three years depends on the performance of the share price of BB Biotech AG vs. performance criteria (absolute return, local benchmark, industry benchmark) and can vary between 0% and 100%.

7. Remuneration

See [note 8 to the consolidated financial statements](#) as well as the [remuneration report](#) hereinafter for details relating to the remuneration of the Board of Directors and the process of determining its remuneration.

The rules governing the approval by the General Meeting of the remuneration of the members of the Board of Directors as well as the principles governing the remuneration of the members of the Board of Directors can be found in [articles 19–21](#) of the articles of incorporation of the Company. The articles of incorporation do not contain any provision with respect to loans, credits and pension benefits to the members of the Board of Directors.

8. Shareholders' participation rights

8.1 Limitations to voting rights; voting by proxy

There are no limitations to voting rights and no internal rules that deviate from the statutory provisions concerning attendance of a General Meeting. The articles of incorporation do not contain any provision with respect to the issuance of directives to the independent voting rights representative or to the electronic participation at a General Meeting. Shareholders may be represented by the independent voting rights representative, their legal representative or, with written proxy, another shareholder of BB Biotech AG.

8.2 General Meeting

The articles of incorporation of the Company do not stipulate any majority requirements for the General Meeting that differ from the requirements set out by Swiss corporate law. The rules for the convention of a General Meeting by the shareholders stipulated by [article 6](#) of the articles of incorporation of the Company do not differ from the rules set out by Swiss corporate law. Shareholders who, alone or together with other shareholders, represent BB Biotech AG shares with at least 0.5% of the share capital or votes of BB Biotech AG may request that an item be put on the agenda by indicating the matter and the motion(s). Such requests must be made in writing within 45 days prior to the General Meeting (see [article 7](#) of the articles of incorporation of the Company).

8.3 Registration in the share register

The share register is closed approximately five working days before the date of the General Meeting for administrative reasons. The Board of Directors will communicate the exact date in the invitation to the relevant General Meeting. Shareholders and beneficiaries who are registered in the share register before such date are entitled to vote at the General Meeting (if registered with voting rights). The BB Biotech AG shares can be traded at any time and are not blocked.

8.4 Dividend policy

Since 2013, BB Biotech AG has a structured payout policy in place designed to give shareholders a return of up to 10% p.a. It consists of the following elements:

BB Biotech AG intends to continue to propose dividend payments that correspond to a 5% return on the volume weighted average price of its shares in December of the respective fiscal year. The dividend is normally paid out in one installment after the annual General Meeting in March each year. Besides the attractive dividend yield, BB Biotech AG may conduct continuous share buybacks between 0 and 5% of share capital p.a. Share repurchases will be conducted within defined parameters.

9. Change-of-control and defensive measures

9.1 Obligatory offer for sale

An opting-out rule is in place (see [article 3](#) of the articles of incorporation of the Company).

9.2 Change-of-control clauses

No change-of-control clauses are in place in favor of the Board of Directors.

10. Auditors

10.1 Duration of mandate and term of office of the lead auditor

Since the Annual General Meeting held on March 17, 2022, Deloitte AG has been the auditor of BB Biotech AG. Chris Kramer is the lead auditor responsible for the audit of the Company's financial statements for the fiscal year 2025. In line with [article 18](#) of the articles of incorporation, the auditor is elected for a term of office extending until completion of the next Ordinary General Meeting.

10.2 Fees

The following fees for professional services in the fiscal year ended December 31, 2025, were agreed and paid:

Fees for the annual audit and quarterly review of the financial statements: CHF 120 000

10.3 Instruments of information of the external audit

The Audit and Risk Committee prepares proposals to the Board of Directors for the appointment and removal of the auditors. The Audit and Risk Committee also assesses – at least annually – the qualifications, expertise, effectiveness, independence and performance of the auditors and their lead audit partner. The investment manager and the auditors are at least quarterly in contact with each other. The auditor performs reviews on quarterly consolidated financial statements and issues respective opinions.

The auditors attended four Audit and Risk Committee meetings in 2025. Written reporting of the auditor consists of an annual audit plan as well as a comprehensive report to the Board of Directors on the result of the audit of the financial statements.

11. Trading in own securities

BB Biotech AG operates, in line with legal and internal regulations, as an active purchaser/seller of own securities on the market, securing additional liquidity in the process.

12. Information policy

BB Biotech AG is committed to communicating with its shareholders and the capital markets in a transparent, consistent and timely manner. Official notices of BB Biotech AG are published in the Swiss Official Gazette of Commerce («Schweizerisches Handelsamtsblatt»). Invitations to General Meetings of BB Biotech AG and communications to shareholders of BB Biotech AG are also published in the Swiss Official Gazette of Commerce; for information purposes, the invitations are in addition sent by mail to the address recorded in the shareholders' register.

BB Biotech AG provides information on its quarterly and annual results in the form of quarterly and annual reports (in printed and/or electronic form) and through media events and media releases. The latest publication dates are available on the [website](#) of BB Biotech AG in German and English. In addition, BB Biotech AG informs on key company news during the financial year whenever relevant for the shareholders and the capital markets and publishes price-sensitive information timely and in accordance with the applicable ad hoc publicity rules of the SIX Swiss Exchange. All announcements, official notices, reports, investor updates, presentations, media releases, media articles, and other documents published dating back to the last three years are available on the [website](#) of BB Biotech AG or can be ordered by e-mail at info@bbbiotech.ch. Interested parties may subscribe for the automatic alerting service [here](#).

The contact address of Investor Relations is:

BB Biotech AG
Schwertstrasse 6
8200 Schaffhausen/Switzerland
Phone: +41 52 624 08 45
E-mail: info@bbbiotech.ch

Further information and details of contact persons are available on the website of BB Biotech AG at www.bbbiotech.ch. Please refer also to «[Shareholder information](#)».

13. Trading blackout periods

BB Biotech AG has defined recurring trading blackout periods, during which BB Biotech AG, the members of its Board of Directors, employees of Bellevue Asset Management AG to whom BB Biotech AG has delegated the investment management as well as related parties are prohibited from trading in securities of BB Biotech AG and/or related financial instruments, subject to exemptions provided by Swiss law (e.g., for delegated share buyback programs). The recurring trading blackout periods begin at least 30 days before the publication of the annual or interim financial statements and end on the day of their publication. The exact dates are communicated by Bellevue Asset Management AG's Legal & Compliance team on behalf of BB Biotech AG to all persons involved. BB Biotech AG may impose additional (ad hoc) trading blackout periods at any time for any reason.

Remuneration Report

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Remuneration Report

This remuneration report for the fiscal year 2025 outlines the remuneration system as well as the remuneration of the members of the Board of Directors of BB Biotech AG. The content and scope of the information contained in this report is in accordance with article 734 et seq. of the Swiss Code of Obligations (CO), the Directive on Information relating to Corporate Governance (DCG) of the SIX Swiss Exchange, as well as the Swiss Code of Best Practice for Corporate Governance.

1. Responsibilities and authorities with respect to remuneration

1.1 Introductory remarks relating to the specific structure of BB Biotech AG as an investment company

The Board of Directors of BB Biotech AG has not made use of its competence to delegate the executive management of all or part of the Company's business pursuant to article 716b CO and therefore manages the business of the Company itself, to the extent it has not been delegated to Bellevue Asset Management AG as investment manager and administrator within the framework of the management contract. Accordingly, BB Biotech AG does not have an executive management pursuant to article 716b CO.

For details, please refer to [note 9](#).

1.2 Responsibilities and authorities with respect to the remuneration

The Remuneration and Nomination Committee is responsible for ensuring that the process relating to the determination of the remuneration is held on a fair and transparent basis and that such process is controlled effectively. The adopted remuneration process shall serve as a basis for an adequate decision with respect to services rendered as well as an appropriate incentive to the individual members of the Board of Directors, taking into account the long-term interests of the shareholders and the Company's success. In addition, the Remuneration and Nomination Committee assists the Board of Directors in determining the principles of the remuneration strategy of BB Biotech AG.

The Remuneration and Nomination Committee submits proposals to the Board of Directors for resolution in the following areas:

- Amount and composition of the aggregate remuneration of the Board of Directors;
- Amount and composition of the remuneration of the Chairman of the Board of Directors;
- Amount and composition of the remuneration of the Vice-Chairman as well as the other members of the Board of Directors;
- Amount and composition of the additional remuneration of the members of a Board of Directors Committee.

Furthermore, the Remuneration and Nomination Committee assists the Board of Directors in resolving on conclusion, termination, or amendment of contracts entered into with the external asset manager and thus in particular on the amount of the compensation to be paid under the respective contracts.

The Remuneration and Nomination Committee meets as often as necessary but in any event at least once a year. The meeting minutes are included in the board pack of the next meeting of the Board of Directors. The chairperson of the Remuneration and Nomination Committee reports to the Board of Directors at the next meeting.

In 2024, BB Biotech AG mandated two reputable service providers to provide an external review of the Board of Directors' compensation. Willis Towers Watson (WTW) and Mercer independently benchmarked the compensation of the Chairman, the Vice-Chairman and the ordinary members of the Board of Directors as well as the Board committees regarding level and structure against three pre-defined peer groups.

One peer group consisted of 17 (Mercer) resp. 27 (WTW) distinct companies included in the SPI Index. This group reflects the local market practices for Swiss listed companies, similar in size as BB Biotech AG. The second peer group consisted of 17 (Mercer) resp. 21 (WTW) listed financial industry companies with a similar structure (no bank and insurance companies, most of them included in the FTSE250 index). This group of listed investment trusts and investment companies reflects the structural specialties of BB Biotech AG. The third peer group consisted of 9 (Mercer) resp. 10 (WTW) listed Swiss financial industry companies. This group was used since a Swiss based proxy advisor has provided BB Biotech AG companies included in their peer group to benchmark remuneration.

Based on the results of the benchmarking studies and in line with the recommendation of the Remuneration and Nomination Committee, the Board of Directors decided to propose an unadjusted amount per function to the General Meeting in March 2026.

2. Remuneration of the members of the Board of Directors

2.1 Principles

The remuneration of the members of the Board of Directors is based on the scope of activity and responsibility of the individual members (Chairman of the Board of Directors, Vice-Chairman of the Board of Directors, member of the Board of Directors; involvement in committees: chairmanship of a committee, member of a committee).

The remuneration of the Board of Directors consists of the following elements:

- Fixed remuneration (disbursement by cash compensation);
- Social insurance contributions and duties.

The limitation to a fixed remuneration ensures that the focus of the Board of Directors lies on the long-term success of BB Biotech AG. Its amount takes account of the workload and responsibility of the individual members of the Board of Directors. Therefore, the remuneration of the Board of Directors has been separated from the compensation of the investment manager; thus, the Board of Directors does not have an incentive to take excessively high risks.

Upon request of the Remuneration and Nomination Committee, the entire Board of Directors resolves once a year on the amount of the remuneration of the members of the Board of Directors and the committees.

The Board of Directors had determined the fixed remuneration of its members (as a member of the Board of Directors or a committee) as follows:

	AGM 2025 - AGM 2026 in CHF	AGM 2024 - AGM 2025 in CHF
Function/Responsibility		
Chairman	360 000	360 000
Vice-Chairman	220 000	220 000
Member	220 000	220 000
Chair of the Remuneration and Nomination Committee	40 000	40 000
Member of the Remuneration and Nomination Committee	20 000	20 000
Chair of the Audit and Risk Committee	40 000	40 000
Member of the Audit and Risk Committee	20 000	20 000
Chair of the Sustainability and Governance Committee	40 000	40 000
Member of the Sustainability and Governance Committee	20 000	20 000

2.2 Remuneration of the individual members of the Board of Directors in the reporting year (audited)

In the reporting year 2025, the six members (2024: six members) of the Board of Directors received a total remuneration of CHF 1 706 508 (2024: CHF 1 711 111). From this amount, CHF 1 660 000 (2024: CHF 1 665 000) have been paid in the form of a fixed remuneration for the work on the Board of Directors and on the committees of the Board of Directors. The social insurance contributions and the duties amounted to a total of CHF 46 508 (2024: CHF 46 111).

