

# Factsheet

Bellevue Funds (Lux) | Share class B EUR

 Investment Company with Variable Capital (SICAV) according to Luxembourg Laws – UCITS  
 Marketing document - For retail/non-qualified investors: AT, CH, DE, DK, ES, IT, LU, NL, PT, and professional investors: HK, SG (res)

## Investment focus

The fund's aim is to achieve capital growth in the long term. The fund invests globally at least two-thirds of the portfolio in companies whose business activities have a strong focus on the digitalization of the healthcare sector. A global network of experts spanning scientific and industrial fields support the Management Team in forming opinions. The selection of portfolio companies is bottom-up. The fund takes ESG factors into consideration while implementing the aforementioned investment objectives.

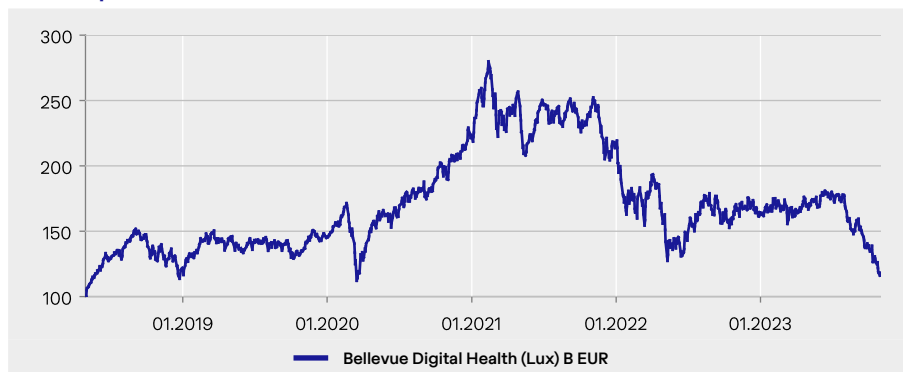
## Fund facts

NAV	147.93
Volume	EUR 382.6 mn
NAV-calculation	Daily "Forward Pricing"
Cut off time	15:00 CET
Distribution policy	Accumulating
Investment manager	Bellevue Asset Management AG
Custodian	CACEIS Investor Services Bank, Luxembourg
Launch date	30.04.2018
Fiscal year end	30.06
Benchmark	n.a.
ISIN code	LU1811048138
Valor	41450818
Bloomberg	BBDIGBE LX
WKN	A2JJBD
Management fee	1.60%
Performance fee	none
Subscription fee	up to 5%
Min. investment	n.a.
Legal entity	Luxembourg UCITS V SICAV
Countries of distribution	AT, CH, DE, DK, ES, HK, IT, LU, NL, PT, SG
EU SFDR 2019/2088	Article 8

## Key figures

Beta	n.a.
Correlation	n.a.
Volatility	32.4%
Tracking Error	n.a.
Active Share	n.a.
Sharpe Ratio	-0.47
Information Ratio	n.a.
Jensen's Alpha	n.a.

## Indexed performance since launch



## Cumulative & annualised performance

### Cumulative

	1M	YTD	1Y	3Y	5Y	10Y	ITD
B EUR	-15.0%	-27.9%	-30.6%	-37.7%	-11.1%	n.a.	18.3%
BM	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

