

Investment focus

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.

Fund facts

NAV	425.86
Volume	USD 38.9 million
NAV-calculation	Daily "Forward Pricing"
Cut off time	15:00 CET
Distribution policy	Accumulating

Investment Manager	Bellevue Asset Management
Custodian	RBC Investor Services, Luxembourg
Launch date	31.03.2009
Fiscal year end	30.06.
Benchmark	Nasdaq Biotech Index

ISIN code	LU0415392322
Valor	3882743
Bloomberg	BBBIOUB LX
WKN	AORPSP

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, ES, LU
EU tax status	Out of scope

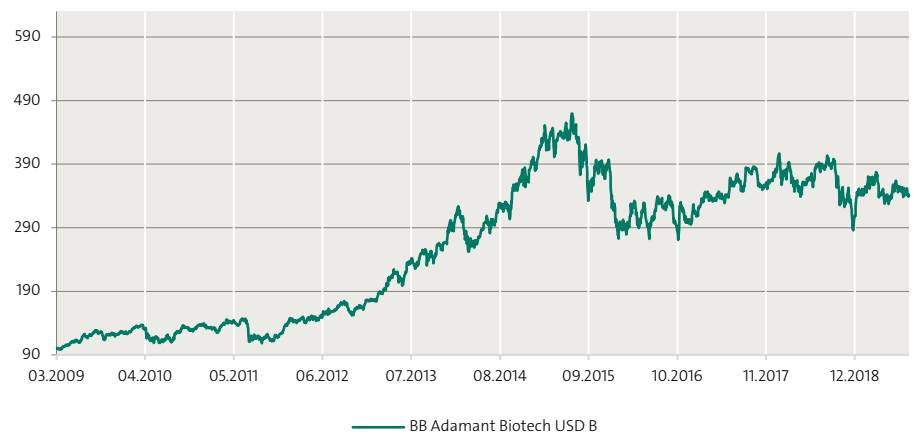
Key figures

Beta	0.95
Correlation	0.93
Volatility	22.4%

Tracking Error	3.78
Active share	55.39

Sharpe Ratio	0.11
Information Ratio	-0.17
Jensen's Alpha	-1.34

Indexed performance since launch



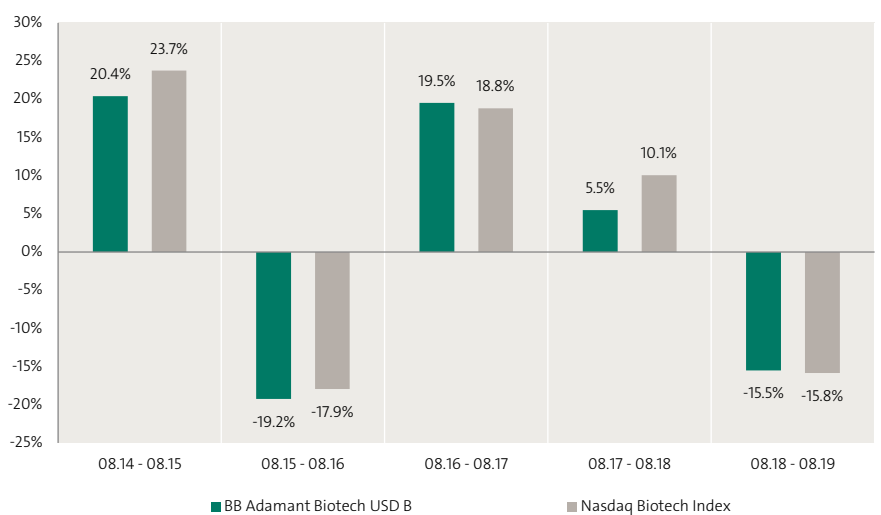
Cumulated & annualized performance

	Cumulated						Annualized			
	1 month	YTD	1 year	3 years	5 years	since launch	1 year	3 years	5 years	since launch
B USD	-3.2%	10.4%	-15.5%	6.5%	3.6%	240.7%	-15.5%	2.1%	0.7%	12.5%
BM	-2.6%	6.3%	-15.8%	10.1%	11.8%	373.7%	-15.8%	3.3%	2.3%	16.1%

Annual performance

	2014	2015	2016	2017	2018	YTD
B USD	36.3%	7.6%	-24.7%	23.1%	-15.2%	10.4%
BM	34.1%	11.4%	-21.7%	21.1%	-9.3%	6.3%

Rolling 12-month-performance



Source: Bellevue Asset Management, 31.08.2019; all figures in USD %, total return-methodology
Past performance is not a reliable indicator of future results and can be misleading. As the Sub-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 sub-fund, thus the performance of a benchmark is not a reliable indicator of future performance of the sub-fund 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

Vertex Pharmaceut.		6.5%
Amgen		6.1%
Incyte		4.0%
illumina		3.5%
Novo Nordisk		3.1%
Gilead Sciences		3.1%
Neurocrine Bio.		3.1%
Vifor Pharma		3.1%
Genmab		3.0%
Horizon Pharma		2.8%
Total top 10 positions		38.3%
Total positions		52

Sector breakdown

Oncology		28.4%
Orphan Drugs		13.1%
Neurolog. Disorders		8.7%
Respiratory Diseases		7.5%
Speciality Pharma		4.6%
Central Nervous Syst.		3.8%
Life Science Supply		3.5%
Contract manufacturer		3.4%
Metabolic disease		3.1%
Infectious disease		3.1%
Cardiovascular		2.7%
Biotechnology		2.0%
Others		14.5%
Cash		1.5%

Geographic breakdown

United States		72.8%
Denmark		6.2%
Switzerland		5.5%
China		4.8%
Germany		3.2%
Netherlands		2.8%
Japan		2.4%
Others		0.9%
Cash		1.5%

Market cap breakdown

0 - 1 bn		3.3%
1 - 2 bn		5.5%
2 - 5 bn		20.8%
5 - 15 bn		35.2%
15 - 20 bn		3.9%
> 20 bn		30.1%
Others		1.2%

Source: Bellevue Asset Management, 31.08.2019;
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.

