

Factsheet

Bellevue Funds (Lux) | Share class I EUR

Investment Company with Variable Capital (SICAV) according to Luxembourg Laws – UCITS
Marketing document - For professional investors: AT, CH, DE, ES, LU, HK, SG (res)

Investment focus

The fund's aim is to achieve capital growth in the long term. The fund invests worldwide in companies active in the biotechnology sector. Experienced sector specialists focus on profitable mid and large cap companies with an established product portfolio. Stock selection is based on fundamental analysis, in particular of the medical indications addressed, the means of efficacy and the market potential. A global network of experts spanning scientific and industrial fields supports the Management Team in forming opinions and making investment decisions. The selection of portfolio companies is entirely bottom-up, independent of benchmark weightings. The fund takes ESG factors into consideration while implementing the aforementioned investment objectives.

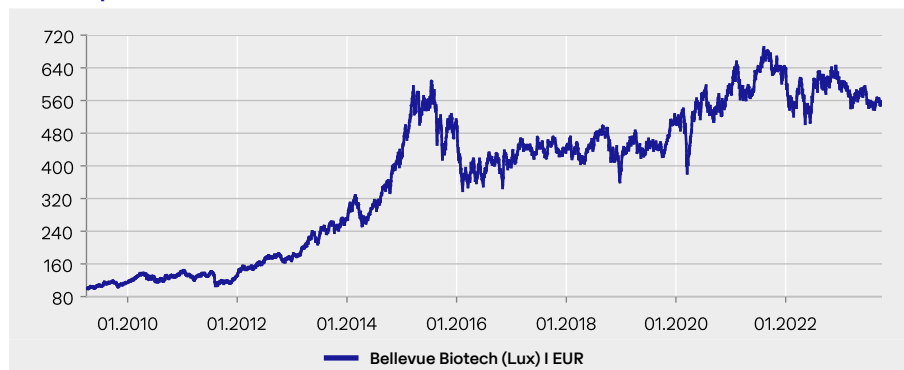
Fund facts

NAV	686.24
Volume	EUR 54.7 mn
NAV-calculation	Daily "Forward Pricing"
Cut off time	15:00 CET
Distribution policy	Accumulating
Investment manager	Bellevue Asset Management AG
Custodian	RBC Investor Services, Luxembourg
Launch date	02.04.2009
Fiscal year end	30.06
Benchmark	NBI
ISIN code	LU0415392678
Valor	3882832
Bloomberg	BBBIOEI LX
WKN	A0RPSQ
Management fee	0.90%
Performance fee	none
Subscription fee	up to 5%
Min. investment	n.a.
Legal entity	Luxembourg UCITS V SICAV
Countries of distribution	AT, CH, DE, ES, HK, LU, SG
EU SFDR 2019/2088	Article 8

Key figures

Beta	0.85
Correlation	0.94
Volatility	21.3%
Tracking Error	8.06
Active Share	36.42
Sharpe Ratio	-0.15
Information Ratio	-0.30
Jensen's Alpha	-2.58