The individual members of the Board of Directors were paid the following remuneration:

Fiscal year 2025

Name/Function	RNC ¹⁾	ARC ²⁾	SGC ³⁾	Period	Fixed remuneration	Committee remuneration	Social insurance contributions and duties	Total
Dr. Thomas von Planta, Chairman			X	01.01.2025 – 31.12.2025	360 000	20 000	28 096	408 096
Dr. Clive Meanwell, Vice-Chairman	X	X		01.01.2025 – 31.12.2025	220 000	60 000	–	280 000
Laura Hamill, Member			X	01.01.2025 – 31.12.2025	220 000	40 000	–	260 000
Dr. Pearl Huang, Member		X		01.01.2025 – 31.12.2025	220 000	40 000	–	260 000
Prof. Dr. Mads Krogsgaard Thomsen, Member	X			01.01.2025 – 31.12.2025	220 000	20 000	–	240 000
Camilla Soenderby, Member		X		01.01.2025 – 31.12.2025	220 000	20 000	18 411	258 411
Total					1 460 000	200 000	46 508	1 706 508

¹ Remuneration and Nomination Committee

² Audit and Risk Committee

³ Sustainability and Governance Committee

Fiscal year 2024

Name/Function	RNC ¹⁾	ARC ²⁾	SGC ³⁾	Period	Fixed remuneration	Committee remuneration	Social insurance contributions and duties	Total
Dr. Thomas von Planta, Chairman (since March 2024)			X	01.01.2024 – 31.12.2024	325 000	25 000	26 021	376 021
Dr. Erich Hunziker, Chairman (until March 2024)			X	01.01.2024 – 21.03.2024	90 000	5 000	6 282	101 282
Dr. Clive Meanwell, Vice-Chairman	X	X		01.01.2024 – 31.12.2024	220 000	60 000	–	280 000
Laura Hamill, Member			X	01.01.2024 – 31.12.2024	220 000	40 000	–	260 000
Dr. Pearl Huang, Member		X	X	01.01.2024 – 31.12.2024	220 000	40 000	–	260 000
Prof. Dr. Mads Krogsgaard Thomsen, Member	X			01.01.2024 – 31.12.2024	220 000	20 000	–	240 000
Camilla Soenderby, Member		X		21.03.2024 – 31.12.2024	165 000	15 000	13 808	193 808
Total					1 460 000	205 000	46 111	1 711 111

¹ Remuneration and Nomination Committee

² Audit and Risk Committee

³ Sustainability and Governance Committee

3. Remuneration of related parties at non-market conditions (audited)

In the reporting year 2025, no remuneration which was not at arm's length terms was paid to related parties of current or former members of the Board of Directors (2024: none).

4. Remuneration of former members of the Board of Directors (audited)

In the reporting year 2025, no remuneration was paid to former members of the Board of Directors (2024: none).

5. Loans and credits to the members of the Board of Directors or related parties (audited)

The articles of incorporation of BB Biotech AG do not foresee that loans and credits may be granted to the members of the Board of Directors. Accordingly, no loans or credits which BB Biotech AG has granted to current or former members of the Board of Directors or to related parties were outstanding as of December 31, 2025 (December 31, 2024: none).

6. Participation rights and options on such rights

As at December 31, the members of the Board of Directors held the following positions in BB Biotech shares:

	2025	2024
Dr. Thomas von Planta, Chairman	20 000	18 888
Dr. Clive Meanwell, Vice-Chairman	5 163	5 163
Laura Hamill	–	–
Dr. Pearl Huang	–	–
Prof. Dr. Mads Krosgaard Thomsen	17 750	17 750
Camilla Soenderby	–	–

None of the members of the Board of Directors held any options.

7. Activities in other undertakings

Pursuant to Article 734e CO, all mandates or functions held by members of the Board of Directors in entities within the meaning of Article 626 para. 2 no. 1 CO that are not part of the BB Biotech Group must be disclosed in the Remuneration Report, provided that such mandates are comparable to board of directors or executive committee mandates and the entity has an economic purpose. As at December 31, 2025, the members of the Board of Directors held the following such mandates:

Dr. Thomas von Planta, Chairman

Helvetia Baloise Holding AG	CH	Chairman of the Board of Directors	Listed
CorFinAd AG	CH	Member of the Board of Directors	Non-listed

Dr. Clive Meanwell, Vice-Chairman

Population Health Partners, L.P.	US	Chairman, Managing Partner & General Partner	Non-listed
Fractyl Health Inc.	US	Member of the Board of Directors	Non-listed
Civia Health Inc.	US	Chairman of the Board of Directors	Non-listed
Saama Technologies Inc.	US	Member of the Board of Directors	Non-listed

Laura Hamill

Jazz Pharmaceuticals Plc	IR	Member of the Board of Directors	Listed
Unchained Labs	US	Member of the Board of Directors	Non-listed

Dr. Pearl Huang

Waters Corporation	US	Member of the Board of Directors	Listed
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Prof. Dr. Mads Krogsgaard Thomsen

BioInnovation Institute	DK	Member of the Board of Directors	Non-listed
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Camilla Soenderby

Abivax SA	FR	Member of the Board of Directors	Listed
F2G Ltd.	UK	Member of the Board of Directors	Non-listed

The disclosure of mandates and functions in accordance with the DCG is included in [note 5](#) of the Corporate Governance Report.

8. Contractual terms at retirement from BB Biotech AG

No member of the Board of Directors has a contract with BB Biotech AG providing for a severance payment in the event of leaving BB Biotech AG.

9. Management contracts

On behalf of the Company, the Board of Directors has entered into a management contract with Bellevue Asset Management AG (investment manager). In this contract, the investment manager commits to carry out management services relating to the investment activity and management of BB Biotech AG. The management contract is valid for an indefinite period and can be terminated by either party with a notice period of twelve months with effect as per the end of the following calendar year. The remuneration of the investment manager is determined by the respective contract and corresponds to a fixed fee of 1.1% p.a. on the average market capitalization of BB Biotech AG without any additional fixed or performance-based elements.

Report on the Audit of the Remuneration Report

Report of the statutory auditor to the General Meeting of BB Biotech AG, Schaffhausen

Opinion

We have audited the remuneration report of BB Biotech AG (the Company) for the year ended 31 December 2025. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) in the tables marked «audited» of the remuneration report.

In our opinion, the information pursuant to Art. 734a-734f CO in the accompanying remuneration report complies with Swiss law and the Company's articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the «Auditor's Responsibility for the Audit of the Remuneration Report» section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the tables marked «audited» in the remuneration report, the consolidated financial statements, the stand-alone financial statements and our auditor's reports thereon.

Our opinion on the remuneration report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the remuneration report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the remuneration report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' Responsibilities for the Remuneration Report

The Board of Directors is responsible for the preparation of a remuneration report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a remuneration report that is free from material misstatement, whether due to fraud or error. It is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's Responsibilities for the Audit of the Remuneration Report

Our objectives are to obtain reasonable assurance about whether the information pursuant to Art. 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this remuneration report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the remuneration report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors and its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors and its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Deloitte AG

Chris Krämer

Licensed Audit Expert
Auditor in Charge

Mathieu Valette

Licensed Audit Expert

Zurich, 17 February 2026

Sustainability Report

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Foreword

Dear reader,

BB Biotech maintains a focused, high-conviction portfolio of biotech companies. Our portfolio companies develop products that address unmet medical needs, combining high profit-growth potential with a meaningful positive impact on patients and society.

We pursue a business-driven approach to sustainability, grounded in more than 30 years of experience as an engaged and responsible investment company, with a clear focus on creating long-term value for both our investors and society at large.

Over the past three decades, we have continuously sharpened our responsible investing strategy, acknowledging that this field is a dynamic and constantly evolving. Our ongoing ESG engagement with portfolio companies is therefore a continuous journey that supports learning and progress for all parties involved.

In 2025, BB Biotech's ESG profile continued to strengthen. MSCI ESG confirmed its assessment with a solid «A» rating, and BB Biotech was re-included in the SPI ESG Index. We also continued to combine responsible investing with active stewardship, voting at 22 of 24 votable meetings covering 141 resolutions. Diversity and inclusion remain a priority and our investments contribute positively to six UN Sustainable Development Goals, underlining the strong link between biotech innovation and positive societal outcomes.

In 2025 BB Biotech was re-included in the SPI ESG Index.

By embedding ESG considerations into our investment strategies, processes, and ownership practices, we believe we can strengthen long-term returns for our shareholders while contributing positively to broader society objectives.

As a leading biotech investor, we are uniquely positioned to help advance positive societal outcomes as new medicines from our portfolio companies reach patients. We prioritize investments in companies and assets that address unmet medical needs. The core mission of biotechnology is to improve health and quality of life, which continues to underpin the sector's long-term growing.

BB Biotech's portfolio companies saw a number of new approvals in 2025:

Company	Product	Treatment of
Vertex	Journavx (suzetrigine)	Moderate to severe acute pain
Argenx	Vyvgart Hytrulo Prefilled Syringe	Myasthenia gravis, chronic inflammatory demyelinating polyneuropathy
Alnylam (Partner: Sanofi)	Qfitlia (fitusiran)	Prevent or reduce the frequency of bleeding episodes in hemophilia A or B
Alnylam	Amvuttra	Transthyretin amyloidosis (ATTR) with Cardiomyopathy (ATTR-CM)
Ionis	Dawzera	Hereditary Angioedema
Vertex	VX-561	Cystic fibrosis

Looking ahead, we expect our portfolio companies to contribute to further new drug approvals, supported by robust pipelines with multiple product candidates in clinical development.

BB Biotech AG is committed to sustainability, and it remains a key priority for our Board of Directors.

We remain committed to transparent reporting on our processes and results, ensuring that our investors have the information they need to succeed.



Laura Hamill








**Chairwoman of the Sustainability and
Governance Committee**

About BB Biotech AG

BB Biotech AG («the company») invests through its subsidiaries (together «the Group» or also «BB Biotech») in companies in the fast growing market of biotechnology and is one of the world's largest investors in this sector with more than 30 years of experience. The shares of BB Biotech AG are listed on the SIX Swiss Exchange and the Frankfurt Stock Exchange. Its investments are focused primarily on listed companies that are developing and commercializing novel drugs and therapies that offer sound value for the healthcare system.

Bellevue Asset Management AG is the delegated investment manager and administrator of BB Biotech AG. Bellevue Asset Management is a subsidiary of Bellevue Group AG and is regulated by the Swiss Financial Market Supervisory Authority FINMA.

Following sustainability-related information may either refer to our investment portfolio (BB Biotech as the investment vehicle) or to the corporate organisation (Bellevue Group / Bellevue Asset Management) that is managing the investment portfolio.

 Closed-end investment company founded in 1993	96.5% Investment Level (December 31, 2025)	24 Number of portfolio positions (December 31, 2025)
 Stock exchange listed: in Zurich (CHF) and Frankfurt (EUR)		
 Member of the Swiss SPI, SPI Extra, SPI ESG, Swiss All Share, SPI ex SLI, SXI Life Sciences, SXI Bio+Medtech		
 Market cap of CHF 2.5 bn (Dec 31, 2025)	-10.8% Discount to NAV (December 31, 2025)	5% dividend yield On Ø December share price (CHF 2.25 for 2025)
 Long-only, fundamental, active investment strategy		
 Concentrated and benchmark agnostic (20-35 stocks)	1.1% p.a. Management Fee (no additional performance fee)	~ CHF 3 mn Average daily liquidity (YTD 2025)
 Over 30 years track record		

Board of Directors



Dr. Thomas von Planta
Chairman of the Board

since 2019 on the Board

Current:
• Chairman of Helvetia Baloise Holding
• Board member of CorFinAd AG



Dr. Clive Meanwell
Vice-Chairman

since 2004

Current:
• Chairman, Managing Partner & General Partner of Population Health Partners
• Chairman of Civia Health and Board member of Fractyl Health and Saama Technologies



Laura Hamill
Board member

since 2022

Current:
• Board member of Jazz Pharmaceuticals and Unchained Labs
• Advisory Committee member of Launch Therapeutics



Dr. Pearl Huang
Board member

since 2022

Current:
• CEO of Dunad Therapeutics
• Board member of Waters Corporation
• Member of the advisory committee of MIT Corporations



Prof. Dr. Mads Krogsgaard Thomsen
Board member

since 2020

Current:
• CEO of the Novo Nordisk Foundation
• Board member of BioInnovation Institute Foundation
• Member of the Scientific Advisory Board of Felix Pharmaceuticals




Camilla Soenderby
Board member


since 2024

Current:
• Board member of Abivax and F2G
• Member of Novo Advisory Group
• Advisor to Private Equity Group EQT


Investment Management Team




Dr. Christian Koch
Head BB Biotech Team & Executive Board
Member BAM (2025)
joined 2014




