

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.

Facts

Share price	EUR 57.50
Net Asset Value (NAV)	EUR 51.50
Premium/(Discount)	11.7%
Market capitalisation	EUR 3'213.3 million

Investment manager	Bellevue Asset Management AG
AIC sector	Biotechnology
Benchmark (BM)	Nasdaq Biotech Index
Foundation	09.11.1993
Fiscal year end	31.12.
Financial reports	Quarterly

Bloomberg	BBZA GY Equity
Valor	3838999
ISIN code	CH0038389992
WKN	AONFN3

Legal structure	Incorporate company
Share type	Registered shares
Share structure	55.4 mn
Management fee	All-in 1.10%

Key figures

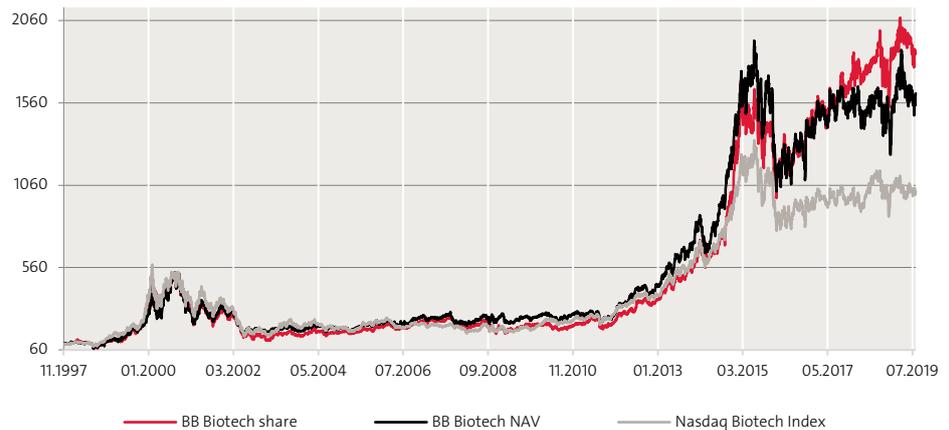
Beta	1.19
Correlation	0.94
Volatility	29.2%

Tracking Error	11.12
Active Share	81.73

Sharpe Ratio	0.71
Information Ratio	0.64
Jensen's Alpha	5.67

Source: BB Biotech AG, 31.08.2019;
Calculation based on the Net Asset Value (NAV) over the last 3 years.

Indexed performance since launch



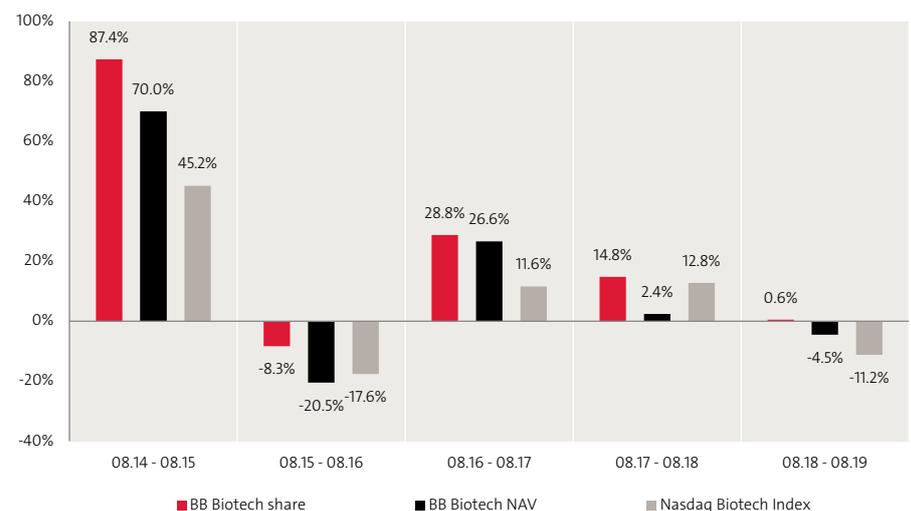
Cumulated & annualized performance

	Cumulated						Annualized			
	1 month	YTD	1 year	3 years	5 years	since launch	1 year	3 years	5 years	since launch
Share	-2.7%	15.5%	0.6%	48.7%	155.4%	1757.6%	0.6%	14.1%	20.6%	14.4%
NAV	-1.0%	16.9%	-4.5%	23.8%	67.2%	1477.0%	-4.5%	7.4%	10.8%	13.5%
BM	-1.4%	10.8%	-11.2%	11.8%	33.8%	959.5%	-11.2%	3.8%	6.0%	11.5%

Annual performance

	2014	2015	2016	2017	2018	YTD
Share	79.5%	41.2%	1.7%	12.9%	-2.2%	15.5%
NAV	75.9%	31.7%	-17.8%	12.5%	-11.1%	16.9%
BM	52.8%	24.1%	-19.3%	6.2%	-4.8%	10.8%

