

Investment focus

The Fund invests in listed owner-managed companies in Switzerland where an entrepreneur or a founder family holds at least a 20% of a company's voting rights. The qualities of these companies – a focused business model, fast decision-making processes and a strong corporate culture – go hand in hand with efficient innovation, high product quality and strong customer loyalty. The corresponding impact on the share price is demonstrably positive. The Fund's Management Team offers a wealth of experience in this investment segment and has built up an extensive network with executives throughout the sector. It pursues a fundamental, bottom-up approach in identifying the most attractive founder-controlled companies with a small, mid as well as large market capitalization while maintaining an investment portfolio of 25 to 40 stocks diversified by sub-sector.

Fund facts

NAV	127.57
Volume	EUR 9.9 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	30.11.2016
Fiscal year end	30.06.
Benchmark	SPI Extra since 30.11.17, SPI until 30.11.17

ISIN code	LU1477743626
Valor	33635332
Bloomberg	BVBESIE LX
WKN	A2ASDG

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, LU
EU tax status	Out of scope

Key figures

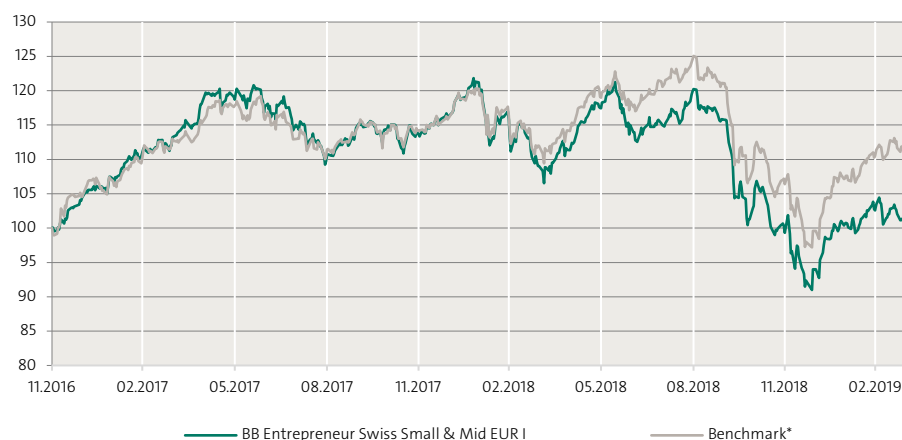
Beta	1.03
Correlation	0.94
Volatility	14.9%

Tracking Error	4.76
Active Share	71.62

Sharpe Ratio	-0.67
Information Ratio	-1.59
Jensen's Alpha	-7.81

Source: Bellevue Asset Management, 31.03.2019;
Calculation over 1 year.