Gabriel Ego
General Counsel & Corporate Secretary BB Biotech
joined 2025




Dr. Kyle Rasbach
Head US Research & Investment Analyst
joined 2025




Dr. Maurizio Bernasconi
Deputy Head (2023) & Investment Analyst
joined 2017




Dr. Jordan Baumhardt
Investment Analyst
joined 2025




Dr. Anna Guinot Aguado
Investment Analyst
joined 2024




Xinya Guo
Trading Strategist
as of 1.1.2026




Dr. Samuel Croset
AI & Data Scientist
joined 2020




Dr. Olivia Woolley
AI & Data Scientist
joined 2022



Dr. Can Buldun-Gora
AI & Data Scientist
joined 2022

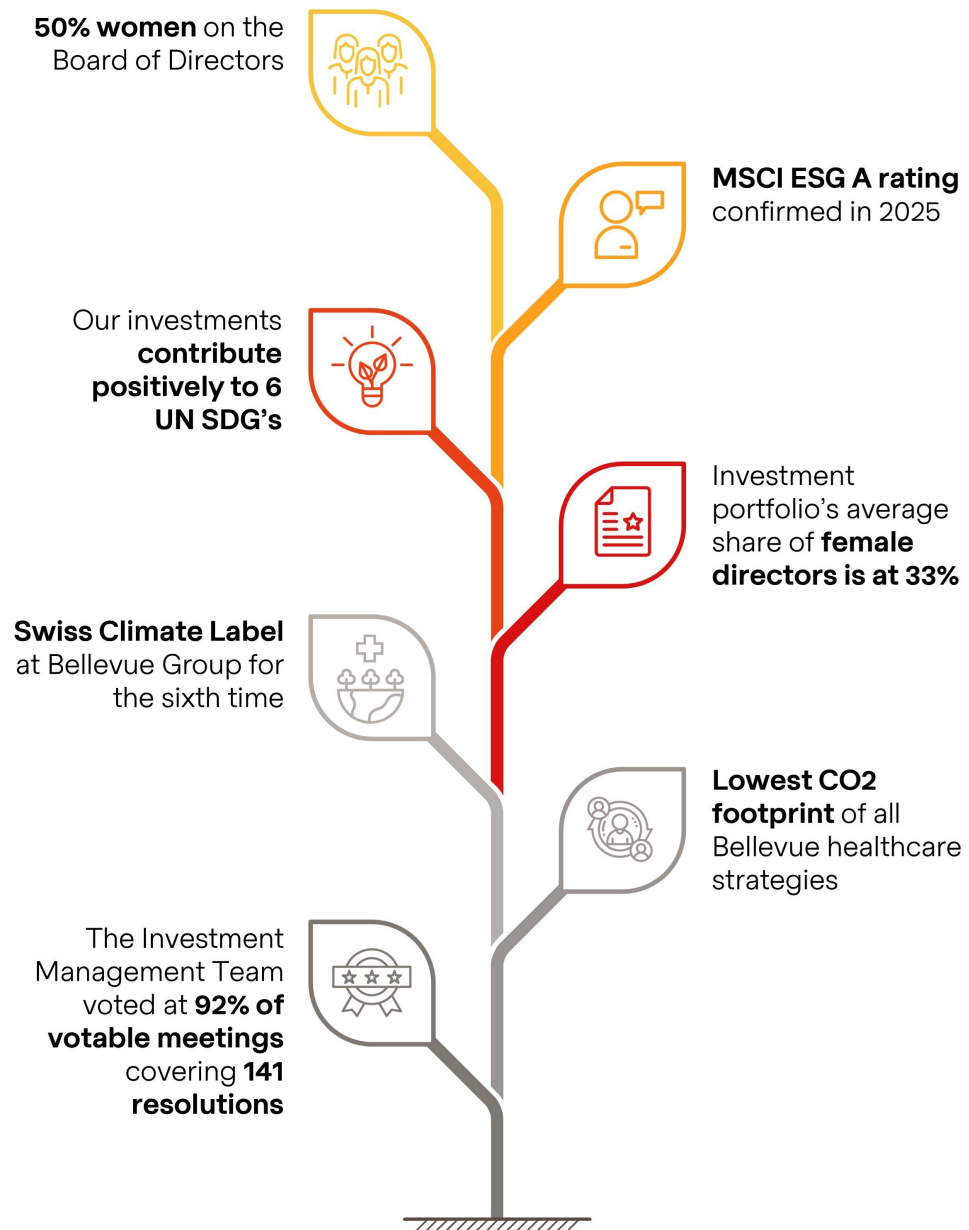


Rachael Burri
Head Investor Relations
joined 2025



Inna Kolenzova
Chief of Staff
joined 2025

Sustainability achievements 2025



Sustainability Strategy

Sustainability is central to BB Biotech's business strategy, driving long-term success and value creation for shareholders and stakeholders alike. We aim for growth while considering environmental and societal needs. As an investment company, we are positioned to support sustainable development for the benefit of all our stakeholders.

Sustainability is integrated into our investment process as a key factor in assessing risks and opportunities during due diligence. We believe the most significant ESG aspect of medical development is the positive societal impact of novel therapeutics, as biotech companies aim to create drugs for unmet medical needs. Below are our four strategic focus areas in a sustainability context.

Full integration of sustainability into business strategy

ESG and sustainable investing are widely recognized, and BB Biotech is committed to integrating sustainability at the Board, Investment Manager, and portfolio levels. These principles are the foundation of our responsible corporate practices, essential for creating value for our stakeholders. Guided by these values, we follow a clear and transparent ESG policy and investment guidelines that define our environmental, social, and governance standards.

Maintaining CO₂ neutrality of business operations and initiating the Net-zero process

The Investment Manager remains committed to achieving net-zero emissions by 2050. In recent years, climate-related targets and measures were defined and implemented to manage and reduce the operational carbon footprint of the business. These efforts focused in particular on the main emission drivers, including business travel, commuting, heating and electricity.

As a result of the strategic and structural realignment initiated in 2025 including the expansion of the business footprint in Asia, the further strengthening of a fundamentally research-driven investment process and the ongoing development of the Investment Manager's operating model – the relevance and steering capability of the existing climate target framework were reassessed. The previous climate targets were therefore formally concluded at the end of 2025.

In 2026, the Investment Manager will define a revised set of climate-related targets that appropriately reflects the evolved business model and emission drivers and provides decision-useful metrics for managing climate-related risks and opportunities over a mid to long term horizon. As part of this methodological enhancement, a systematic monitoring of flight-related emissions will be introduced to improve transparency and steering of one of the most material emission sources.

The Investment Manager continues to manage and offset unavoidable CO₂ emissions through high-quality climate projects in Switzerland and was certified by Swiss Climate for the sixth consecutive year in 2025.

Increase gender diversity and promote inclusion

BB Biotech values diversity within its Board of Directors and the Investment Management team, believing it drives business success. A culture of respect and collaboration across languages, cultures, and nationalities fosters innovation and long-term success. The diverse backgrounds, experiences, and networks of the Board members help attract qualified professionals and ensure effective oversight in the highly technical biotech field.

This diversity, along with an inclusive environment, supports investment decision-making aligned with the company's long-term strategy. Gender diversity is reflected with three experienced women on the Board out of six board members. A formal policy requiring at least 30% representation has been implemented.

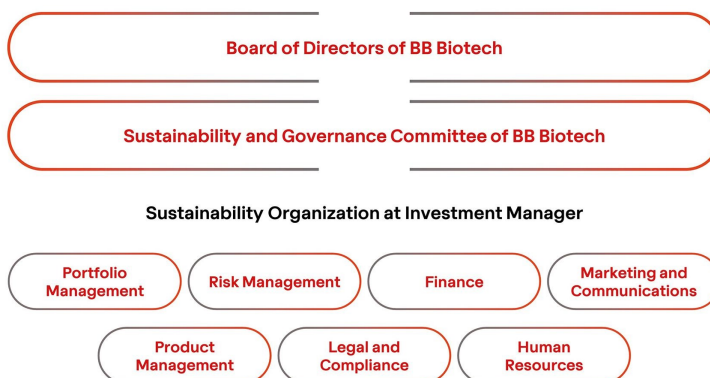
Anchoring sustainability in the investment process

BB Biotech systematically reviews its investments for sustainability risks and compliance with fundamental human rights, following principles like the UN Global Compact. In addition to strict exclusion criteria, environmental, social, and governance (ESG) factors are integrated into the analysis of each company, using ratings from MSCI ESG Research. While investments in «ESG laggards» are allowed, they require a detailed and well-documented justification. If material ESG issues are identified, they are brought to the attention of the company's management as part of a systematic stewardship process.

Sustainability Governance

Effective sustainability governance is key to embedding sustainability in our business and investment practices while identifying opportunities and challenges early. This requires a clear regulatory framework for managing sustainability issues. Both the Board of Directors and the Investment Manager actively oversee sustainability governance. The Board's Sustainability and Governance Committee, working with the Investment Management Team, ensures a robust sustainability strategy and meets at least four times a year.

ESG Governance structure



A sustainability working group at the Investment Manager is tasked with leading the implementation and integration of sustainability in all business areas. This working group consists of members from different business departments. It monitors current developments in the area of sustainability and anticipates their impact on the business model of BB Biotech. It supports the Board of Directors and the Sustainability and Governance Committee in the formulation and further development of the sustainability strategy. The sustainability working group is therefore also responsible for managing and implementing projects in the business units and areas of activity.

Stakeholder Engagement and material ESG Topics

With our business model unchanged, material ESG topics remained the same as for the previous year. With respect to our continuous stakeholder dialogue, following aspects were considered during 2025:

Stakeholder	Engagement	Activities 2025	Topics
Shareholders	<ul style="list-style-type: none"> • BB Biotech is in regular contact with its shareholders. • Throughout the year, regular dialogue with investors is maintained. In accordance with the listing rules of SIX Exchange and XETRA, important business developments are published by means of press releases or ad hoc announcements. At the same time, these announcements are published on the company's website. • The notices to shareholders required by Swiss company law are published in the Swiss Official Gazette of Commerce SOGC. 	<ul style="list-style-type: none"> • Annual general meeting • Conferences and events • Roadshows/ investor meetings • Corporate website • ad hoc publications • Media releases • Annual and interim reports 	<ul style="list-style-type: none"> • Economic performance • Portfolio companies • Sector developments • Macro developments • Share performance-Sustainability
Employees at the Investment Manager	<ul style="list-style-type: none"> • Employees are regularly informed about business developments, changes in the company and product updates. Communication takes place through various channels such as emails and townhall meetings. • The Investment Manager also conducts company-wide surveys to monitor employee satisfaction and engagement and ensure employees understand the business. Employee feedback is forwarded to management, which uses it to drive specific actions. 	<ul style="list-style-type: none"> • Continuing education • Talent attraction and retention 	<ul style="list-style-type: none"> • Safety and health • Sustainability • Strategy • Next Generation
Analysts and Distribution partners	<ul style="list-style-type: none"> • Our distribution partners are supported by a dedicated Investor Relations and Sales team. Analysts and distribution partners have regular personal contact with their key account managers and receive regular newsletters with product and business information. • You can sign up for the free email distribution list. 	<ul style="list-style-type: none"> • Key Account Manager Relationships • One-on-one meetings • Conferences and events • Complaint handling • Survey 	<ul style="list-style-type: none"> • Products • Sustainable products • Customer relationship and satisfaction
Suppliers	<ul style="list-style-type: none"> • BB Biotech and the Investment Manager are in constant contact with their suppliers and service providers. If possible, local suppliers and service providers are preferred. Each supplier or service provider undergoes pre-qualification to ensure compliance and correspondence is maintained throughout the business relationship to verify requirements, make payments and negotiate contracts. 	<ul style="list-style-type: none"> • Direct dialogue 	<ul style="list-style-type: none"> • Responsible procurement • Traceability
Portfolio companies	<ul style="list-style-type: none"> • In the interest of our shareholders, we engage with management as a professional investor. • Activities: Meetings with company representatives on all levels (top management, Board of Directors, IR, etc.) 	<ul style="list-style-type: none"> • Management meetings (senior management, Board of Directors, IR) • Voting at general meetings • Exchange of experience 	<ul style="list-style-type: none"> • Sustainability • Innovation • Cost structure • Capital structure • Corporate Governance
ESG rating agencies	<ul style="list-style-type: none"> • We engage with rating agencies and provide transparency in order to be fairly assessed. 	<ul style="list-style-type: none"> • Meetings • Participation in survey • Training of employees based on feedback 	<ul style="list-style-type: none"> • Small vs. large caps • Coverage • Rating methodology
Regulator	<ul style="list-style-type: none"> • BB Biotech regularly reports to regulators as part of its business and complies with rules and regulations. 	<ul style="list-style-type: none"> • Exchange of experience • Events • Annual and interim reports 	<ul style="list-style-type: none"> • All ESG-related topics • Reporting standards
Media	<ul style="list-style-type: none"> • Media office at the Investment Manager conducts active media relations with a high level of service. For balanced reputation management, the topic of sustainability has a high priority. 	<ul style="list-style-type: none"> • Key Account Manager Relations • One-on-One meetings • Unofficial media roundtables 	<ul style="list-style-type: none"> • All ESG-related topics • Company developments • Product and sector updates

Material ESG topics identified

The materiality assessment helps the Board of Directors and Investment Manager identify key sustainability issues by considering stakeholder expectations. The analysis continuously enhances sustainability management by understanding stakeholder needs and evolving material concerns. The materiality matrix guides corporate processes, identifying opportunities and risks and enabling appropriate actions.

Materiality matrix

Throughout 2025 the key material topics have not changed vs. the prior reporting period, i.e. BB Biotech still derives eight central topics from the materiality matrix, which are taken into consideration as part of sustainability management and the strategy.

1. **Economic performance**

Financial solidity and delivering long-term total returns to shareholders ensure that BB Biotech AG is and remains a reliable and value-adding partner for all its stakeholders.

2. **CO₂ emissions**

Following the strategic and structural realignment of the Investment Manager, climate targets are being recalibrated, with a revised framework to be defined from 2026 onward.

3. **Corporate governance and business ethics**

BB Biotech recognizes that sound corporate governance and a clear management structure with defined roles and responsibilities are critical to the long-term success of the company.

4. **Transparency**

BB Biotech's corporate governance complies with internationally recognized standards. We disclose transparent information about our governance. This enables our stakeholders to verify the quality of the company and supports investors in their investment decisions.

5. **Diversity and inclusion**

Diversity and equal opportunities are part of the corporate culture practiced by BB Biotech and the delegated Investment Manager. Accordingly, we promote potential as well as skills and competencies equally among all employees across all age groups.