Market review

Global stock markets ended August slightly in the red and the healthcare sector was unable to shrug off the general trend. The S&P 500 Index gave up 1.8%, the Nasdaq Biotech Index (NBI) 2.6% and the BB Adamant Biotech (Lux) Fund 3.2% (all figures in USD / B shares), the latter due to its greater weighting of innovative mid cap stocks.

President Trump's escalating trade dispute with China, the ever-flatter yield curve and weaker leading indicators from the manufacturing sector were the dominant themes of the month. Central banks in a number of countries responded by taking a more expansive stance. Investors expect the US Fed to lower its key rate a few more times before the current year is out too. In the biotech sector, most companies reported better-than-expected quarterly results and presented largely favorable clinical results. Amgen emerged as the surprising winner in its litigation with Sandoz over Enbrel, a rheumatoid arthritis drug. Although Sandoz can appeal the District Court's ruling, this decision blocks the launch of a biosimilar to Enbrel for the time being and, in a best-case scenario, Amgen can secure patent exclusivity for its product until 2029.

Several stocks made a positive contribution to the fund's performance in August: Genmab profited from good quarterly results, a guidance upgrade after receiving regulatory approval of Darzalex as a first-line treatment for multiple myeloma and good pipeline news flow with positive Phase III trial data for ofatumumab in patients with multiple sclerosis. Novo Nordisk beat expectations for the second quarter thanks to a strong showing by its GLP-1 analogs and management raised its full-year outlook. Coherus reported strong quarterly numbers for its biosimilar to Neulasta and Radius profited from the delayed launch of Teva's rival generic product for Forteo.

Performance detractors included Evotec, which was pressured by hedge-fund short selling despite its good quarterly results and upward guidance revision. Kura Oncology retreated after appointing a new Chief Operating Officer and Arena gave up some ground despite good progress by pipeline candidates for treating inflammatory bowel disease, where it announced the start of a Phase III trial (ELEVATE) of etrasimod in ulcerative colitis. Fate Therapeutics drifted lower too, although it reported good clinical progress with its off-the-shelf cellular immunotherapy derived from its induced pluripotent stem cell line and was also issued new patents for this technology.

Positioning & outlook

Our stance towards the biotech sector remains positive in view of its strong fundamentals and very attractive valuations (average 2020 P/E of 11x and PEG of 0.6 for large caps). The companies in our portfolio are working on technologies or products for novel treatment solutions. The BB Adamant Biotech (Lux) Fund is well-positioned to profit from the milestones that are expected to be reached in 2019. The regulatory environment continues to favor the innovation biotech companies are known for, although worries about pricing are still weighing on investor sentiment. After our portfolio holdings Celgene, Loxo and Array were taken over by pharma multinationals, we expect more M&A deals to come as the year progresses.

Risk and return profile

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.



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 KIID.

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 user 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.

Target market

The fund is suitable for retail and professional investors in Austria, Germany, Luxembourg, Spain and Switzerland.

Chances

- 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 of the fund since 2015

Joined Bellevue in 2015 as Senior Portfolio Manager Healthcare Funds & Mandates. Prior to that he was from 2008 to 2014 Senior Portfolio Manager Biotech at Adamant Biomedical Investment.



Dr. Hanns Frohnmeyer

Portfolio Manager of the fund since 2017

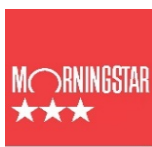
Joined Bellevue in 2017 as Senior Portfolio Manager Healthcare Funds and Mandates. Prior to that he spent 4 years at Aeris Capital as Executive Director and Portfolio Manager Life Science and 10 years at LBBW as Biotech Analyst and Head Life Science Team.



Samuel Stursberg, CFA

Portfolio Manager of the fund since 2015

Joined Bellevue in 2015 as Head Research Healthcare Funds & Mandates. Prior to joining Bellevue he spent 7 years as Head Research at Adamant Biomedical Investments and 4 years as analyst in the healthcare sector at Sustainable Asset Management.



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). BB Adamant 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 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 Investor Information documents are available free of charge in the languages of the countries of distribution (German for Germany, Austria and Switzerland, Spanish in Spain and English and German in Luxembourg) at 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 Austria, Germany, Luxembourg, Spain and Switzerland.

Austria

Paying and information agent: ERSTE BANK der oesterreichischen Sparkassen AG, Am Belvedere 1, A-1100 Vienna,

Germany

Information agent: ACOLIN Europe GmbH, Reichenaustrasse 11a-c, D-78467 Konstanz

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: ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zurich

Paying agent in Switzerland: Bank am Bellevue AG, Seestrasse 16, P.O.Box, CH-8700 Küsnacht

You can obtain the sales prospectus, Key Investor Information Document (“KIID”), 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.

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