Indexed performance since launch



Cumulative & annualised performance

Cumulative

	1M	YTD	1Y	3Y	5Y	10Y	ITD
I EUR	-1.6%	-8.0%	-8.0%	1.4%	11.6%	112.3%	449.0%
BM	-1.5%	-5.0%	-2.9%	2.9%	13.2%	131.0%	647.9%

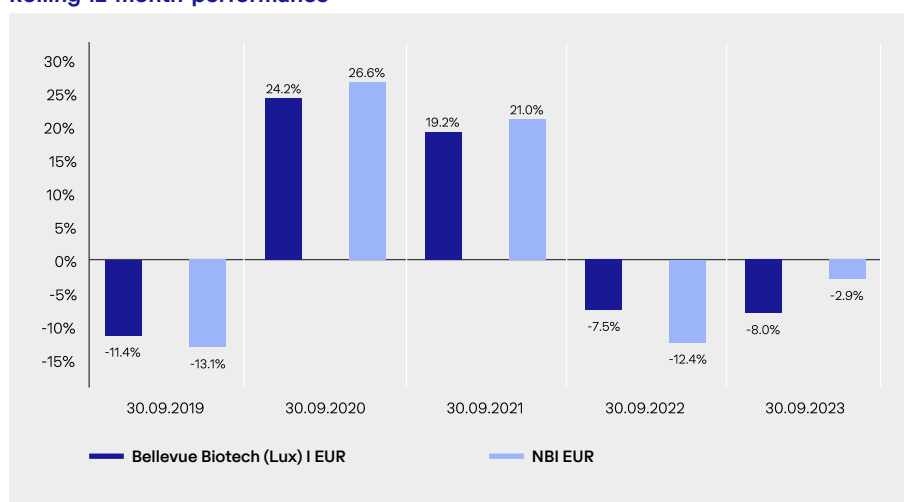
Annualised

	1Y	3Y	5Y	10Y	ITD
I EUR	-8.0%	0.5%	2.2%	7.8%	12.5%
BM	-2.9%	1.0%	2.5%	8.7%	14.9%

Annual performance











	2018	2019	2020	2021	2022	YTD
I EUR	-10.3%	31.1%	13.6%	9.3%	-5.7%	-8.0%
BM	-4.8%	26.9%	15.4%	6.7%	-5.3%	-5.0%

Rolling 12-month-performance












Source: Bellevue Asset Management, 30.09.2023; all figures in EUR %, total return / BVI-methodology
Past performance is not a reliable indicator of future results and can be misleading. As the fund is denominated in a currency that may differ than an investor's base currency, changes in the rate of exchange may have an adverse effect on prices and incomes. Performance is shown net of fees and expenses for the relevant share class over the reference period. 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. Individual costs are not taken into account and would have a negative impact on the performance. With an investment amount of EUR 1,000 over an investment period of five years, the investment result in the first year would be reduced by the front-end load of up to EUR 50 (5%) as well as by additional individual custody charges. In subsequent years, the investment result would also be reduced by the individual custody account costs incurred. The reference benchmark of this class is used for performance comparison purposes only (dividend reinvested). No benchmark is directly identical to a fund, thus the performance of a benchmark is not a reliable indicator of future performance of the fund to which it is compared. 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

Vertex Pharmaceuticals		9.0%
Amgen		8.5%
Regeneron Pharmaceuticals		8.1%
Gilead Sciences		5.7%
Astrazeneca		4.8%
Seagen		3.9%
Biogen		3.6%
Argenx		2.7%
Ionis Pharmaceuticals		2.7%
Neurocrine Biosciences		2.1%
Total top 10 positions		51.1%
Total positions		56








Sector breakdown

Oncology		34.8%
Orphan Diseases		14.8%
Pulmonary Diseases		9.8%
Infectious Diseases		9.6%
Neurolog. Disorders		8.1%
Specialty Pharma		3.0%
Central Nervous Syst.		2.1%
Others		16.0%
Cash		1.8%

Geographic breakdown

United States		81.7%
China		4.4%
Netherlands		3.6%
Denmark		2.7%
Germany		1.7%
Spain		1.0%
Others		3.0%
Cash		1.8%

Market cap breakdown

0 - 1 bn		3.3%
1 - 2 bn		5.1%
2 - 5 bn		17.4%
5 - 15 bn		13.6%
15 - 20 bn		2.7%
>20 bn		56.0%
Others		1.8%

Market review

Stocks retreated across a broad front in September. The S&P 500 Index closed 1.8% lower, the Nasdaq Biotech Index lost 0.4% and the Bellevue Biotech (Lux) Fund shed 1.2% (USD / B shares).

September lived up to its reputation of being a difficult month for stocks. Long-term bond yields rose significantly, putting equities under pressure. Most global indexes closed September in the red. While the Fed did not raise its key interest rate, as had been expected, it flagged another rate hike before the end of 2023, depending on future data. Recently released data has suggested that the economy was cooling off a bit. Nonetheless, the Fed has said its interest rates will remain at the current elevated level longer than previously forecast. In the biotech sector, Moderna and Biontech/Pfizer received FDA approval for their updated COVID-19 vaccines that target the new XBB.1.5 Omicron variant and also offer good protection from the currently circulating variants. After slumbering for several years during the pandemic, M&A activity in the biotech sector has bounced back and with high takeover premiums. Several pharmaceutical companies have already sued the US government over the price-setting provisions in the Inflation Reduction Act, which are designed to lower the price of some drugs covered under Medicare. Preferred acquisition targets are therefore likely to be active in the field of rare diseases (orphan diseases) or have biologics in their pipelines or product portfolios. Companies in these two areas offer better protection from pricing pressure. In the field of obesity, Structure Therapeutics presented impressive early data from its study of an oral GLP-1 receptor agonist.

