

# Factsheet

Swiss stock exchange (SIX)

Marketing document

## Investment focus

BB Biotech invests worldwide in fast growing companies developing and marketing innovative biotech drugs. At least 90% of its shareholdings must be in listed companies, while always holding more than 50% of its assets in equity investments. The target portfolio of BB Biotech will generally consist of 20 to 35 participations. Large positions will be taken in five to eight companies, the top holdings. Together they will account for no more than two-thirds of the portfolio and no single position will have a weighting greater than 25% of portfolio investments. Due to their substantial portfolio weighting, the top holdings should be generating both revenues and income. The portfolio's smaller participations are companies with promising drug candidates in their R&D pipelines. Investments are selected according to a thorough, multi-level due diligence process, with a particular focus placed on the analysis of financial parameters, the respective competitive environment, the development pipeline, the patent portfolio, and end-client perception. ESG factors are taken into consideration while implementing the aforementioned investment objectives.

## Facts

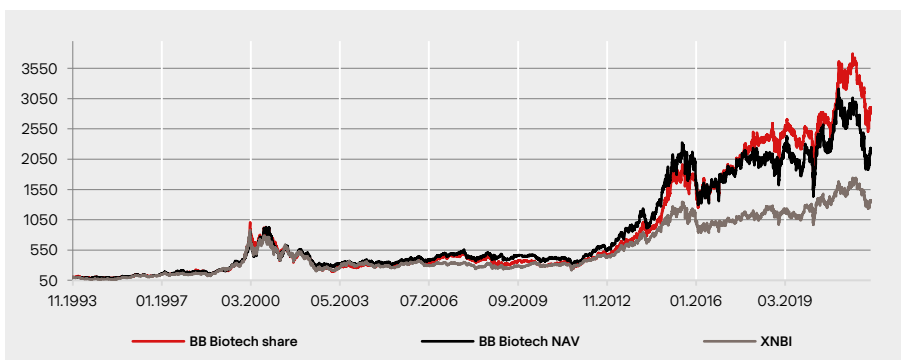
Share price	CHF 64.70
Net Asset Value (NAV)	CHF 50.10
Premium/(Discount)	29.1%
Market capitalization	CHF 3'584.4 mn
Investment manager	Bellevue Asset Management AG
AIC sector	Biotechnology
Benchmark (BM)	Nasdaq Biotech Index TR
Foundation	09.11.1993
Fiscal year end	31.12
Financial reports	Quarterly
Bloomberg	BION SW Equity
Valor	3838999
ISIN code	CH0038389992
WKN	A0NFN3
Legal structure	Incorporate company
Share type	Registered shares
Share structure	55.4 mn
Management fee	All-in 1.10%
EU SFDR 2019/2088	Article 8

## Key figures

Beta	1.21
Correlation	0.94
Volatility	34.9%
Tracking Error	13.37
Active Share	84.5
Sharpe Ratio	0.18
Information Ratio	-0.16
Jensen's Alpha	-4.05

Source: BB Biotech AG, 31.03.2022;  
Calculation based on the Net Asset Value (NAV) over the last 3 years.

## Indexed performance since launch



## Cumulated & annualized performance

### Cumulated

	1 M	YTD	1 Y	3 Y	5 Y	10 Y	ITD
Share	7.3%	-11.3%	-16.7%	9.5%	47.4%	603.7%	2735.0%
NAV	8.1%	-9.0%	-23.6%	-5.8%	15.9%	349.0%	2063.4%
BM	4.7%	-10.6%	-13.0%	12.0%	28.9%	247.2%	1237.7%