6. **Employee development and retention**

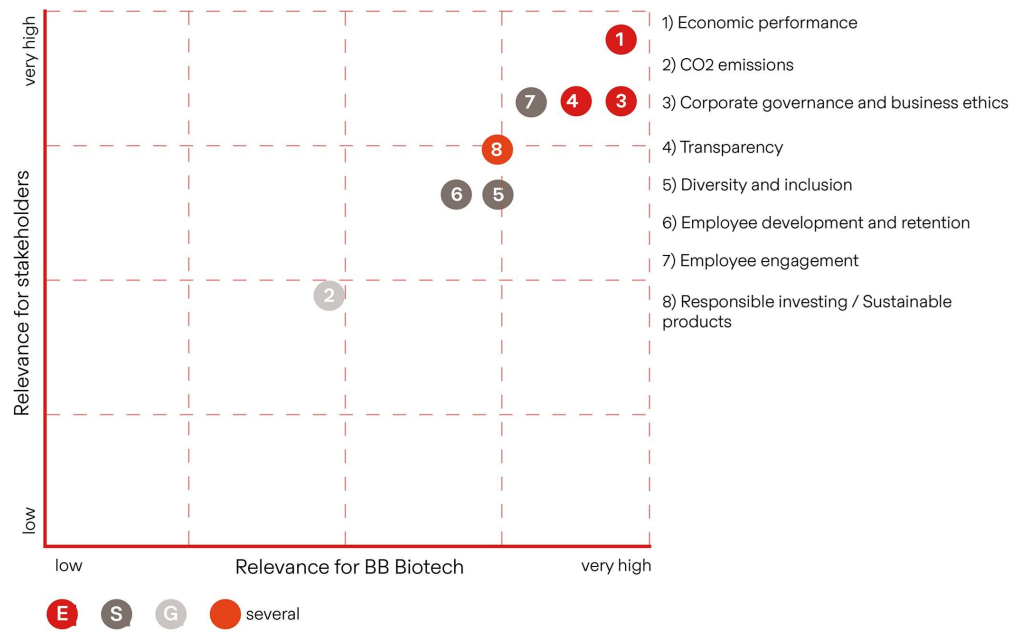
Our corporate culture is based on mutual respect and trusting cooperation. Regular feedback and development meetings, as well as recognition and appreciation of performance, are important prerequisites for the company's success.

7. **Employee engagement**

The Investment Manager commits to conduct a Group-wide employee engagement survey every three years to assess employee satisfaction and the need for improvement.

8. **Responsible investing/Sustainable products**

Our investment process implements formal ESG investment guidelines and therewith all investments are systematically reviewed for sustainability risks and breaches of elementary human rights. Besides upholding strict exclusion criteria, environmental, social and governance factors are integrated into the fundamental analysis of every company through an ESG integration process. ESG ratings compiled by the global leading ESG research provider MSCI ESG Research are incorporated in this process.



Further details on the management of material ESG topics follows in the chapters after we introduce the relevant SDGs.

Sustainable Development Goals (SDG)

BB Biotech actively integrates ESG into its portfolio companies by engaging with management teams, voting at general meetings, and fostering dialogue. This ongoing collaboration is key to addressing ESG concerns and reflects a continuous learning process for all parties.

For listed portfolio companies, BB Biotech collects data from public platforms and ESG questionnaires. Over its more than 30-year history, the company has continually refined its approach to responsible investing, recognizing that it remains a dynamic and evolving process. Responsible investing has been central to BB Biotech since its founding in 1993.

Through investments in biotech companies, BB Biotech contributes to improving global health by supporting the development of new drugs for unmet medical needs, aligning with UN Sustainable Development Goal 3 to ensure healthy lives and well-being for all.

SDGs at Board of Directors of BB Biotech AG and the Investment Manager level:

The five SDGs considered most relevant for BB Biotech on Board of Director and Investment Manager level are: good health and well-being (3), quality education (4), gender equality (5), decent work and economic growth (8) and climate action (13). This is where BB Biotech can have the most significant impact. Those material SDG's are highlighted in color below:



Source: MSCI ESG Inc.

Goal 3: Ensure healthy lives and promote well-being for all at all ages

Through our biotech expertise and investments, we aim to improve people's health. Supporting good health and well-being is central to BB Biotech's strategy. Providing capital and guidance to develop new drugs addressing unmet medical needs, such as rare disorders, cancer, and chronic diseases, is a priority for the Board and Investment Manager. The goal is to enhance patients' quality of life, ideally curing diseases and benefiting society. Many portfolio companies align with UN Sustainable Goal 3, promoting health for all. By backing biotech innovation, BB Biotech advances medical research and global healthcare improvements.

Also in 2025, substantial medical progress was reflected in several FDA approvals and label extensions from BB Biotech's portfolio companies. Vertex received approval for JOURNAVX (suzetrigine), the first medicine in a new class of non-opioid analgesics to treat moderate-to-severe acute pain in adults. Alnylam delivered two key milestones: AMVUTTRA (vutrisiran) obtained a label expansion for adults with transthyretin amyloidosis with cardiomyopathy (ATTR-CM), aimed at reducing cardiovascular mortality, cardiovascular hospitalizations and urgent heart failure visits, and Qfitlia (fitusiran) was approved for routine prophylaxis to prevent or reduce bleeding episodes in hemophilia A or B (with or without inhibitors) in patients aged 12 years and older. Additionally, Argenx's VYVGART Hytrulo was approved in a prefilled syringe format enabling self-injection for adult patients with AChR-antibody positive generalized myasthenia gravis as well as adult patients with chronic inflammatory demyelinating polyneuropathy. Finally, Ionis received approval for DAWNZERO (donidalorsen) as a prophylactic treatment to prevent attacks of hereditary angioedema in patients aged 12 years and older.

Looking ahead, we anticipate that these companies will continue to secure approvals for several additional groundbreaking drugs.

Goal 4: Ensure inclusive, equitable and quality education and promote lifelong learning opportunities for all

BB Biotech encourages continuing education for all employees and promotes life-long learning.

By the end of 2024 Bellevue Asset Management introduced an employee and training directive; Bellevue empowers every employee to take advantage of training and development opportunities commensurate with their position and function and supports the personal and professional development activities of its employees. Accordingly, all training and development activities were systematically tracked and reported in 2025. The following table shows the average number of training and continuing education hours per employee (excluding webinars) completed during the reporting period.

Average hours per employee	2025
Total	15
- Male	12
- Female	22

Further social employee practices are presented below in the Sustainability at Investment Management Level section.

Goal 5: Achieve gender equality and empower all women and girls

BB Biotech fosters a culture of gender equality and promote a balanced mix of gender and age across all hierarchical levels and functions of the company.

Goal 8: Promote inclusive and sustainable economic growth, employment and decent work for all

BB Biotech and its delegated Investment Manager offer attractive, family-friendly working condition, promotes diversity, has a competitive salary policy with equal pay for women and men, and is committed to the training and development of its employees.

Goal 13: Take urgent action to combat climate change and its impacts

BB Biotech and its delegated Investment Manager ensure that responsible operational ecology contributes to CO₂ reduction. Necessary operational emissions that cannot be

further reduced are compensated for by purchasing CO₂ emission certificates in the amount of the greenhouse gas emissions emitted each year ensuring our CO₂ neutrality commitment.

SDGs at portfolio level:

Portfolio level relates to the portfolio companies that BB Biotech are invested in. At the portfolio level UN SDG's are considered in order to derive the proportion of «sustainable investments» (c.f. also chapter «Proportion of ESG investments»). The concept of «Sustainable investments» introduces a positive contribution to an environmental and/or a social objective while not significantly harming any of these objectives. Furthermore, the portfolio companies must apply practices of good corporate governance.

ESG research provider MSCI ESG measures the target contribution of companies to each of the SDGs and categorizes them as «strongly aligned», «aligned», «neutral», «misaligned» and «strongly misaligned». A positive contribution to an environmental or social objective hence requires a company to exhibit a positive alignment with at least one of the 17 UN SDGs and at the same time not negatively influence any other SDG.

As at December 31, 2025, BB Biotech AG's investment portfolio exhibits a share of 58.7% in sustainable investments. Thereby, the portfolio contributes to the following 6 UN SDGs that are marked in colour:



Source: MSCI ESG Inc. United Nations

Some of BB Biotech's portfolio companies positively contribute to UN SDG No.1 (No Poverty), No.3 (Good Health & Well-Being), No.5 (Gender Equality), No.7 (Affordable and Clean Energy), No.9 (Industry, Innovation and Infrastructure) and No.13 (Climate Action). Innovative Biotech companies play a key role in contributing to the underlying objectives of "Good Health & Well-Being".

According to MSCI ESG's SDG alignment methodology, the following portfolio holdings are positively aligned with the narrowly defined goals under UN SDG No.3 (Good Health & Well-Being): Alnylam Pharmaceuticals, Amicus Therapeutics, Argenx, Ionis Pharmaceuticals, Krystal Biotech, Neurocrine Biosciences, Vertex Pharmaceuticals,

Sustainability at Board of Directors level

Sustainability at the Board of Directors level focuses primarily of the investment strategy, the organization of the group and the guidelines and instructions to the delegated investment manager Bellevue Asset Management AG.

Economic performance

The economic performance is essential for creating long-term value for our stakeholders with a portfolio of diversified biotech companies.

In terms of portfolio size and market capitalization, BB Biotech is one of the largest biotech investors globally. The annual average performance of BB Biotech's shares since inception in 1993 is 10.2%.

BB BIOTECH (SIX)

CHF 44.95

31.12.2025

Share Price Performance YTD	34.2%
Market capitalisation	CHF 2.5 bn
Net Asset Value (NAV)	CHF 50.40

BB BIOTECH (XETRA)

EUR 48.55

31.12.2025

Share Price Performance YTD	37.0%
Market capitalisation	EUR 2.7 bn
Net Asset Value (NAV)	EUR 54.15

Corporate Governance and business ethics

BB Biotech emphasizes that both its internal processes and those managed by the Investment Manager uphold compliance, data protection, stakeholder engagement, and good business practices. The Board acknowledges its responsibility for the environmental, social, and governance (ESG) impact of its activities and integrates corporate governance as a core aspect of its operations.

Corporate governance policies are tailored to the company's size and complexity, with transparency ensured through publicly available documents, including the articles of incorporation, organizational regulations, and committee charters. The Corporate Governance report complements the annual report, detailing governance policies and their implementation.

As a company listed on Swiss and German stock exchanges, BB Biotech adheres to the respective regulations. In 2022, the Board established a «Sustainability and Governance Committee», defining its roles, responsibilities, and charter.

Diversity, equal opportunities and non-discrimination

We are of the belief that diversity and inclusion, and people with different backgrounds, competencies and perspectives are key components to long-term success. BB Biotech's focus is on having a diverse Board of Directors whilst ensuring that they also have the relevant experience to oversee investments in the field of biotechnology. The Board of Directors is well diversified in terms of age, gender, expertise and geographical location. The Board of Directors conducts periodically salary benchmarks to ensure competitive and equal compensation. A policy on these aspects is accessible on www.bbbiotech.com.

Transparency

BB Biotech's environment, social and governance (ESG) performance is reviewed on a regular basis by independent ESG rating agencies. Whereas we welcome the feedback from and collaboration with these important stakeholders it is also a learning process for both parties as investment companies structurally do not fit into the rating agencies' current measures. Following a temporary exclusion earlier in the year due to revised index inclusion criteria, BB Biotech AG was re-included in the SPI ESG Index in Switzerland in September 2025. In addition, in December 2025, MSCI ESG confirmed its assessment of BB Biotech AG with a solid A rating.

These developments underline the continued strengthening of BB Biotech AG's ESG profile and support enhanced ESG visibility among international investors, particularly those requiring ESG coverage by leading sustainability rating agencies.

The ratings and feedback provided by various ESG rating agencies are one of the factors that are taken into consideration when continuously aiming at improving BB Biotech's ESG performance – and there is a commitment by the Board of Directors to further improve going forward.

Responsible investing

BB Biotech's Board of Directors establishes the investment strategy and guidelines for the investment manager, incorporating ESG dimensions into the process. Investment decisions are made by the Investment Management Team at Bellevue Asset Management AG.

Sustainability at Investment Manager level

Independent – entrepreneurial – committed

Operational corporate sustainability matters have to be evaluated from the perspective of its delegated investment manager and administrator, Bellevue Asset Management AG.

Environmental practices

Within the framework of our work processes, we attach importance to environmentally friendly practices and ensure this in particular with the following measures:

CO₂ emissions

Bellevue Group was certified by the independent specialist «Swiss Climate AG» for the sixth time in 2025 (based on 2021 values). By purchasing CO₂ emission certificates equivalent to our annual greenhouse gas emissions, we support projects that reduce emissions by the same amount. This year, we have chosen a project focusing on «climate protection and sustainable management in Swiss forests.» The project ensures CO₂ storage and sustainable forest management in the canton of Schwyz. This protects the climate, preserves biodiversity in Swiss forests, and enables the production of energy wood for renewable energy production.

Measurement of environmental indicators

The environmental indicators were calculated for the sixth time in 2025 on the basis of the 2021 financial year. The 2020 balance with normalized data in the categories commuting and business flights will be used as a reference balance to assess the efficiency of the measures implemented as part of the climate policy and to verify improvements in the CO₂ balance.

Total emissions (in t CO ₂)	Base year*	2025	2024	2023
CO ₂ -emissions scope 1 ¹⁾	32	7	12	10
CO ₂ -emissions scope 2 ²⁾	44	7	10	23
CO ₂ -emissions scope 3 ³⁾	725	717	581	575
Total CO₂-emissions	801	731	603	608
CO ₂ -emissions/full-time position	8.2	8.9	6.9	6.1

* Base year: 2020 adjusted for COVID-19 effects (travel / home office).