The following stocks made the biggest positive contributions to the portfolio's performance in September: Ionis published solid data from its Phase III study of olezarsen in people with familial chylomicronemia syndrome (FCS). FCS is a very rare disease affecting only about 1000 people in the US that causes extremely high triglyceride levels (a type of fat in the blood) due to the absence of an enzyme (lipoprotein lipase) that breaks down these fats. Olezarsen is a drug that indirectly stimulates this lipid breakdown and it could put Ionis in a position to market its first product on its own. A global marketing strategy is being devised to ensure the treatment is available for FCS patients across all regions. The two Chinese drug manufacturers Wuxi Biologics and Wuxi AppTec performed well, too, without any obvious triggers.

The following stocks detracted from portfolio performance: Evotec came under pressure after Charles River revised its medium-term outlook to 2026 slightly lower. Evotec is still guiding for double-digit earnings growth next year and has not changed its outlook. Revolution Medicines, like many other small cap biotech companies, was marked down for no apparent reason.

Our stance towards the biotech sector remains positive in view of its strong fundamentals and enticing valuations (average 2024 P/E of 14x and PEG of 1.1 for large caps). These are still very attractive multiples compared to the biotech sector's historical valuations and the current ratios for the pharma sector (P/E 18x, PEG 2.0) and the S&P Index (P/E 18x, PEG 2.3).

Positioning & outlook

The companies in our portfolio are working on technologies or products for novel treatment solutions. We are also invested in selected specialty pharma companies that offer high growth rates and moderate valuations. The Bellevue Biotech (Lux) Fund is well-positioned to profit from the milestones that are expected to be reached in 2023. The regulatory environment favors the innovation coming out of biotech labs and the coronavirus crisis burnished the image of drug developers. Looming patent expiries coupled with large piles of cash suggest large biopharma companies will continue to hunt biotech companies over the next 18 months. Inexpensive small and mid caps with attractive pipeline candidates are obvious takeover targets.

Risk and return profile acc. to SRI

The Fund's investment 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.



We have classified this product as risk class 5 on a scale of 1 to 7, where 5 corresponds to a medium-high risk class. The risk of potential losses from future performance is classified as medium-high. In the event of very adverse market conditions, it is likely that the ability to execute your redemption request will be impaired. The calculation of the risk and earnings profile is based on simulated/historical data, which cannot be used as a reliable indication of the future risk profile. The classification of the fund may change in future and does not constitute a guarantee. Even a fund classed in category 1 does not constitute a completely risk-free investment. There can be no guarantee that a return will be achieved or that a substantial loss of capital will not be incurred. The overall risk exposure may have a strong impact on any return achieved by the fund or subfund. For further information please refer to the fund prospectus or PRIIP-KID.

Liquidity risk

The fund may invest some of its assets in financial instruments that may in certain circumstances reach a relatively low level of liquidity, which can have an impact on the fund's liquidity.

Risk arising from the use of derivatives

The fund may conclude derivatives transactions. This increases opportunities, but also involves an increased risk of loss.

Currency risks

The fund may invest in assets denominated in a foreign currency. Changes in the rate of exchange may have an adverse effect on prices and incomes.

Operational risks and custody risks

The fund is subject to risks due to operational or human errors, which can arise at the investment company, the custodian bank, a custodian or other third parties.

Awards



Benefits

- New innovative drugs are powering sustainable momentum in the biotech sector.
- Attractively valued large-cap biotechs.
- Expiring pharmaceutical patents trigger a rise in M&A activity.
- Focus on US biotech companies with strong growth potential.
- Bellevue - Healthcare pioneer since 1993 and today one of the biggest independent investors in the sector in Europe.

Inherent risks

- The fund 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.
- The fund invests in foreign currencies, which means a corresponding degree of currency risk against the reference currency.
- Investing in emerging markets entails the additional risk of political and social instability.
- The fund may invest a proportion of its assets in financial instruments that might under certain circumstances have a relatively low level of liquidity, which can in turn affect the fund's liquidity.

You can find a detailed presentation of the risks faced by this fund in the "Special Investment Risks" section of the sales prospectus.