Indexed performance since launch



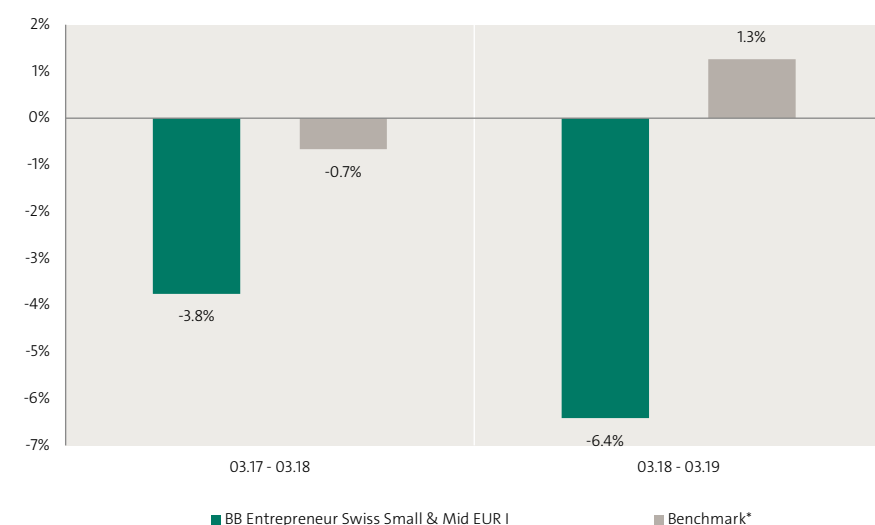
Cumulated & annualized performance

	Cumulated						Annualized			
	1 month	YTD	1 year	3 years	5 years	since launch	1 year	3 years	5 years	since launch
I EUR	-0.3%	8.8%	-6.4%	n.a.	n.a.	2.1%	-6.4%	n.a.	n.a.	0.9%
BM	2.6%	13.9%	1.3%	n.a.	n.a.	13.4%	1.3%	n.a.	n.a.	5.6%

Annual performance

	2014	2015	2016	2017	2018	YTD
I EUR	n.a.	n.a.	n.a.	11.2%	-19.2%	8.8%
BM	n.a.	n.a.	n.a.	10.8%	-14.0%	13.9%

Rolling 12-month-performance



Source: Bellevue Asset Management, 31.03.2019; all figures in EUR %, 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. 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.

* SPI Extra seit 30.11.17, SPI bis 30.11.17

Top 10 positions

Logitech		4.4%
Partners Group		3.8%
Tecan Group		3.8%
Valora		3.7%
Straumann		3.6%
Cie Financiere Tradition		3.3%
Gurit		3.3%
Weleda		3.3%
Galenica		3.3%
Inficon		3.3%

Total top 10 positions	35.8%
Total positions	33

Sector breakdown

Industrials		27.3%
Financials		17.0%
Information Tech.		13.7%
Health Care		12.7%
Materials		8.8%
Consumer Staples		7.9%
Consumer Disc.		6.8%
Cash		5.9%

Source: Bellevue Asset Management, 31.03.2019;

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

The SPIEX ended March up 1%, underperforming the broader Swiss market and the European indexes. The ECB decided to postpone a potential interest hike until the end of 2019 and to launch a new round of TLTRO from September 2019 until March 2021. Together with the Fed's hawkish change of heart this change of direction caused yields to fall. In the month, defensives benefited the most, while cyclicals and small caps underperforming.

Against this backdrop, the fund dropped 1.8% (CHF / B shares), underperforming its benchmark by 275 bps. 40% thereof stemming from our lower allocation to real estate, staples and healthcare. This brings the ytd performance to 7.9%, 505 bps below benchmark.

The main detractors in the month were Swissquote (-25.5%), Bobst (-23.1%) and Komax (-16.6%). Despite excellent delivery on 2018, Swissquote was severely sanctioned by its 2019 guidance, aiming at growing sales by 5% to 10% but decreasing its pre-tax profit by CHF 10 mn, versus consensus expectations of a 10m increase. The one-off costs relate to the integration of the Luxembourg acquisition as well as the development of the Singapore-based platform, which should benefit future growth. Our recent meeting with the management confirms strong NNM trends and mid-term targets of CHF 36 bn (+50%) by 2022. Bobst published an EBIT margin guidance corridor of 6-7% for 2019 and 2020, suggesting the Web-Fed turnaround is taking longer than expected. We find the share outright cheap at the actual levels, in view of the group's resilient cash generation as well as the expected positive momentum in the innovative field of digital printing. Komax surprisingly reduced its near term outlook after being quiet upbeat 2 months ago. Lumpy or event halted orders in its standard machine business related to the manufacturing of cable harnesses for high-volume car platforms came as a shock. The management expects its full pipeline to be delayed not cancelled, but acknowledged having very low visibility. March has taken a better turn but the timing of order recovery remains very uncertain. We appreciate the company's 40% recurring revenues stream and structural growth case and are holding on to this position.

