

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

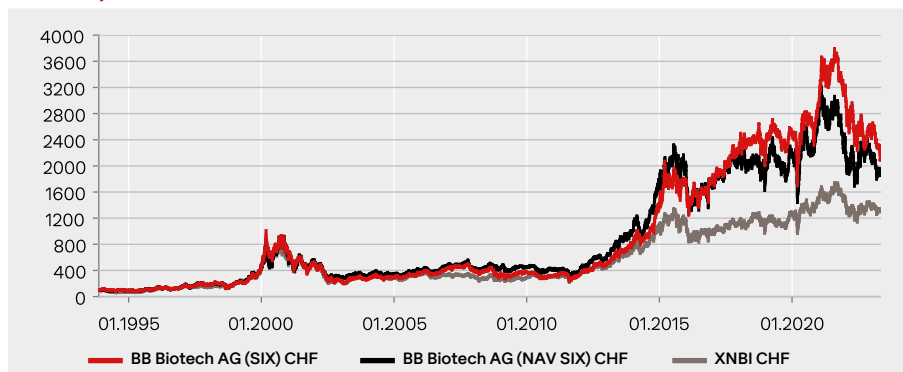
Share price	CHF 45.45
Net Asset Value (NAV)	CHF 40.75
Premium/(Discount)	11.5%
Market capitalization	CHF 2'517.9 mn
Investment manager	Bellevue Asset Management AG
AIC sector	Biotechnology
Benchmark (BM)	Nasdaq Biotech Index TR
Foundation	16.11.1993
Fiscal year end	31.12
Financial reports	Quarterly
Bloomberg	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	1.23
Correlation	0.92
Volatility	34.2%
Tracking Error	14.49
Active Share	85.06
Sharpe Ratio	0.06
Information Ratio	-0.09
Jensen's Alpha	-2.21

Source: BB Biotech AG, 30.04.2023;
Calculation based on the Net Asset Value (NAV) over the last 3 years.

Indexed performance since launch



Cumulative & annualised performance

Cumulative

	1M	YTD	1Y	3Y	5Y	10Y	ITD
Share	-9.0%	-13.0%	-18.4%	-12.9%	-12.2%	224.6%	2004.8%
NAV	-1.8%	-10.9%	-3.3%	-10.5%	-6.2%	141.0%	1785.5%
BM	-0.9%	-3.6%	3.0%	1.3%	19.9%	134.6%	1211.7%

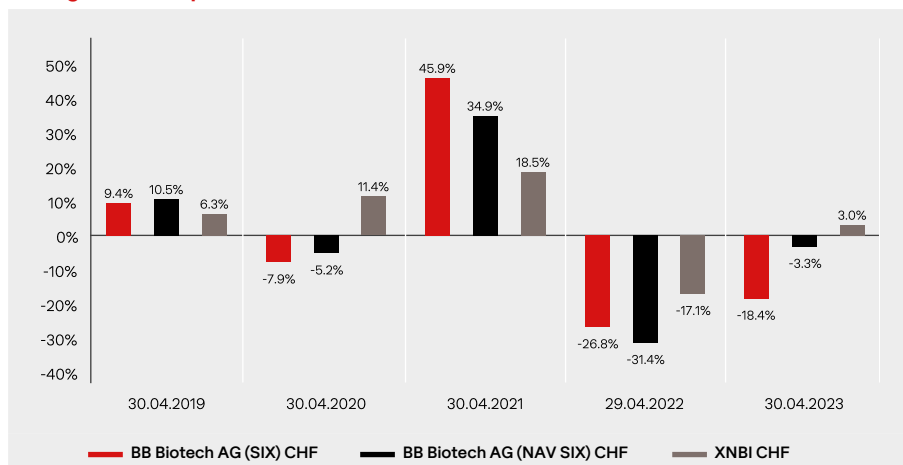
Annualised

	1Y	3Y	5Y	10Y	ITD
Share	-18.4%	-4.5%	-2.6%	12.5%	10.9%
NAV	-3.3%	-3.6%	-1.3%	9.2%	10.5%
BM	3.0%	0.4%	3.7%	8.9%	9.1%

Annual performance

	2018	2019	2020	2021	2022	YTD
Share	-5.2%	18.5%	19.3%	8.3%	-24.3%	-13.0%
NAV	-14.5%	23.4%	24.3%	-11.5%	-11.0%	-10.9%
BM	-8.0%	23.0%	15.8%	3.0%	-9.1%	-3.6%

Rolling 12-month-performance



Source: BB Biotech AG, 30.04.2023; 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