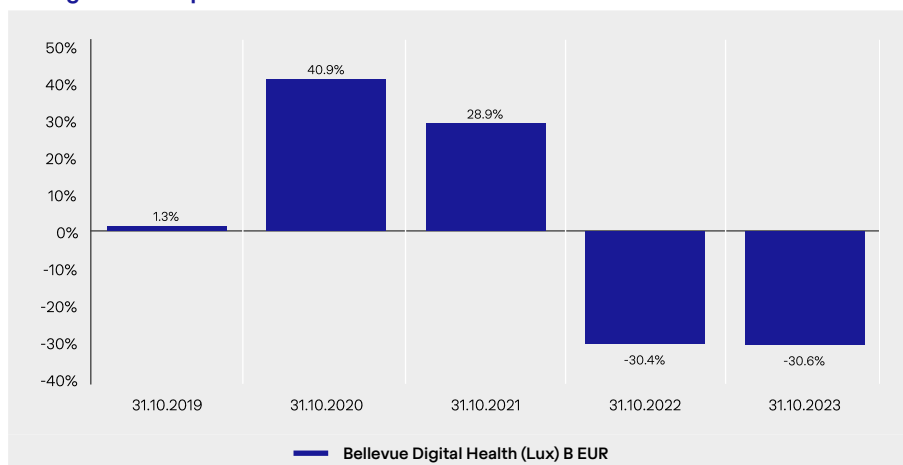
### Annualised

	1Y	3Y	5Y	10Y	ITD
B EUR	-30.6%	-14.6%	-2.3%	n.a.	3.1%
BM	n.a.	n.a.	n.a.	n.a.	n.a.

## Annual performance


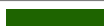








	2018	2019	2020	2021	2022	YTD
B EUR	n.a.	19.5%	53.4%	-4.0%	-23.5%	-27.9%
BM	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

## Rolling 12-month-performance







Source: Bellevue Asset Management, 31.10.2023; 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

Intuitive Surgical		10.2%
Shockwave Medical		7.9%
Axonics		7.0%
Veeva Systems		6.2%
Penumbra		6.0%
Dexcom		4.5%
Globus Medical		4.3%
Transmedics		3.8%
Align Technology		3.8%
Procept Biorobot		3.7%
Total top 10 positions		57.4%
Total positions		38

### Geographic breakdown

United States		92.9%
Denmark		3.4%
China		3.2%
Cash		0.4%

### Market cap breakdown

0 - 1 bn		4.6%
1 - 2 bn		13.8%
2 - 5 bn		28.6%
5 - 15 bn		30.2%
15 - 20 bn		1.6%
>20 bn		20.9%
Others		0.4%

### Market review

Global markets traded lower in October (-2.9%), as did the US tech sector (Nasdaq 100 -2.0%) and the healthcare sector as a whole (-4.1%). Fast-growing pockets within the healthcare industry represented, for example, by the Russell 2000 Healthcare Index (-9.9%) and the S&P Biotechnology Index (-9.3%) gave up even more ground, as did the Bellevue Digital Health Fund (-15.1%).

Ten-year US Treasury yields extended their upward trend from the previous month and closed October at a multi-year high of 4.93%, up 36 basis points. We think this is the main reason for the negative performance of growth stocks and, by extension, of the Digital Health Fund portfolio. Many investors use discounted cash flows (DCF) to determine the valuation of small and mid-cap stocks and rising bond yields lead to lower valuations in these models.

Of the 39 portfolio companies, Olink (+68.9%), Yidu Tech (+4.3%), Shockwave (+3.6%) and Ping An Healthcare and Technology (+0.2%) made positive contributions to portfolio performance. Thermo Fisher announced the acquisition of Olink, a leading provider of proteomics solutions, in October. It offered Olink shareholders USD 26 per share in cash, a premium of 74% vs the previous close. Shockwave, a company specializing in intravascular lithotripsy for the treatment of cardiovascular diseases, announced new groundbreaking products at its investor day. Shockwave's sales forecast for 2026 and its addressable market projection, which was almost doubled from USD 8.5 to USD 15 bn, were also positive surprises.

After an interim analysis, Novo Nordisk decided to stop its "FLOW" trial of semaglutide in patients with type 2 diabetes and chronic kidney disease study ahead of schedule because the results were so positive. This news triggered heavy selling in the shares of dialysis companies such as Outset Medical (-67.6%) and even across the broader medical technology sector, for instance in TransMedics (-31.9%), Inspire Medical (-25.8%), Penumbra (-21.0%), Procept BioRobotics (-18.3%), Insulet (-16.9%), Axonics (-8.7%) and Globus Medical (-7.9%). We think the market has overreacted to this news and doubt that the correction will be long-lasting.

Although Dexcom's (-5.3%) third-quarter sales and earnings beat expectations and management increased its guidance for 2023, the stock was unable to make a positive contribution to the fund's performance. Intuitive Surgical (-10.8%) also surprised investors by reporting higher-than-expected procedure volumes and an increase in robotic surgery system sales for the third quarter, but it detracted from portfolio performance, too. Axonics also beat consensus estimates for Q3 and raised its guidance for the full year 2023.