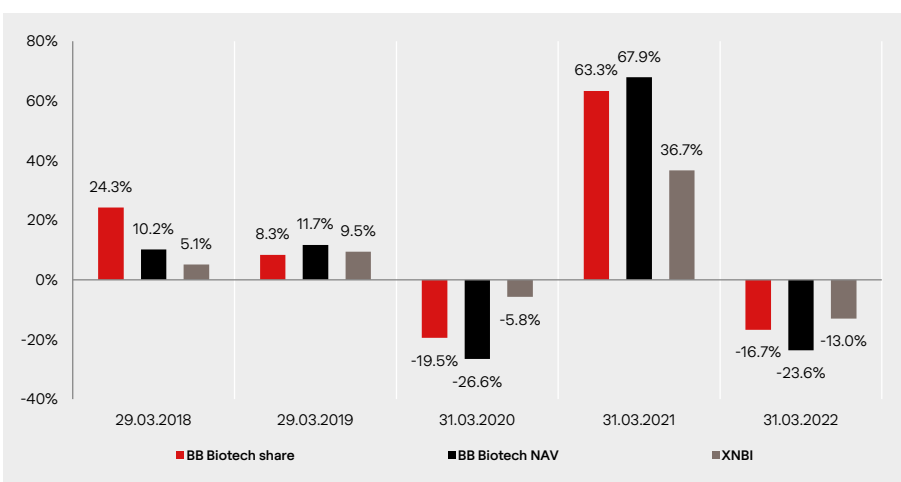
### Annualized

	1 Y	3 Y	5 Y	5 Y	ITD
Share	-16.7%	3.1%	8.1%	21.5%	12.5%
NAV	-23.6%	-2.0%	3.0%	16.2%	11.4%
BM	-13.0%	3.8%	5.2%	13.2%	9.6%

## Annual performance

	2017	2018	2019	2020	2021	YTD
Share	22.9%	-5.2%	18.5%	19.3%	8.3%	-11.3%
NAV	23.4%	-14.5%	23.4%	24.3%	-11.5%	-9.0%
BM	16.4%	-8.0%	23.0%	15.8%	3.0%	-10.6%

## Rolling 12-month-performance



Source: BB Biotech AG, 31.03.2022; all figures in CHF %, total return-methodology  
Past performance is not a reliable indicator of future results and can be misleading. Changes in the rate of exchange may have an adverse effect on prices and incomes. All performance figures reflect the reinvestment of dividends and do not take into account the commissions and costs incurred on the issue and redemption of shares, if any. The reference benchmark is used for performance comparison purposes only (dividend reinvested). No benchmark is directly identical to the investment company, thus the performance of a benchmark is not a reliable indicator of future performance of BB Biotech it is compared to. There can be no assurance that a return will be achieved or that a substantial loss of capital will not be incurred.

### Top 10 positions

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

### Sector breakdown

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

### Currency breakdown

USD		100.0%
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### Market commentary

With the rising inflation followed by higher interest rates investors in general seem more focused on the cost of capital which placed pressure on growth equities in January, February and the beginning of March. In the second half of March we saw some reallocation of capital into growth equities, recovering some of the losses incurred during the first quarter of 2022. BB Biotech's share price ended the month up by 7.3% (in CHF).

At BB Biotech's (virtual) Annual General Meeting on March 17, 2022, the shareholders approved all agenda items including the election of two new board members: Dr. Pearl Huang and Laura Hamill. All four current board members were re-elected. BB Biotech paid out the proposed dividend of CHF 3.85 per share.

Please find below selected highlights from a few of BB Biotech's portfolio companies:

**Nektar (-47.4%, in USD)** and its partner Bristol Myers Squibb announced an update on March 14 following the first analysis of the Phase III PIVOT IO-001 study evaluating the doublet therapy of bempegaldesleukin in combination with Opdivo (nivolumab) compared to Opdivo monotherapy as a first-line treatment for previously untreated unresectable or metastatic melanoma. Following a review of the study for efficacy and safety by an independent Data Monitoring Committee (DMC), Bristol Myers Squibb and Nektar were informed that the study did not meet the primary endpoints of progression-free survival (PFS) and objective response rate (ORR) as assessed by Blinded Independent Central Review (BICR). The DMC notified the companies that the third primary endpoint of overall survival (OS) did not meet statistical significance at the first interim analysis.

**Incyte (+16.3%, in USD)** announced on March 14 that the FDA has extended the review period for the supplemental New Drug Application (sNDA) for ruxolitinib cream (Opzelura™) for the treatment of vitiligo. The Prescription Drug User Fee Act (PDUFA) action date has been extended by three months to July 18, 2022. The FDA extended the PDUFA action date to allow time to review additional data from the ongoing Phase III studies submitted by Incyte in response to the FDA's information request. The submission of the additional information has been determined by the FDA to constitute a Major Amendment to the sNDA, resulting in an extension of the PDUFA goal date. The pivotal Phase III TRuE-V clinical trial program (TRuE-V1 and TRuE-V2) is evaluating the safety and efficacy of ruxolitinib cream versus vehicle in more than 600 adolescent and adult patients (age 12 and older) with non-segmental vitiligo.

**Argenx (+9.6%, in USD)** announced on March 22 positive topline data from the Phase III ADAPT-SC study evaluating subcutaneous (SC) efgartigimod (1000 mg efgartigimod-PH20) for the treatment of generalized myasthenia gravis (gMG). SC efgartigimod achieved the primary endpoint of total IgG reduction from baseline at day 29, demonstrating statistical noninferiority to VYVGART® (efgartigimod alfa-fcab) intravenous (IV) formulation in gMG patients. Based on these results, Argenx plans to submit a Biologics License Application (BLA) to the FDA by the end of 2022.

### Outlook

We are seeing attractive valuation levels and are looking forward to an interesting year ahead with several key milestone events including new drug approvals from BB Biotech's portfolio companies. The investment team will continue to seek investments in biotech companies that deploy novel approaches to create breakthrough clinical benefits for patients and society.