¹⁾ Scope 1: Direct greenhouse gas emissions

²⁾ Scope 2: Indirect energy-related greenhouse gas emissions

³⁾ Scope 3: Energy supply (energy-related emissions not received in scope 1 or 2): business travel (external vehicles), commuting, IT equipment, paper, print jobs, waste, water

Source: CO₂ Report for Bellevue Group AG issued by Swiss Climate AG (2023, 2024, 2025)

As Bellevue is active in the financial sector, its Scope 1 and Scope 2 emissions are rather low. Areas of focus are heating, electricity and business travel with company cars. Most of its CO₂ emissions relate to Scope 3 emissions and are mainly attributed to business travel and commuting. In 2020 and 2021, action to prevent the spread of the coronavirus led to a sharp reduction in business air travel (air travel) and commuting travel. From 2022 on, CO₂ emissions in these two areas has increased significantly, but are still below pre-pandemic levels.

Total emissions at a glance

Total emissions (in t CO ₂)	Base year*	2025	2024	2023
CO ₂ -emissions scope 1 ¹⁾	32	7	12	10
Heating	27	6	6	7
Business trips	5	1	6	3
CO ₂ -emissions scope 2 ²⁾	44	7	10	23
Electricity	26	7	4	15
Heating	18	–	6	8
CO ₂ -emissions scope 3 ³⁾	725	717	581	575
Energy supply	20	7	13	10
Business trips	499	639	471	468
Commuting	186	60	70	90
IT equipment	14	8	23	2
other	6	3	4	5
Total emissions	801	731	603	608
Emissions Total / FTE (t CO ₂ /FTE)	8.2	8.9	6.9	6.1

* Base year: 2020 adjusted for COVID-19 effects (travel / home office).

¹⁾ Scope 1: Direct greenhouse gas emissions

²⁾ Scope 2: Indirect energy-related greenhouse gas emissions

³⁾ Scope 3: Energy supply (energy-related emissions not received in scope 1 or 2): business travel (external vehicles), commuting, IT equipment, paper, print jobs, waste, water

Source: CO₂ Report for Bellevue Group AG issued by [Swiss Climate AG](#) (2023, 2024, 2025)

Energy consumption

Energy-efficient devices are prioritized when purchasing equipment like computers, monitors, and printers. Automated energy controls are set to put IT components into standby mode based on predefined schedules. Lighting is used only when the buildings are occupied, and additional energy-consuming devices, such as air conditioners or radiators, are operated only as needed and turned off immediately after use.

Transportation and mobility

Our locations are very easy to reach by public transport. Employees are motivated to travel by public transport. The company supports this through financial support by providing a half-fare Travelcard of Swiss public transport free of charge to all employees. Parking spaces are not subsidized and are charged at full market rates.

Due to our global investment strategies and distribution activities with employees at different locations, international contacts are important. All office locations have a video conferencing infrastructure. Most of the meetings are through telephone and video conferencing as a substitute for physical meetings to limit travel. Where possible and appropriate, we substitute air travel with public transportation such as train travel and coordinate joint site visits.

Procurement process

When procuring materials, furniture, food, etc., we consider local suppliers and local products whenever possible. Likewise, when selecting suppliers and service providers, their environmental practices are taken into account. In the procurement of furniture and other office materials, attention is paid to durability.

Waste management and recycling

Systems are in place at all office locations to collect and recycle a wide range of materials, including cardboard, PET, glass, paper, batteries and IT equipment. We separate waste and dispose of it properly. We take care at the procurement stage to avoid excessive waste or other unnecessary environmental impact (e.g. use of washable dishes instead of disposable cups/plates). In addition, water filtering devices are installed to reduce PET bottle consumption. Paper consumption is a significant resource for a service company. We take appropriate measures to ensure that paper consumption is constantly reduced and can be replaced by other means (e.g. customer presentations on notebooks/tablets instead of printed handouts, video calls for customer meetings, annual reports printed on FSC paper, shipping only on request). Print programs are initialized so that printouts are two-page and black and white by default.

Key climate-relevant memberships

In 2025 Bellevue Group was again certified by the Swiss Climate Label. In addition, Bellevue Asset Management benefits from its membership with Swiss Sustainable Finance (SSF) to support its mission to strengthen Switzerland's position as a leading voice and player in the field of sustainable finance and thus contribute to a sustainable and prosperous economy.



TCFD

The uniform and transparent rules for disclosing the financial climate risks by the Task Force on Climate-Related Financial Disclosures (TCFD) have been considered for the third consecutive year in 2025 for Bellevue's sustainability reporting.

We are currently working to identify and assess climate-related risks that may impact our business activities. In the coming years we are planning to revise and expand our reporting on climate-related factors. The recommendations are structured around four thematic areas that represent core elements of how organizations operate: governance, strategy, risk management, and metrics and targets.

Governance	Strategy	Risk Management	Metrics & Targets
Disclose the organization's governance around climate-related risks and opportunities.	Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	Disclose how the organization identifies, assesses, and manages climate-related risks.	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Source: TCFD, 2025

Governance

Climate-related opportunities and risks could potentially influence all areas of BB Biotech and its business – both in terms of our own business activities and the portfolio companies. Therefore the ultimate responsibility for this topic lies with BB Biotech's Board of Directors and its dedicated Sustainability and Governance Committee (SGC).

The Investment Management Team is responsible for the implementation of the investment strategy with a focus on sustainability topics as well as overarching principles and policies.

In addition, the Sustainability Working Group is entrusted with managing the implementation and integration of sustainability across all areas of the business. The working group comprises members from various functions, such as Risk Management, Product Management or Legal and Compliance. The group monitors the latest developments on the sustainability front and anticipates their impact on the business model. It supports the Bellevue Executive Board with formulating and developing the sustainability strategy. The Sustainability Working Group is therefore additionally responsible for managing and implementing projects within the business areas/functions and areas of activity.

Strategy

BB Biotech recognizes that a contribution towards the realization of the objectives set out in the Paris Agreement is required. This can be achieved through the way in which we structure our portfolio. We analyse and manage climate-related risks and show how they influence our investment decisions. As a biotech investor, we naturally apply sector exclusions for controversial industries (e.g. fracking/oil sands, etc.), engage in an active dialogue with the companies or other stakeholders regarding their climate strategy, and exercise our voting rights.

At an operational level, we disclose the emissions resulting from our own business activities in our Sustainability Report. BB Biotech considers sustainability risks to be a critical element of its risk management practices.

Climate Risk Management

Risks arising from disruptions and shifts that indirectly affect BB Biotech, e.g. through the introduction of climate policy measures involving a transition to a low-carbon economy (e.g. CO₂ levies, emissions or energy efficiency standards, or restrictions on «unsustainable» industries such as coal or oil), securely changing consumer sentiment or disruptive technological breakthroughs.

Metrics and targets

BB Biotech and the Investment Manager endorses the goals of the Paris climate agreement adopted in December 2015 and supports measures to mitigate global warming. Carbon intensity is measured at the portfolio level at least on a quarterly basis and these readings are compared with the relevant investment universe or the respective benchmark.

Bellevue has been purchasing electricity from renewable sources for its Swiss locations – either directly or otherwise indirectly through regional Guarantees of Origin and is further formalizing the net-zero climate strategy. Goal is to reduce greenhouse gas emissions from our business operations to net-zero by 2050.

Social practices

Employees are the most important asset for the long-term success of BB Biotech and the Investment Manager. We foster a strong entrepreneurial culture with flat hierarchies, a high level of personal responsibility and flexibility in terms of working hours, workload and location.

Our commitment to treating employees with respect and responsibility is evident in both daily interactions and structured employee evaluations. These evaluations provide a foundation for personal feedback and planning for future development. We actively support targeted training and professional development, both financially and through creating an environment conducive to learning and growth.

The health and safety of our employees, as well as others impacted by our business activities, are of utmost importance. As an employer, we play a crucial role in promoting our employees' well-being through various initiatives, helping them stay healthy and motivated over the long term. Employees are also offered free vaccinations annually, including those for influenza and tick-borne encephalitis.

The added value that BB Biotech generates for its investors is inextricably linked to the professional competence, motivation and high level of identification of the Investment Management Team. Accordingly, we place great emphasis on the careful selection of suitable talent. The suitability of a candidate is usually assessed over several selection stages and assessments. In addition to professional competence, soft skills such as the ability to work in a team and compatibility with corporate values are also assessed. From the employees' point of view, the manageable size of the company and the resulting personal contacts are a key success factor. Criteria such as age, origin and gender must not lead to discrimination.

The Investment Manager Bellevue recruited a total of 16 employees in 2025 across all locations and had a total of 72.8 FTE as at December 31, 2025.

Number of new hires	2025	2024	2023
Switzerland	12	9	6
- thereof men	10	5	3
- thereof women	2	4	3
Europe	1	1	4
- thereof men	–	1	3
- thereof women	1	–	1
Other	3	1	–
- thereof men	2	–	–
- thereof women	1	1	–
Total	16	11	10
- thereof men	12	6	6
- thereof women	4	5	4

By age groups

>50	2	3	2
30-50	13	7	7
<30	1	1	1
Total	16	11	10

Recruitment rate

	18.8%	11.4%	9.8%
- thereof men	14.1%	6.2%	5.9%
- thereof women	4.7%	5.2%	3.9%

Employee development and retention

The development of our employees is of central importance and an integral part of the Sustainability Plan 2030. Lifelong learning is becoming increasingly important. The company organization is designed to enable employees to develop and use their respective professional talents in the best interests of the company's stakeholders, the company and the employee, always taking into account the family and personal environment (e.g. part-time work, IT setup for home office, support for training and development).

Under the supervision of the HR department, employees are offered a wide range of professional development opportunities as well as career and succession planning as part of Bellevue's onboarding and induction process and education and talent management program. The regular institutionalized employee appraisals provide a framework for assessing personal performance and planning further development.

Training all employees on relevant compliance topics (including anti-corruption) is key to ensuring compliance with company-wide compliance requirements. In fiscal year 2025, the following compliance training courses were conducted: Market Conduct (all employees), Code of Conduct (portfolio managers), cross-border (all employees), cyber security (all employees), general compliance/instructions training (all new employees), and online training courses on generative AI and ChatGPT Enterprise (all employees). In addition, all employees complete annual e-learning modules on cyber security.

Occupational Health and Safety

The health and safety of our employees, as well as of all people affected by our business activities, are of the highest priority for the Bellevue Group. As an employer, we consider it our responsibility to create appropriate conditions and implement targeted measures that make a positive contribution to the physical and mental health of our employees and support them in remaining healthy, motivated, and capable of performing over the long term.

To promote health and well-being, we rely on a combination of preventive measures, health-promoting infrastructure, and a supportive corporate culture. At the Zurich location, employees are offered a free daily breakfast with bread and fruit; beverages as well as coffee and tea are also provided free of charge. In addition, employees receive an annual contribution for fitness activities.

All workplaces are ergonomically designed and equipped with height-adjustable desks and sufficient natural daylight. This helps prevent health-related strain in everyday work and promotes a healthy working environment.

To support preventive healthcare, Bellevue offers employees a free annual flu vaccination, which is administered at the company's headquarters by an external physician. Participation is voluntary and forms part of our preventive health approach.

Team cohesion (“Bellevue Team Spirit”) is actively fostered through regular social events such as summer parties and shared lunchtime barbecues. From our perspective, social interaction and team spirit make an important contribution to mental well-being and a positive working atmosphere.

As an asset manager with a clear focus on the healthcare sector, health is also firmly embedded in our corporate culture. The analysis of and investment in healthcare companies are core components of our investment strategies. Our experts regularly present internally and externally on current developments and challenges in the healthcare sector. Professional exchange on topics such as the increase in lifestyle-related diseases, nutrition, physical activity, and prevention helps to sustainably strengthen health awareness among our employees.

Remote Work and Flexible Working Models

As a modern employer, the Bellevue Group enables its employees to perform their work partly from home where the function allows. This flexible working model supports the compatibility of professional and private life and contributes to an improved work-life balance.

Employees particularly value the option to work from home due to increased flexibility, the elimination of commuting time, and a more efficient organisation of their working day. At the same time, remote work contributes to employee well-being and to the long-term attractiveness of the Bellevue Group as an employer.

Working Time Arrangements and Work Organisation

The Bellevue Group places great importance on transparent and reliable working time arrangements that comply with legal requirements while taking into account the differing needs of employees. Working time structures are designed to achieve a balanced relationship between operational requirements and individual flexibility.

Weekly working hours and the organisation of working time are based on the respective functions, responsibilities, and contractual agreements. Flexible working time models enable employees to organise their daily work more independently and support the reconciliation of professional and private life.

Compliance with applicable working and rest time regulations is ensured. Managers bear particular responsibility for appropriate work organisation and a realistic workload within their teams. The aim is to prevent excessive workloads and to promote the sustainable performance and well-being of employees.

Employee engagement

Employee information channels

In order to address employees' increased need for internal information updates, also in 2025 a total of 4 quarterly employee information events were held. Besides the latest operating results, information is given about specific products, new developments, the projects being developed and pursued by individual teams and so on. The presentations are prepared in collaboration with the directly involved employees, which gives them an opportunity to present their specific tasks and related challenges in their own words.

Employee development

In addition to the annual review, employees have the opportunity to suggest and pursue suitable training and education initiatives (see «Training and education» for further details).

Collaboration between executive management teams

Due to its historically and geographically diverse structure, Bellevue operates with multiple executive management teams. A level of merging and consolidation has now taken place, and interaction has been stepped up through regular meetings.