Ionis Pharmaceuticals Inc.		11.9%
Argenx SE		11.5%
Vertex Pharmaceuticals Inc.		10.0%
Neurocrine Biosciences Inc.		9.2%
Moderna Inc		8.0%
Incyte Corp.		7.1%
Intra-Cellular Therapies Inc.		6.1%
Alnylam Pharmaceuticals Inc.		6.0%
Sage Therapeutics Inc		4.6%
Revolution Medicines Inc		3.6%
Total top 10 positions		78.1%
Total positions		28

Sector breakdown

Small Molecule		52.2%
RNA		26.6%
Antibody		17.5%
Gene- and cell therapy		3.7%

Currency breakdown

USD		100.0%
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Market commentary

In April BB Biotech's share price declined by 9.0% (in CHF) and the Net Asset Value rose by 0.4% (in USD). The Nasdaq Biotech Index was up by 1.5% (in USD) in April.

BB Biotech reported its first quarter result on April 21 showing a net loss of CHF 254 mn, compared to a net loss of CHF 300 mn during the same period of 2022. A small number of portfolio adjustments were made during the first quarter. The Myovant Sumitomo Dainipon Pharma transaction was completed for USD 27 per share of Myovant. In addition, Kezar Life Sciences and Homology Medicines positions were exited. At the end of the quarter, BB Biotech's portfolio comprised 28 positions – concentrated further on profitable companies which now represent more than 1/3 of BB Biotech's portfolio. Well capitalized companies expected to reach sustainable profitability with their current balance sheet constitute more than 40% of the portfolio whereas smaller companies still needing capital make up less than 20% of the portfolio.

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

Ionis (-1.0%, in USD) and its partner Biogen announced on April 25 that the FDA has approved QALSODY (tofersen) injection for the treatment of amyotrophic lateral sclerosis (ALS) in adults who have a mutation in the superoxide dismutase 1 (SOD1) gene. This indication is approved under accelerated approval. Continued approval for this indication may be contingent upon verification of clinical benefit from ongoing trial(s).

Relay Therapeutics (-31.0%, in USD) announced on April 18 initial clinical data for RLY-2608, the first known investigational allosteric, pan-mutant and isoform-selective inhibitor of P13Ka. The data support initial clinical proof of mechanism, demonstrating that RLY-2608 achieved selective target engagement at multiple predicted efficacious doses with a favorable initial safety and tolerability profile. The data were presented on April 18 at the American Association for Cancer Research Annual Meeting 2023.

Vertex Pharmaceuticals (+8.1%, in USD) and Crispr Therapeutics (+8.2%, in USD) announced April 2 the completion of the rolling Biologics License Applications (BLAs) to the FDA for the investigational treatment exagamglogene autotemcel (exa-cel) for sickle cell disease (SCD) and transfusion-dependent beta thalassemia (TDT). The BLAs include requests for Priority Review, which if granted, would shorten the FDA's review of the application to eight months from the time of submission versus a standard review timeline of 12 months.

Outlook

Despite a challenging start to the year, BB Biotech remains focused on value growth and is optimistic about fundamental progress achieved by innovative biotech companies in the large-, mid- and small-cap segments. We continue to believe that these companies are attractive investments; not only due to the currently depressed valuation but also because development, regulatory and commercialization milestones can boost shareholder returns.

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 professional investors in the UK.

Board of Directors

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

Investor Relations



Dr. Silvia Siegfried-Schanz
Investor Relations
+41 44 267 72 66
ssc@bellevue.ch



Claude Mikkelsen
Investor Relations
+44 7557 048 57
cmi@bellevue.ch



Maria-Grazia Alderuccio
Investor Relations
+41 44 267 67 14
mga@bellevue.ch

Benefits

- 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

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):	28.1 (low)	Coverage:	88%
MSCI ESG Rating (AAA - CCC):	BB	Coverage:	87%

Based on portfolio data as per 30.04.2023; – 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.

Investment Management Team



Dr. Daniel Koller
Head Investment
Management Team



Dallas Webb
Investment
Management Team



Dr. Christian Koch
Investment
Management Team



Dr. Leonidas Georgiou
Investment
Management Team



Dr. Maurizio Bernasconi
Investment
Management Team



Dr. Stephen Taubenfeld
Investment
Management Team



Dr. Samuel Crosset
Investment
Management Team



Felicia Flanigan
Investment
Management Team



Dr. Olivia Woolley
Investment
Management Team



Dr. Can Buldun
Investment
Management Team

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.

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

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