Reported sales at Teladoc Health (-11.5%) topped its management's forecast but not investor expectations. Accolade (-38.9%) likewise reported better-than-expected sales and earnings but it didn't raise its full-year forecast.

There were also some negative company-specific news flow in October. Outset Medical's third-quarter sales missed street expectations and management lowered its forecast for 2023, disappointing investors. Align Technology (-39.9%) also fell short of investor expectations for the third quarter, which it blamed on deteriorating consumer sentiment in the US. All performance data is in USD / B shares.

### Positioning & outlook

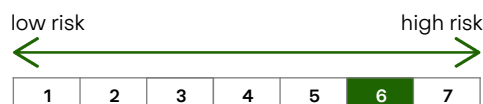
Most of the companies in the fund's portfolio will publish their results for the third quarter in November. Judging by the results reported so far and by our many discussions with executives during the past two months, we expect most of our portfolio companies to present a solid set of quarterly results. Earnings estimates revisions are likely to remain on an upward trend too. In view of the historically low valuations, we would not be surprised if more healthcare and tech giants take advantage of the current market environment and snap up fast-growing digital health companies. Meanwhile the downward pressure on growth stock valuations is likely to ease as soon as a broad market consensus regarding the timing of initial rate cuts by the US central bank in 2024 emerges.

The fund's investment strategy is focused on innovative market leaders and solidly financed companies. More than 95% of the companies in the portfolio have no immediate financing needs. Companies in the highly regulated and non-cyclical healthcare market also benefit from the industry's high entry barriers. The portfolio contains fast-growing, disruptive companies that are applying digital technology to improve healthcare delivery and outcomes while making healthcare more cost-effective. In addition, the companies in the Digital Health Fund's portfolio are expected to generate high double-digit sales growth rates over the coming years and visibility is good.

The growing acceptance of digital solutions in the wake of the pandemic has pushed up the potential growth trajectory of the digital health investment case. Equity capital investors have invested about USD 109 bn in more than 4 700 privately held digital health firms since 2011, so we expect a steady stream of attractive IPOs in the coming years – another reason, and an important one, for investing in this sector.

### 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 companies whose business activities have a strong focus on the digitalization of the healthcare sector and who are willing to accept the equity risk typical of this sector.



We have rated this product as risk class 6 on a scale of 1 to 7, with 6 being the second highest risk class. The risk of potential losses from future performance is considered high. In the event of very adverse market conditions, it is very 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

- Demographic changes and an aging general population demand greater efficiency and cost-effectiveness.
- New technologies conquer the healthcare sector.
- Portfolio consisting of high-quality growth stocks showing double-digit revenue growth.
- Regulation and stringent quality requirements limit the technological risk.
- 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 price fluctuations and so are also exposed to the risk of price losses.
- The fund invests in foreign currencies, which means a corresponding degree of currency risk against the reference currency.
- 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.
- Equities linked to technology and/or digitization can be subject to higher-than-average fluctuations in value.
- The fund may engage in derivatives transactions. The increased opportunities gained come with an increased risk of losses.

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



**Stefan Blum**

Lead Portfolio Manager since inception of the fund



**Marcel Fritsch**

Lead Portfolio Manager since inception of the fund



**Dr. Teresa Vilanova**

Equity Analyst of the fund since 2022

### 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 <sub>2</sub> -intensity (t CO <sub>2</sub> /mn USD sales):	16.5 (Low)	Coverage:	98%
MSCI ESG Rating (AAA - CCC):	A	Coverage:	98%

Based on portfolio data as per 31.10.2023; – 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 CO<sub>2</sub>-intensity expresses MSCI ESG Research's estimate of GHG emissions measured in tons of CO<sub>2</sub> 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).

### 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 Digital Health 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](http://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](http://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, NL, SG, DK, IT and PT. For HK the subfund has been notified to the Luxembourg Regulator.

#### Austria, Germany, Denmark, Netherland, Portugal:

Facilities Agent: Zeidler Legal Process Outsourcing Ltd with address at 19-22 Lower Baggot Street, Dublin 2, D02 X658, Ireland, email:

[facilities\\_agent@zeidlerlegalservices.com](mailto: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](http://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](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](http://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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