Remuneration policy

Within Bellevue, the following overarching principles apply to all compensation:

Compensation is transparent, comprehensible, fair and appropriate for members of the Board of Directors and Group Executive Management as well as for all employees. All compensation must take balanced account of operational and strategic responsibility, the quality of the work and the workload of the respective function. Compensation shall be commensurate with the function and shall be influenced to a significant extent by the individual achievement of quantitative as well as qualitative targets and by the results of Bellevue. When determining compensation, it must be ensured that it is proportionate and competitive compared to companies in the same labour market and economic sector, and that it is sustainable regardless of the course of business. Serious breaches of internal or external regulations (incl. ESG/sustainability) will lead to a reduction or forfeiture of variable compensation.

Further details and numbers are publicly disclosed in the audited compensation report of Bellevue Group AG as part of the annual report.

Employee profit participation

In the spirit of identification with the company and the entrepreneurial activities of each employee at his or her level, we give employees across all hierarchical levels a share in the success of their own employer.

For the Investment Management Team of BB Biotech there is a compensation system in place with three components:

1. Competitive fixed salaries in line with asset management industry standards,
2. An allocation of the management fee paid by BB Biotech AG reflecting mid- and long-term success,
3. A long-term incentive plan, fully aligned with shareholders' interests with multi-year performance hurdles, resulting in payments between 0% and 100%.

Furthermore, Bellevue periodically offers an employee share ownership program under which rights to purchase Bellevue Group shares are offered at a discounted purchase price.

The compensation of employees is designed to motivate all employees to perform very well. This approach promotes a long-term performance culture.

Diversity and Inclusion

The Investment Manager provides equal employment and advancement opportunities to all individuals regardless of age, race, ethnicity, gender, sexuality, disability, religion or other characteristics. That's why we benefit from a diverse workforce, creating a competitive advantage.

With their different perspectives and approaches, experiences, ideas and skills, employees inspire and learn from each other. As a result, the company gains in creativity, innovation and success.

We foster a culture of gender equality and promote a balanced mix of gender and age across all hierarchical levels and functions of the company. Employee compensation is periodically reviewed (every 2 years) for unjustified differences and adjusted if necessary. In

2025, an analysis of salaries was carried out using the federal government's standard software («Logib»). No gender effect was identified.

Both genders should be represented on the Group Executive Board and on the Board of Directors. Discriminatory behavior will not be tolerated and improper conduct will be punished by line managers. To that end, a whistleblowing policy was approved and an internal reporting system created in 2022.

The Board of Directors of Bellevue Group has set itself the goal of continuously increasing the proportion of women at all levels, especially at senior management level (Board of Directors and executive management). Furthermore, the Board of Directors is promoting the development and retention of women in the company. In addition, the company aims to fill vacant positions with women through targeted talent attraction measures.

In 2025, the following activities took place in the area of diversity and equal opportunities:

- To date, no complaints or reports of discrimination have been received via the aforementioned whistleblowing or whistleblower system.

Governance practices

Transparency

In accordance with Regulation (EU) 2019/2088 of the European Parliament and the Council of the European Union of November 27, 2019, on sustainability-related disclosures in the financial services sector, Bellevue Asset Management is committed to transparency with respect to:

- Policy for managing sustainability risks
- Adverse sustainability impacts at entity level
- Compensation policies in relation to the integration of sustainability risks
- Adverse sustainability impacts at financial portfolio level
- Promotion of environmental or social characteristics in pre-contractual disclosures
- Sustainable investments in pre-contractual disclosures
- Promotion of environmental or social characteristics and of sustainable investments on websites
- Promotion of environmental or social characteristics and of sustainable investments in periodic reports

Insider Information Policy

At Bellevue, we strictly protect non-public, price-sensitive information. Employees and representatives are prohibited from using or disclosing insider information for personal or professional advantage. We comply with all applicable laws and regulations on insider trading in order to safeguard market integrity and maintain investor confidence.

Due Diligence

Bellevue Group AG and its subsidiaries apply appropriate and risk-based due diligence processes to systematically identify, assess, and manage potential adverse impacts of their business activities on environmental, social, and governance (ESG) matters. Due diligence covers the full scope of business operations and includes, in particular, own business activities, investment activities, and relevant business relationships.

Within these processes, potential risks and adverse impacts are analysed, prioritised, and, where possible, prevented, mitigated, or otherwise addressed through appropriate

measures. Findings from due diligence are incorporated into internal policies, decision-making processes, and control mechanisms. Where actual or potential adverse impacts are identified, Bellevue assesses appropriate remedial actions and monitors their implementation.

Conflicts of Interest

Bellevue is committed to the transparent disclosure of potential or existing conflicts of interest to ensure that reporting and decision-making are carried out objectively and responsibly. We have established mechanisms to identify potential conflicts of interest. All employees and members of the Board of Directors are required to disclose conflicts of interest as soon as they become aware of them. This includes personal interests, financial holdings, family relationships, or other relevant connections that could give rise to a conflict of interest.

Bellevue has issued a “Conflicts of Interest Policy” that sets out the company’s guidelines for dealing with conflicts of interest. The policy aims to protect Bellevue’s reputation as an ethical and fair manager of collective investment schemes and assets of pension institutions, ensure compliance with regulatory requirements, and maintain the trust of clients and business partners.

Any transactions with related parties are disclosed in Note 9 to the consolidated financial statements.

Whistleblowing

Bellevue strives to comply with all regulatory requirements at all times and to implement them accordingly. To support this purpose, Bellevue expects its employees to speak up when they know of or suspect conduct or incidents that violate laws, regulations or internal directives. Bellevue’s Whistleblowing Platform is a secure web-based solution for internal reporting of Misconduct. The Whistleblowing Platform is hosted and maintained by a thirdparty provider which has no access to the content of reports. In line with its commitment to transparency and good governance, Bellevue’s whistleblowing policy is publicly available on the investment manager’s website under the ‘Policies’ section.

Client Data Protection

Protecting client data is a key priority for Bellevue and a fundamental basis for trust and long-term client relationships. Compliance with applicable data protection regulations is ensured through clear policies, regular employee training, up-to-date security technologies and annual risk assessments.

Bellevue is not ISO 27001 certified, as it does not provide external IT services; however, its internal IT systems are reviewed annually by several independent audit firms. No data breaches or regulatory sanctions were identified during the reporting periods.

Policy

Sustainability risks

«Sustainability risks» is defined as an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment¹⁾.

Bellevue Asset Management AG and its subsidiaries have integrated sustainability risks into the investment decision-making processes of all their actively managed strategies and associated funds with the aim of identifying, assessing and, if possible and appropriate, mitigating such risks.

While every investment strategy can be exposed to such sustainability risks to varying degrees, the projected impact of sustainability risks on the returns of the investment strategies will depend on the specific investment strategy.

100% of BB Biotech's and more than 90% of Bellevue Asset Management AG's assets under management as at December 31, 2025, are invested in the healthcare sector, which is characterized by lower levels of carbon emissions than the manufacturing, commodities or energy sectors and the broadly diversified global equity indices. Focus on healthcare therefore reduces the sustainability risks.

1 in Regulation (EU) 2019/2088 of the European Parliament and of the Council of the European Union of November 27, 2019 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosure Regulation, SFDR)

ESG investment policy

ESG framework in portfolio management



Source: Bellevue Asset Management, as at December 31, 2025

Exclusion criteria

Bellevue Asset Management is committed to complying with internationally recognized standards and consistently exclude companies with serious violations of human rights, the environment, labour standards and involvement in corruption from the investment portfolios it manages. No investments may be made in companies that seriously violate the environment, human rights and business ethics. This is measured by compliance with the principles of the UN Global Compact Compliance, UN Guiding Principles for Business and Human Rights, and standards of the International Labour Organization.

In contrast to exclusions based on violations of global standards, values-based exclusions are based on social, ethical and moral views. Percentages of sales per business segment are defined, that a company may not exceed in ESG-critical business segments such as thermal coal or tobacco production. Issuers whose annual sales exceed the generally accepted tolerance limits defined below are excluded. For BB Biotech and the biotech industry in general, these thresholds are in practice not relevant.

Business area	Revenue threshold	BB Biotech
Controversial weapons	0%	0%
Thermal coal	5%	0%
Fracking/oil sands	5%	0%
Production of tobacco	5%	0%
Sale of tobacco	20%	0%
Adult entertainment	5%	0%
Gambling	5%	0%
Palm oil	5%	0%

The defined turnover limits are based on empirical values with institutional investors and industry experts.

Bellevue Asset Management maintains an exclusion list, which is updated on a quarterly basis. Currently, this list comprises close to 700 issuers that are excluded from all investment universes in the context of direct investments.

ESG Integration

Environmental, social and governance factors are incorporated into the fundamental assessment of a company and evaluated in terms of their financial risks or opportunities for future share price performance. This gives our portfolio managers a holistic picture of a company.

The environmental area includes, for example, whether a company systematically measures and discloses its environmental footprint. The area of society includes, for example, product quality, data security and employee development. Good governance includes, for example, independence and compensation of the board of directors or business ethics.

As a basis for the integration of sustainable business criteria in the investment decision process, the Investment Manager uses an ESG rating per issuer, which is composed of various sub-scores. The scores are based on data from the independent third-party providers MSCI ESG Research. Their relevance and consequently weighting can vary significantly depending on the industry affiliation.

Over the past year, it has again proven important to interpret aggregated ESG ratings with caution and to critically scrutinize them. Most ESG rating methodologies are based on predefined systematics that do not lead to an objective or «fair» risk assessment in all cases. Especially small-capitalized and young companies, such as those still in the start-up phase, are typically systematically disadvantaged compared to large companies. A lack of human resources and experience in dealing with ESG issues can lead to a poorer sustainability rating. MSCI ESG Research regularly conduct client surveys to address these issues and implement potential methodology improvements.

Our portfolio managers and analysts stand in close contact with our portfolio companies and in many cases may have a more profound fundamental understanding of certain processes with the company than an external ESG rating agency. Accordingly, our portfolio managers take a critical look at potential or alleged «ESG laggards» (rating CCC, B) and repeatedly seek personal discussions with the ESG specialists of our cooperation partner and the companies concerned. Our ESG investment guidelines tolerate an investment in an alleged «ESG laggard» provided that our rationale to do so is clearly explained and documented in detail. Nonetheless, an investment in a so-called «ESG laggard» does under no circumstances qualify as an investment with «sustainable characteristics» nor as a «sustainable investment»

with regards to the calculation of our regulatory ESG investment proportions (c.f. also chapter Proportion of ESG Investments).

ESG stewardship

As a responsible investor with a long-term focus, BB Biotech supports all measures and initiatives that increase the value of the companies invested in over the long term in the interests of shareholders and investors. This includes engagement activities as well as the exercise of voting and election rights on the occasion of general and shareholders' meetings.

Engagement

Active management means investing with conviction. We know what we are investing in, and pursue this with great discipline. At Bellevue you will not find any overarching investment committees or a CIO. Working independently in their own product areas, the relevant investment specialist teams are all committed to personal responsibility, respect, and the strength of their own vision. As well as being investment experts, our employees are simultaneously entrepreneurs who participate in the success of clients through their own investments. Active management also stands for constructing high-conviction portfolios based on a bottom-up oriented investment process, which inherently includes not only the decision to allocate a security, but also in many instances to exclude a security for various reasons. The latter is often a result of an in-depth interaction with company representatives, which we would certainly also describe as a type of engagement.

This commitment to active investment management also highlights the importance of engagement as a key element in our ESG framework. Portfolio managers are engaged in an active and constructive dialog with the executives and other relevant stakeholders of portfolio companies on environmental, social and governance issues. All our engagements are conducted along (but not limited to) our predefined list of key ESG issues, which are reviewed periodically and may change in terms of priority as a result of changing dynamics in the field of ESG.

Written records of ESG engagement activities are maintained as part of the regular documentation of conversations with company representatives. In addition, every relevant company interaction is systematically recorded in our proprietary ESG Engagement Tool and as such accessible to all investment team and ESG product management members.

Bellevue Asset Management's ESG Investment Guideline, particularly its section on Stewardship, can be found [here](#).

ESG-Reporting

Since 2019, Bellevue Asset Management AG has been a signatory of the United Nations Principles for Responsible Investment (UN PRI). PRI reporting is the world's largest responsible investment reporting project. It was developed with investors for investors. Reporting on our sustainability activities and progress is one of the six principles of the UN PRI. Bellevue Asset Management is also a member of Swiss Sustainable Finance Association (SSF).

We fulfil our responsibility in ESG reporting through quarterly ESG factsheets, the ESG section of the Bellevue and BB Biotech websites, Bellevue Asset Management's UN PRI Report as well as regulatory portfolio related ESG reporting, namely EU SFDR Annex IV report.