Source: BB Biotech AG, 31.12.2021;

For illustrative purposes only. Holdings and allocations are subject to change. Any reference to a specific company or security does not constitute a recommendation to buy, sell, hold or directly invest in the company or securities. Where the Sub-Fund is denominated in a currency other than an investor's base currency, changes in the rate of exchange may have an adverse effect on price and income.

**Risk and return profile**

The investment company's objective is to generate attractive and competitive capital growth in the long term. It is therefore particularly suited to investors with an investment horizon of at least 5 years who want to selectively diversify their portfolio with investments in the biotechnology sector and who are willing to accept the equity risks typical of this sector.

**Target market**

The investment company is suitable for retail and professional investors in Switzerland as well as for professional and semi-professional investors in Germany and the UK.

**Board of Directors**

- Dr. Erich Hunziker (Chairman)
- Dr. Clive Meanwell
- Dr. Thomas von Planta
- Prof. Dr. Mads Krogsgaard Thomsen
- Dr. Pearl Huang
- Laura Hamill

**Team Curaçao**

- Rudy LeBlanc
- Hugo van Neutegem
- Jan Bootsma
- Nathalie Isidora-Kwidama

**Chances**

- Unique opportunity for European investors to access the global biotech sector, a non-cyclical growth industry that is strongly supported by increasing demand, driven by demographic trends and life style changes.
- New innovative drugs and technologies are powering sustainable momentum in the biotech sector.
- Focus on a diversified portfolio of profitable companies as well as small and midcap companies with strong pipelines.
- Management Team with strong scientific and medical expertise. Renowned Board of Directors.
- Attractive dividend policy; Dividend payment of 5% p.a.

**Inherent risks**

- BB Biotech invests in equities. Equities are subject to strong price fluctuations and so are also exposed to the risk of price losses.
- Biotech equities can be subject to sudden substantial price movements owing to market, sector or company factors.
- BB Biotech invests in foreign currencies, which means a corresponding degree of currency risk against the reference currency.
- The price investors pay or receive, like other listed shares, is determined by supply and demand and may be at a discount or premium to the underlying net asset value of the Company.
- BB Biotech may take a leverage of up to 15%, which may lead to even higher price movements compared to the underlying market.

**Sustainability Profile – ESG**

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

<b>CO2 intensity (T CO2/mn USD sales):</b>	24.0 t (low)	MSCI ESG coverage: 98%
<b>MSCI ESG Rating (AAA - CCC):</b>	A	MSCI ESG coverage: 95%
<b>EU SFDR 2019/2088 product category:</b>	Article 8	

Based on portfolio data as per 31.03.2022 (quarterly updates) – ESG data base on MSCI ESG Research and are for information purposes only; compliance with global norms according to the principles of UN Global Compact (UNGC), UN Guiding Principles for Business and Human Rights (HR) and standards of International Labor Organisation (ILO); no involvement in controversial weapons; norms-based exclusions based on annual revenue thresholds; ESG Integration: Sustainability risks are considered while performing stock research and portfolio construction; Best-in-class: systematic exclusion of "ESG laggards"; MSCI ESG Rating ranges from "leaders" (AAA-AA), "average" (A, BBB, BB) to "laggards" (B, CCC). Note: in certain cases the ESG rating methodology may lead to a systematic discrimination of companies or industries, the manager may have good reasons to invest in supposed "laggards". The CO2 intensity expresses MSCI ESG Research's estimate of GHG emissions measured in tons of CO2 per USD 1 million sales; for further information c.f. [www.bellevue.ch/sustainability-at-portfolio-level](http://www.bellevue.ch/sustainability-at-portfolio-level)

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



**Important information**

This marketing document relates to BB Biotech AG (hereinafter the "Company"). As defined under Swiss law, the Company is structured as an holding company with fixed capital (SICAF, cf. Art. 110 ff. of the Swiss Collective Investment Schemes Act, "CISA"), but it is not subject to the CISA due to its listing on the SIX Swiss Exchange, the German Stock Exchange and the Italian Stock Exchange (Art. 2 para. 3 and Art. 110 para. 1c CISA); instead the Company is subject to the supervision of the respective stock exchange authorities. This marketing document is issued by Bellevue Asset Management AG, which is an authorized asset manager subject to the supervision of the Swiss Financial Market Supervisory Authority (FINMA) and which acts as the Investment Manager of the Company.

The prospectus, statutes, the annual and half-yearly reports, share price information and other data about the Company can be obtained free of charge in English and German from the Company, BB Biotech AG, Schwertstrasse 6, CH-8200 Schaffhausen, from the Investment Manager of the Company, Bellevue Asset Management AG, Seestrasse 16, CH-8700 Küsnacht, or online at [www.bbbiotech.ch](http://www.bbbiotech.ch).

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