Management Team



Dr. Christian Lach
Portfolio Manager



Dr. Lukas Leu
Healthcare Analyst



Oliver Kubli, CFA
Portfolio Manager

Sustainability Profile – ESG

EU SFDR 2019/2088 product category: Article 8

Exclusions:

Compliance UNGC, HR, ILO	✓
Norms-based exclusions	✓
Controversial weapons	✓

ESG Risk Analysis:

ESG-Integration	✓
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Stewardship:

Engagement	✓
Proxy Voting	✓

Key Figures:

CO ₂ -intensity (t CO ₂ /mn USD sales):	23.7 (Low)	Coverage:	95%
MSCI ESG Rating (AAA - CCC):	A	Coverage:	95%

Based on portfolio data as per 30.09.2023; – 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; Stewardship: Engagement in an active and constructive dialogue with company representatives on ESG aspects as well as exercising voting rights at general meetings of shareholders. MSCI ESG Rating ranges from "leaders" (AAA-AA), "average" (A, BBB, BB) to "laggards" (B, CCC). 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.

Important information

This marketing communication relates to Bellevue Funds (Lux) (hereinafter the "Fund"), an investment company with variable capital "société à capital variable" (SICAV) under the current version of the Law of the Grand Duchy of Luxembourg of 10 August 1915 on commercial companies ("Law of 1915") and is authorized under Part I of the Law of 17 December 2010 relating to undertakings for collective investment ("Law of 2010") as an undertaking for collective investment (UCITS). Bellevue Biotech is a subfund of Bellevue Funds (Lux).

This marketing communication 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 acts as an Investment Manager of the Fund. The Prospectus, statutes, the annual and half-yearly report, the share prices as well as the Key Information Document (PRIIP-KID) and further information about the Fund can be obtained free of charge in English and German from the management company of the Fund, Bellevue Asset Management AG, Seestrasse 16, CH-8700 Küsnacht, from the representative, paying, facilities and information agents mentioned below or online at www.bellevue.ch. The Key Information Document (PRIIP-KID) is available free of charge in the languages of the countries of distribution www.fundinfo.com.

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Countries of distribution and local representatives

The Bellevue Funds (Lux) is registered and admitted for public distribution in AT, CH, DE, ES, LU and SG. For HK the subfund has been notified to the Luxembourg Regulator.

Austria, Germany:

Facilities Agent: Zeidler Legal Process Outsourcing Ltd with address at SouthPoint, Herbert House, Harmony Row, Grand Canal Dock

Dublin 2, Ireland, email: facilities_agent@zeidlerlegalservices.com ("Zeidler") and CACEIS Investor Services Bank S.A. mit der Adresse bei 14, Porte de France, L-4360 Esch-sur-Alzette, Luxembourg.

Spain: Representative: Atl Capital, Calle de Montalbán 9, ES-28014 Madrid - CNMV under the number 938

Switzerland: The Bellevue Funds (Lux) SICAV is registered for public offering and distribution in Switzerland with the Swiss Financial Market Supervisory Authority. Representative agent in Switzerland: Waystone Fund Services (Switzerland) SA, Avenue Villamont 17, CH-1005 Lausanne. Paying agent in Switzerland: DZ PRIVATBANK (Schweiz) AG, Münsterhof 12, P.O. Box, CH-8022 Zürich. You can obtain the sales prospectus, Key Information Document ("PRIIP-KID"), statutes and the current annual and half-yearly reports, the current share prices and further information about the fund free of charge in German from the management company Bellevue Asset Management AG, Seestrasse 16, CH-8700 Küsnacht, the representative agent in Switzerland or online at www.bellevue.ch. In respect of the units distributed in or from Switzerland, the place of performance and jurisdiction is at the registered office of the representative agent.

The Summary of Investor Rights is available under: https://www.waystone.com/wp-content/uploads/2021/08/Waystone_Management_Company_Lux_S.A_Summary_of_Investor_Rights_-_August_2021.pdf

The management company may decide to withdraw the arrangements it has made for the distribution of the units of its collective investment undertakings in accordance with Article 93a of Directive 2009/65/EC and Article 32a of Directive 2011/61/EU.

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The most important terms are explained in the glossary at www.bellevue.ch/en/glossary.

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Important information**BELLEVUE FUNDS (LUX)
PROSPECTUS SUPPLEMENT – ADDITIONAL INFORMATION FOR
INVESTORS IN HONG KONG
DATED NOVEMBER 2021**

This section has been prepared solely for Hong Kong investors who invest or propose to invest in Shares of Bellevue Funds (Lux) (the “Company”) in Hong Kong. Investors in Hong Kong should read this supplement in conjunction with the Prospectus for the Company (the “Prospectus”). References to the Prospectus are to be taken as references to that document as supplemented hereby. In addition, words and expressions defined in the Prospectus, unless otherwise defined below, shall bear the same meaning when used herein.

FOR RESIDENTS OF HONG KONG

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