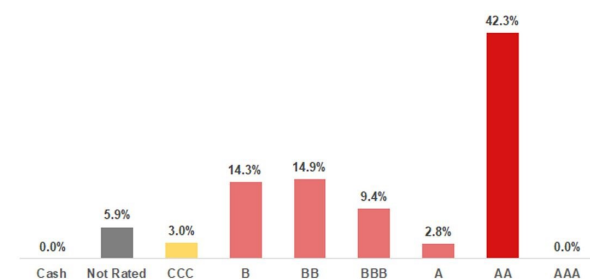
Sustainability at BB Biotech AG's portfolio level

The Head Investment Management Team BB Biotech and member of the executive management board at Bellevue Asset Management AG comments as follows:

Our investment process fully implements Bellevue Asset Management's formal ESG investment guidelines and therewith all BB Biotech investments are systematically reviewed for sustainability risks and breaches of elementary human rights (as defined, for example, by UN Global Compact principles). Besides upholding strict exclusion criteria – such as very severe controversies that violate universal norms regarding the environment, human rights or good corporate governance – environmental, social and governance factors are integrated into the fundamental analysis of every company through an ESG integration process in which the associated financial risks or opportunities are evaluated with respect to future share price development. ESG ratings compiled by the global leading ESG research provider MSCI ESG Research are referenced in this process, all the while exercising the necessary prudence and, in some cases, questioning the ESG score.

Responsible Investing

MSCI ESG Rating distribution (portfolio investments)



Note: Rating based on 92.2% MSCI ESG Research coverage. The aggregated weighted average MSCI ESG rating of all portfolio investments as per 31.12.2025 amounts to a BBB-rating. This BBB-rating must not be confused with the MSCI ESG A rating awarded to BB Biotech AG as a corporate organisation (incl. operations of its asset manager). Source: MSCI ESG Research, Bellevue Asset Management, Data as of December 31, 2025

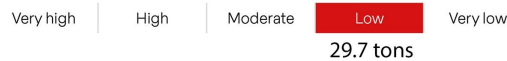
Sustainability at BB Biotech AG's portfolio level

Name	MSCI ESG Rating 2024	MSCI ESG Rating 2025	CO2 Intensity ¹⁾ (T/USDm Sales) 2024	CO2 Intensity ¹⁾ (T/USDm Sales) 2025	Portfolio weight as at 31.12.2025
Revolution Medicines	BB	B	49.7	49.7	11.8%
Argenx SE	AA	AA	0.45	2	11.4%
Ionis Pharmaceuticals	BB	AA	5.7	7.3	11.2%
Vertex Pharmaceuticals	AA	AA	2.2	2.3	8.9%
Neurocrine Biosciences	A	AA	68.2	74.1	7.1%
Avidity Biosciences	n.a.	BB	n.a.	32.3	5.6%
Scholar Rock	A	BB	49.7	49.7	5.3%
Alnylam Pharmaceuticals	A	AA	15.4	6	5.2%
Amicus Therapeutics	n.a.	BB	n.a.	74.1	4.5%
Viridian Therapeutics	n.a.	BBB	n.a.	42.7	4.0%
Nuvalent	n.a.	CCC	n.a.	49.7	3.1%
Krystal Biotech	n.a.	B	n.a.	42.7	3.0%
Celldex Therapeutics	A	A	49.6	32.3	2.9%
Immunocore	n.a.	n.a.	–	–	2.9%
Vera Therapeutics	n.a.	–	n.a.	–	2.5%
Relay Therapeutics	BBB	BBB	49.9	42.7	2.1%
Rivus Pharmaceuticals	n.a.	n.a.	–	–	1.6%
Jade Biosciences	n.a.	n.a.	–	–	1.5%
Edgewise Therapeutics	BBB	BBB	62.1	62.1	1.1%
Maze Therapeutics	n.a.	–	n.a.	–	1.1%
Tango Therapeutics	n.a.	BBB	n.a.	42.7	1.0%
Annexon	n.a.	BBB	49.9	49.7	0.8%
Wave Life Sciences	n.a.	BBB	49.9	42.7	0.7%
Galecto Inc.	n.a.	–	n.a.	–	0.7%
Portfolio of BB Biotech	BBB	BBB	31.9	29.7	100.0%

¹⁾ Scope 1+2, based on 100% portfolio exposure

The MSCI ESG rating of the average weighted portfolio positions remained constant at a BBB rating. Select core positions such as Ionis, Alnylam, Neurocrine improved their ratings, whereas Revolution Medicines and Scholar Rock saw a downgrading by MSCI ESG. During the period under review MSCI ESG initiated coverage for Annexon with a solid BBB rating.

Carbon intensity is measured at the portfolio level at least on a quarterly basis. With a carbon risk of 29.7 tons of CO₂ per million USD revenues BB Biotech's overall carbon intensity remains at the low end and is slightly lower versus the previous year (31.9 tons). For a low carbon industry such as biotechnology, carbon reduction is not the predominant objective with regards to long-term sustainability goals, which is also reflected in the MSCI ESG rating for the biotechnology sector where the weights for the individual categories are distributed as follows: Environment (10%), Social (55%), Governance (35%).

CO₂-intensity (T CO₂E/USD mn Revenue)

Source: MSCI ESG Research, Bellevue Asset Management, Data as of December 31, 2025

Biodiversity-sensitive areas and related controversies

Based on the applied screening criteria by MSCI ESG, none of our portfolio companies has been identified as having operations in or near biodiversity-sensitive areas that are assessed to potentially negatively affect local biodiversity without an impact assessment, nor has any company been involved in controversies with severe impacts on local biodiversity.

Stewardship through engagement and active voting**a) Engagement**

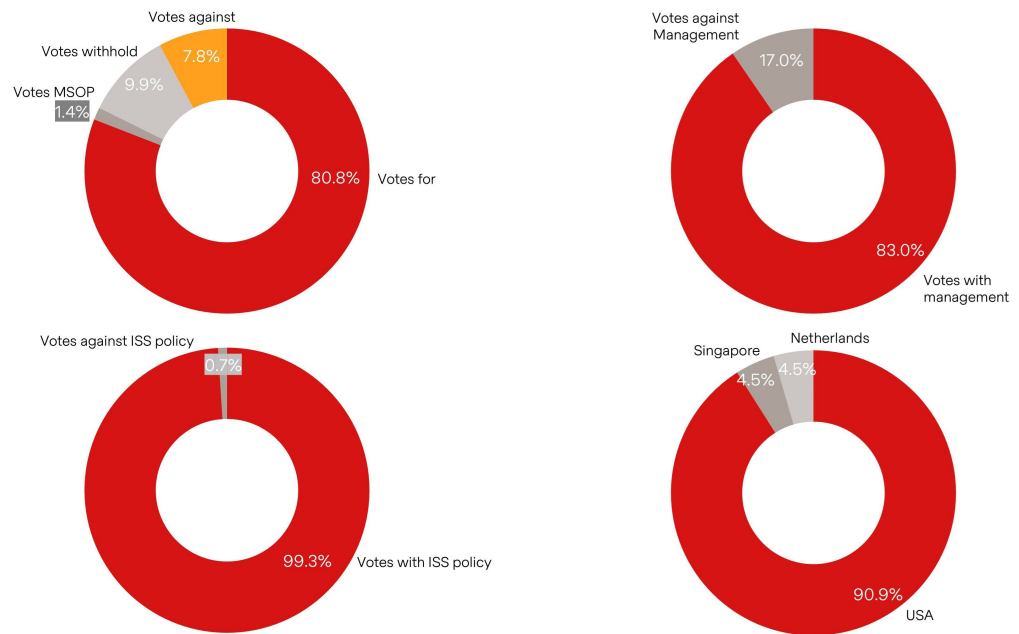
Our stewardship duties encompass an active and constructive dialogue with our portfolio companies on environmental, social and governance issues. In case of indications of substantial controversies in the area of ESG, these are raised constructively within the framework of the corporate dialogue and progress (e.g. strategy and process adjustments, improvement of ESG rating) is documented over time. Engagement activities must also be placed in the context of materiality and proportionality. Engagement activities can take place to varying degrees depending on the size of the investment strategies involved, the capitalization of the company, the stage of development of the company, and other factors. Accordingly, in addition to our regular interactions with company executives and other stakeholders, we focused on two formal ESG engagements in 2025. One of which was closed due to divestment of the company, the second was newly initiated during the reporting period. Both active engagements concerned corporate governance issues («G») and one is focused on “human capital development” («S»).

b) Proxy voting

The second stewardship element concerns our actively exercising our voting rights at AGM's through proxy voting. In order to extract long-term investor value added through active portfolio management we keep a constant dialogue also on sustainability matters with companies senior management which is eventually reflected in our voting decisions. Bellevue Asset Management's and BB Biotech AG's Board of Directors take our voting obligations very seriously and respective structures are in place to ensure that we vote in all shareholder meetings.

Material voting items on the AGM agenda such as board composition, compensation or incentive schemes are evaluated on a case-by-case-basis, supported by research data of Institutional Shareholder Services group (ISS). The Investment Management Team receives voting recommendations and research material from ISS. ISS brings more than 30 years of experience and global resources to serve approximately 1 500 institutional clients globally. ISS makes sure to maintain market leading stewardship practices. Should we vote against a proposed agenda item, we would usually have a prior discussion and elaboration of our rationale and understanding with members of the company management or the Board of Directors.

During 2025 we voted at 22 of 24 votable meetings covering 141 resolutions (vs. 27 votable meetings and 171 resolutions in 2024). In 114 cases we thereby voted in line with management recommendations (vs. 156 votes in 2024) and for 11 resolutions voted against management recommendation (vs. 15 votes in 2024).



Source: Bellevue Asset Management

Proportion of ESG investments

Referring to the EU SFDR 2019/2088 Regulatory Product Disclosures (Art. 10)/Commission Delegated Regulation (EU) 2021/1253 to MiFID II, Bellevue distinguishes investments with «sustainable characteristics» and, as a subset of which, «sustainable investments».

a) Share of investments with sustainable characteristics

In accordance with EU SFDR 2019/2088, Bellevue Asset Management introduced the following set of ESG criteria that must be met by a minimum portfolio proportion of 50% for BB Biotech:

- Compliance with global norms – i.e. no severe violations against standards and principles of the UN Global Compact, the UN Guiding Principles for Business and Human Rights, and Conventions 1 and 2 of the International Labour Organization (ILO).
- Investments in ethically or morally controversial business areas are limited by considering predefined revenue thresholds (in practice not relevant for the biotech industry, those thresholds are nevertheless formally monitored).
- Minimum ESG Rating of BB or higher to assure adequate level of «Good governance» on E, S and G
- Stewardship through constructive corporate dialogue (engagement) and the exercise of voting rights (proxy voting)

In principle, we aim to invest all assets of BB Biotech in investments with «Sustainable characteristics» but there is not always a sufficient amount of ESG-data available in any market cap segment, particularly in the field of small and mid-cap companies. Additionally, some companies may not have an ESG rating yet or the current rating does not correspond with our view on the most relevant sustainability aspects.

b) Share of sustainable investments

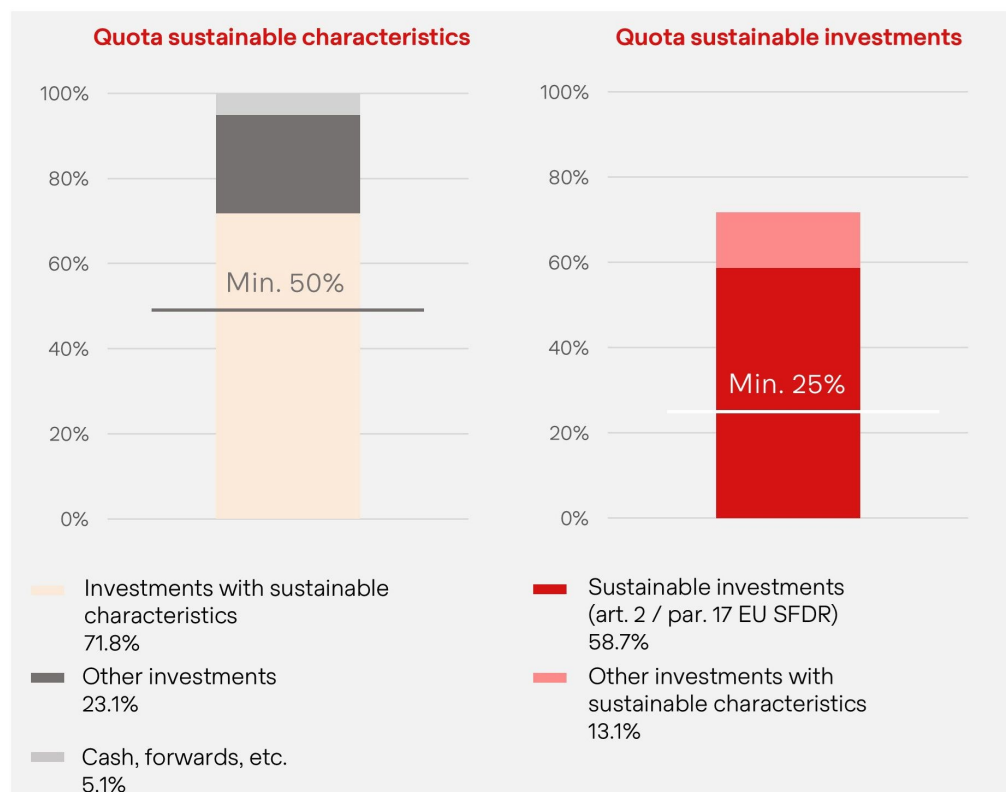
The concept of «Sustainable investments» imposes more stringent restrictions on above ESG characteristics by introducing a positive contribution to an environmental and/or a social objective while do not significant harm any of these objectives («DNSH»). Furthermore, the invested portfolio companies must apply practices of good corporate governance. For an investment to qualify as a «sustainable investment», the Investment Manager applies the 17 UN Sustainable Development Goals (SDGs). These sustainable development goals are

general, universal goals for all UN member states, which were adopted in September 2015 as the successor to the Millennium Goals. The entire world population should be able to live in a fairer, more prosperous and more peaceful society by 2030.