Rolling 12-month-performance



Source: BB Biotech AG, 31.08.2019; all figures in EUR %, 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		13.2%
Incyte		8.2%
Neurocrine Biosciences		7.9%
Sage Therapeutics		6.4%
Vertex Pharmaceuticals		6.3%
Alexion Pharmaceuticals		4.6%
Celgene		4.6%
Radius Health		4.4%
Esperion Therapeutics		4.4%
Agios Pharmaceuticals		4.2%
Total top 10 positions		64.3%
Total positions		35

Sector breakdown

Orphan Diseases		37.6%
Oncology		26.6%
Neurological Diseases		18.9%
Metabolic Diseases		6.9%
Cardiovascular Diseases		6.1%
Others		2.1%
Infectious Diseases		1.8%

Currency breakdown

USD		100.0%
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Source: BB Biotech AG, 30.06.2019;

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 commentary

The month of August was a difficult one for all equity markets. While the S&P 500 was down 1.6% (in USD), our benchmark Nasdaq Biotech Index (NBI) was down 2.6% (in USD). BB Biotech AG closed the month down 3.3% (in USD) on its share price and 1.9% (in USD) on its Net Asset Value.

Radius Health (+31.9%, in USD) has initiated enrollment for a phase III clinical trial to assess the safety and efficacy of a wearable abaloparatide-transdermal patch for the treatment of postmenopausal women with osteoporosis at high risk for fracture. This study is the first registrational study to evaluate treatment of a novel, non-injectable delivery of an anabolic therapy. Radius' share price rose significantly, also based on an upgrade to buy, as a closer look at clinical trials for its patch indicated a reasonable likelihood of approval.

Nektar Therapeutics (-38.3%, in USD) dropped following the company's disclosure that it administered inactive doses of its experimental drug bempegaldesleukin in clinical trials due to manufacturing issues. Skin, kidney and bladder cancer patients in a combination trial with Bristol-Myers Squibb's (BMS) Opdivo progressed more quickly after receiving the suboptimal doses than those treated with active drug. BMS has cut back its commitment to the bempegaldesleukin partnership to just 5-6 trials aimed at regulatory approval, from 18 previously.

G1 Therapeutics (+46.3%, in USD) received breakthrough therapy designation (BTD) from the US FDA for their drug candidate trilaciclib based on positive myelopreservation data in small cell lung cancer patients from three randomized phase 2 clinical trials. The company expects to submit marketing applications in the US and Europe in 2020.

Celgene (+5.4%, in USD) announced that in connection with its merger agreement with Bristol-Myers Squibb it has entered into an agreement with Amgen under which Amgen would acquire the global rights to Otezla for USD 13.4 bn in cash. BMS had previously announced the decision to divest Otezla in connection with the ongoing regulatory approval process for the company's pending merger with Celgene. The closing of the acquisition covered by the agreement with Amgen is contingent on BMS and Celgene entering into a consent decree with the Federal Trade Commission (FTC).

Outlook

While the summer months were generally quiet for BB Biotech AG, the fall months promise to be once again busy and exciting. Our team will be attending numerous international medical and broker conferences, screening new investment ideas and discussing the latest scientific and medical topics with physician and investor communities.

Multimedia

In Brief: 30 Years of Biotechnology - Development of a Growth Industry

The infographics show you how biotechnology has become a billion-dollar industry and what the future growth potential looks like.



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 (President)
Dr. Clive Meanwell
Prof. Dr. Dr. Klaus Strein
Dr. Thomas von Planta

Team Curaçao

Rudy LeBlanc
Hugo van Neutegem
Jan Bootsma
Nathalie Isidora-Kwidama

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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 three-member 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.

Investment Management



Dr. Daniel Koller
Head Investment Management Team since 2010 (since 2004 at BB Biotech)
Expertise: Hematology



Dallas Webb
Portfolio Manager at BB Biotech since 2006.
Expertise: Oncology, antibiotics, Women's Health



Felicia Flanigan
Portfolio Manager at BB Biotech since 2004.
Expertise: Immune Oncology, infectious diseases



Dr. Christian Koch
Portfolio Manager at BB Biotech since 2014.
Expertise: Metabolic and cardiovascular diseases and Genetic Medicines



Dr. Stephen Taubenfeld
Portfolio Manager at BB Biotech since 2013.
Expertise: Neurology, Psychiatry



Dr. Maurizio Bernasconi
Portfolio Manager at BB Biotech since 2016.
Expertise: Inflammatory and autoimmune diseases

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



Important information

This information document relates to BB Biotech AG (hereinafter the "Company"). As defined under Swiss law, the Company is structured as an investment 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 information 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.

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Every investment involves risk, especially with regard to fluctuations in value and return, and investors' capital may be at risk. If the currency of a financial product is different from your reference currency, the return can increase or decrease as a result of currency fluctuations. Past performance is not an indicator of the current or future performance. The performance data are calculated without taking account of commissions and costs that result from subscriptions and redemptions. Commissions and costs have a negative impact on performance.

Any benchmarks/indices cited herein are provided for information purposes only. No benchmark/index is directly comparable to the investment objectives, strategy or the investment universe of the Company. The performance of a benchmark is not an indicator of the Company's past or future performance. Financial transactions should only be undertaken after having carefully studied the current valid prospectus and they are only valid on the basis of the latest version of the prospectus and available annual and interim reports. Please take note of the risk factors.

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