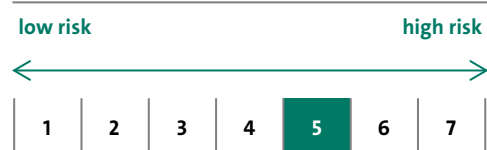
The top 3 contributors in the month were Vifor Pharma (+7.8%), Belimo (+5.7%) and Lem Holding (+7.9%). Vifor presented a strong set of FY-18 results and a reassuring guidance for 2019 and 2020, especially given the group's track record for conservative guidance. Looking forward, the stock enjoys a highly visible double-digit top line growth, thanks to a sustained momentum in its core Ferinject/Injectafer franchise as well as an increasing adoption of Veltassa in the US nephrology market. EBITDA should grow over proportionally thanks to a good cost control and operating leverage. Belimo benefitted from the publication of better-than-expected FY18 profitability figures as well as a positive outlook. The current buoyant trend is mainly driven by a high demand for more sensors and actuators in comfort, energy efficient and security applications in both residential and non-residential buildings. In addition, the group's expansion in Asia provides additional growth stimulus. Lem Holding published good figures during the previous month, but reduced its sales outlook for the 2018/19 fiscal year. The new guidance is however in line with the current level of consensus expectations. Given the group's high exposure to China (about 60% of turnover), the stock was benefiting during March from the more constructive trade talks between Beijing and Washington suggesting a possible positive issue.

Positioning & outlook

The 2018 reporting season has come to an end. Average consensus expectations have risen in March for the second straight month in Europe, reversing the negative trend initiated in November. M&A is back, notably in the sectors of banking, digital payment and satellites. From a top down perspective, positive growth surprises in the current depressed environment – if any – can only come from China. The adopted policy stimulus could bring an improving dataflow in Q2 to benefit open economies like Europe and Switzerland. Also, our discussions with companies indicate that supply chain disruptions of intermediate goods are getting mended. Cyclical indicators like ZEW seem to be bottoming out in Q1. During the month we have taken some profits on Belimo, Huber & Suhner and Zur Rose, while adding to our positions in Also, Swissquote and Bobst.

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 enhance their portfolio diversification with investments in Swiss founder-controlled companies. The Fund displays the typical risks associated with equity investments.



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.

Chances

- Owner and family-run businesses think in generations, not in quarters.
- Focus, a sense of responsibility, strong identification with the company, and personal financial commitment have a positive impact on the share price.
- More conservatively financed, lower debt exposure and a higher risk capacity compared to non-family businesses.
- Multi-award-winning management team with a long and successful track record investing in owner-run firms.
- Entrepreneurs for entrepreneurs – the Bellevue Group is itself an owner-run company with the majority of shares held by employees.

Inherent risks

- The fund invests in equities. Equities are subject to price fluctuations and so are also exposed to the risk of price losses.
- Shares in smaller businesses are generally traded in lower volumes and are subject to bigger price fluctuations than larger enterprises.
- 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.
- Succession planning poses an additional risk for owner-run companies.
- 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



Birgitte Olsen, CFA

Lead Portfolio Manager since inception of the fund

Joined Bellevue in 2008 and is responsible for European Equities as well as for institutional mandates. She previously spent over nine years at Generali Investments in Cologne as deputy head of equities managing European portfolios and thematic funds.



Michel Keusch

Portfolio Manager of the fund since 2013

Joined Bellevue in 2007 as manager of a hedge fund. Prior to joining Bellevue he was a senior analyst at Crédit Agricole Cheuvreux from 2003 to 2007 and covered consumer goods and services companies.



Laurent Picard, SFAF

Portfolio Manager of the fund since 2018

Joined Bellevue in 2018. Prior to that, he was a Financial consultant for start-ups in the internet/tech sector. From 2009 to 2016 he was a senior equity research analyst for media at Société Générale.

Target market

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

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 authorised 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 Entrepreneur Swiss Small & Mid is a Sub-fund of Bellevue Funds (Lux).

This marketing communication is issued by Bellevue Asset Management AG, which is an authorised 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

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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