As already elaborated above (chapter UN SDG) ESG research provider MSCI ESG measures the degree of alignment with each of the SDGs. A positive contribution to an environmental or social objective hence requires a company to exhibit a positive alignment with at least one of the 17 UN SDGs while not affecting any other SDG negatively.

Investments are assigned to the «sustainable investment» proportion if, on the one hand, they exhibit a positive target contribution as described above and, on the other hand, they meet the criteria for «investments with sustainable characteristics» described above, which also ensures that good governance practices are applied. In addition, the most important adverse sustainability impact indicators (PAI) are explicitly or implicitly considered in this process. In the case of explicit consideration, thresholds are determined for each PAI criterion (where possible), which define the point at which a particular PAI criterion has a «material adverse impact» on a sustainability factor. If a «material adverse impact» is measured for an issuer, the issuer concerned cannot be classified as a sustainable investment, regardless of whether the issuer makes positive contributions to one of the 17 UN sustainability goals or not. The threshold values are derived empirically from empirical values and formally approved by the Bellevue ESG Working Group. In the case of implicit consideration, characteristics of the relevant PAI criteria are included in the MSCI ESG rating process and thus lead to indirect consideration by determining minimum ratings, which are used to calculate the minimum quotas.

In accordance with European MiFID regulation, a corresponding minimum proportion of sustainable investments has been defined and set at 25% for BB Biotech AG. The overall regulatory ESG breakdown for the BB Biotech portfolio as at December 31, 2025, is summarized below:



Source: Bellevue Asset Management, MSCI ESG Inc.

Annex

GRI content index with reference

GRI content index		
Statement of use	BB Biotech AG has reported the information cited in this GRI content index for the period 01.01.2025 – 31.12.2025 with reference to the GRI Standards.	
GRI used	GRI 1: Foundation 2021	

GRI Standard	Disclosure	Location in Annual Report
GRI 2: General Disclosures 2021	2-1 Organizational details	About us
	2-2 Entities included in the organization's sustainability reporting	Sustainability Governance
	2-3 Reporting period, frequency and contact point	About us: Corporate calendar / Contact
	2-6 Activities, value chain and other business relationships	About us
	2-7 Employees	Social Practices
	2-9 Governance structure and composition	Corporate Governance
	2-10 Nomination and selection of the highest governance body	Corporate Governance: Board of Directors
	2-11 Chair of the highest governance body	Corporate Governance: Board of Directors
	2-19 Remuneration policies	Remuneration Report: Remuneration of the members of the Board of Directors
	2-20 Process to determine remuneration	Remuneration Report: Remuneration of the members of the Board of Directors
	2-22 Statement on sustainable development strategy	Sustainability Strategy
	2-25 Processes to remediate negative impacts	Environmental practices
	2-26 Mechanisms for seeking advice and raising concerns	Social Practices: Diversity and Inclusion
	2-28 Membership associations	Environmental practices: Key climate-relevant memberships
	2-29 Approach to stakeholder engagement	Stakeholder Engagement and Material ESG Topics
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Stakeholder Engagement and Material ESG Topics
	3-2 List of material topics	Stakeholder Engagement and Material ESG Topics: Material ESG topics identified
	3-3 Management of material topics	Stakeholder Engagement and Material ESG Topics: Material ESG topics identified
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Financial report
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Environmental Practices: Energy consumption
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Environmental Practices: Measurement of environmental indicators
	305-2 Energy indirect (Scope 2) GHG emissions	Environmental Practices: Measurement of environmental indicators

	305-3 Other indirect (Scope 3) GHG emissions	Environmental Practices: Measurement of environmental indicators
	305-4 GHG emissions intensity	Environmental Practices: Total emissions at a glance
	305-5 Reduction of GHG emissions	Environmental Practices: CO2 emissions
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Environmental Practices: Waste management and recycling
	306-2 Management of significant waste-related impacts	Environmental Practices: Waste management and recycling
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Social Practices
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Social Practices: Employee development and retention
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Board of Director level: Diversity and inclusion; Social Practices: Diversity and inclusion

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Company profile

Excellence in Biotech Investments

Access to the world's most innovative biotech companies

BB Biotech invests in companies in the fast growing market of biotechnology and is one of the world's largest investors in this sector with more than 30 years of experience. The shares of BB Biotech are listed on the SIX Swiss Exchange and the Frankfurt Stock Exchange. Its investments are focused on listed companies that are developing and commercializing novel drugs that offer sound value for the healthcare system.

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.

Biotechnology is one of the most attractive of any sector today with estimated annual growth in the double-digits. Mega trends such as increasing life expectancy and a Westernized diet and lifestyle are powerful growth drivers. These mega trends have led to a tremendous increase in healthcare costs, which, in turn, only amplifies the need for more efficient and effective drugs.

Board of Directors

Dr. Thomas von Planta

Chairman

Dr. Thomas von Planta is Chairman since 2024 and has been a member of the Board of Directors of BB Biotech AG since 2019. Since 2006, he is owner of CorFinAd AG – Corporate Finance Advisory (advisory for M&A transactions and capital market financings). He chaired the Bellevue Group from March 2015 until March 2019. Previously he worked for Vontobel Group from 2002 until 2006 as interim Head Investment Banking/Head of Corporate Finance and member of the extended executive board. Prior to that he was with Goldman Sachs from 1992 until 2002, lastly in London in the Equity Capital Markets Group/Investment Banking Division. Dr. von Planta holds a degree in law from the Universities of Basel and Geneva (Dr. iur.) and is also an attorney at law. Dr. von Planta has served as Chairman of the Board of Directors of Baloise Holding AG since April 2021 and, following the merger with Helvetia, as Chairman of the successor company Helvetia Baloise Holding AG since December 2025.



Dr. Clive Meanwell

Vice-Chairman

Dr. Clive Meanwell is Vice-Chairman and has been a member of the Board of Directors of BB Biotech AG since 2004. He founded and is the Chairman of Population Health Partners, L.P, a private equity firm based in New York and London. Dr. Meanwell is also a member of the Board of Directors of Fractyl Health Inc., Saama Technologies Inc. and the Chairman of Civia Health LLC. Previously, Dr. Meanwell founded The Medicines Company in 1996 and from then until January 2020 he was a member of the Board of Directors and held a range of leadership positions including Chairman, Executive Chairman, Chief Executive and Chief Innovation Officer. From 1995 until 1996, he was a founding partner and managing director of MPM Capital L.P. Earlier in his career, Dr. Meanwell held various positions at Hoffmann-La Roche in Basel and Palo Alto, California. He received his MD and PhD from the University of Birmingham in the UK where he also trained in medical oncology.



Laura Hamill

Member

Laura Hamill has been a member of the Board of Directors of BB Biotech AG since March 2022. She brings more than 35 years of experience in the biopharma industry and most recently served as Executive Vice President of Worldwide Commercial Operations at Gilead Sciences. Prior to Gilead, Ms. Hamill worked at Amgen for almost 20 years in a number of executive leadership roles in the United States (US) and internationally. In her last role at Amgen, she led the US Commercial Operations with annual revenue of USD 20bn. Ms. Hamill is a Director of Jazz Pharmaceuticals, Unchained Labs and consults with Launch Therapeutics, part of the Carlyle Group. Ms. Hamill holds a B.A. in Business Administration, with an emphasis in Marketing, from the University of Arizona.



Dr. Pearl Huang

Member

Dr. Pearl Huang has been a member of the Board of Directors of BB Biotech AG since March 2022. Dr. Huang studied life sciences at MIT as an undergraduate and earned a doctorate in Molecular Biology from Princeton University. She has spent over 30 years in the pharma and biotech industries, and to date, has contributed to the development of nine medicines that are used by patients every day. Dr. Huang was appointed CEO of Dunad Therapeutics in June 2022. Prior to that she served as CEO of Cygnal Therapeutics as a Venture Partner at Flagship Pioneering. She is currently a member of the Board of Directors of Waters Corporation and a member of the advisory committee of MIT Corporation.



Camilla Soenderby

Member

Camilla Soenderby has been a member of the Board of Directors of BB Biotech AG since March 2024. She brings 25 years of international leadership experience from executive roles at leading biopharma companies in the EU, the US and Asia. Most recently, Ms. Soenderby was a corporate officer at Takeda leading global portfolio commercialisation. Prior to that, she worked as SVP, Head of Global Product Strategy for Shire, having previously held regional and general management positions at Roche Pharma, Abbott (now AbbVie) and Schering Plough (now Merck & Co). She began her career as a consultant at McKinsey & Company, and holds a Master's degree from Copenhagen University. She is a member of the Board of Directors at Abivax, F2G, member of the Novo Advisory Group and advisor to the private equity group EQT.



Prof. Dr. Mads Krogsgaard Thomsen

Member

Prof. Dr. Mads Krogsgaard Thomsen has been on the Board of Directors of BB Biotech AG since 2020. In 2021, Prof. Dr. Thomsen became CEO of the Novo Nordisk Foundation. He was previously with Novo Nordisk where he served as Executive Vice President, Head of R&D and Chief Science Officer. Prof. Dr. Thomsen has chaired Danish Research Council programs within endocrinology, and he is a former president of Denmark's National Academy of Technical Sciences. Until 2020, Prof. Dr. Thomsen chaired the governing board of the University of Copenhagen. He received his MD and PhD from the University of Copenhagen. He is a member of the Board of Directors of the BioInnovation Institute and a member of the Scientific Advisory Board of Felix Pharmaceuticals.



Investment Manager

Bellevue Asset Management AG

BB Biotech's Investment Manager is Bellevue Asset Management AG. Bellevue Asset Management AG is subject to supervision by the Swiss Financial Market Supervisory Authority (FINMA) and it has been issued a license as an authorized manager of collective investment schemes. Bellevue Asset Management AG is wholly owned by Bellevue Group AG, an independent Swiss financial boutique listed on the SIX Swiss Exchange. Bellevue Asset Management provides administrative services in connection with the investment activities and organizational operations of BB Biotech AG. This basically comprises the following services:

- Investment Management
- Investor Relations
- Marketing & Communications
- Finance
- Administration

Investment Management Team

Bellevue Asset Management AG has a team of proven biotech specialists with a successful track record who manage the investments in the biotech sector's most attractive players. The team's academic expertise and extensive experience, its long history of collaboration and interest in all fields of medicine as well as in biochemistry and business fundamentals ensure an inspiring and constructive interdisciplinary dialog within the team and with the Board of Directors as well as with external experts such as physicians and analysts.

The following experts are member of the Investment Management Team:

- Dr. Christian Koch (Head BB Biotech Team)
- Dr. Maurizio Bernasconi (Deputy Head & Investment Analyst)
- Dr. Kyle Rasbach (Head US Research & Investment Analyst)
- Dr. Jordan Baumhardt (Investment Analyst)
- Dr. Anna Guinot Aguado (Investment Analyst)

Share information

The Company publishes its Net Asset Value daily via the major stock market information services and on its website www.bbbiotech.com. The portfolio composition is published at least every three months within quarterly reports.

Official listing and share structure as at December 31, 2025

Foundation	November 9, 1993, Schaffhausen, Switzerland
Issue price adj. 15.11.1993	CHF 4.75
Official Listing	Switzerland: December 27, 1993 Germany: December 10, 1997
Share structure	CHF 11.08 mn nominal, 55 400 000 registered shares with a par value of CHF 0.20 each
Shareholders, free-float as at 31.12.2025	Institutional and private investors 100% free-float
Security number Switzerland	3 838 999
Security number Germany	A0NFN3
ISIN	CH0038389992
Ticker Bloomberg	Switzerland: BION SW Germany: BBZA GY
Ticker Reuters	Switzerland: BION.S Germany: BION.DE
Type / asset class	Investment company / equity
Investment style	Long only, long term
Index membership	Swiss All Share Index, SPI Index, SPI ESG Index, SPI EXTRA Index, SPI ex SLI Index, SXI LIFE SCIENCES Index, SXI Bio+Medtech Index
Benchmark	Nasdaq Biotech Index (NBI) TR
Management Fee	All-in-Fee: 1.1% p.a.

Analyst coverage

Institute	Analyst
Baader Helvea	Thomas Meyer
Edison	Milosz Papst
Kepler Cheuvreux	Nicolas Pauillac
Oddo BHF	Oussame Denguir
Panmure Liberum	Callum Stokeld
Pareto Securities	Marcus Wieprecht
SEB	Thomas Bowers

Corporate calendar

Annual General Meeting 2026	March 19, 2026, 3.00 PM CET
Interim Report as at March 31, 2026	April 24, 2026, 7.00 AM CET
Interim Report as at June 30, 2026	July 24, 2026, 7.00 AM CET
Interim Report as at September 30, 2026	October 23, 2026, 7.00 AM CET

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The BB Biotech annual report is published in English. A translated German version is also available. In case of any deviations the English shall prevail over the German text.

«For reasons of readability, the masculine form is used for gender-specific designations and personal nouns in this annual report. Corresponding terms apply to all genders in line with equal treatment. The abbreviated language form is only for editorial reasons and does not contain any value judgements. All genders may feel equally addressed by this content. We thank you for your understanding.»



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