

Investment focus

The Fund invests in small capitalized, listed owner-managed companies in Europe 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 entrepreneurs throughout the sector. It pursues a fundamental, bottom-up approach in identifying the most attractive foundercontrolled companies with a small market capitalization while maintaining an investment portfolio of 40 to 50 stocks diversified by country and sub-sector.

Fund facts

| | |
|---------------------|-------------------------|
| NAV | 240.89 |
| Volume | CHF 226.2 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 | 30.06.2011 |
| Fiscal year end | 30.06. |
| Benchmark | MSCI Europe ex UK Small since 18.05.15 MSCI Europe Small until 15.05.15 |

| | |
|-----------|--------------|
| ISIN code | LU0631859732 |
| Valor | 13084217 |
| Bloomberg | BFLESBC LX |
| WKN | A1JG2K |

| | |
|------------------|----------------------|
| Management fee | 1.60% |
| Performance fee | 10% above Benchmark* |
| 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

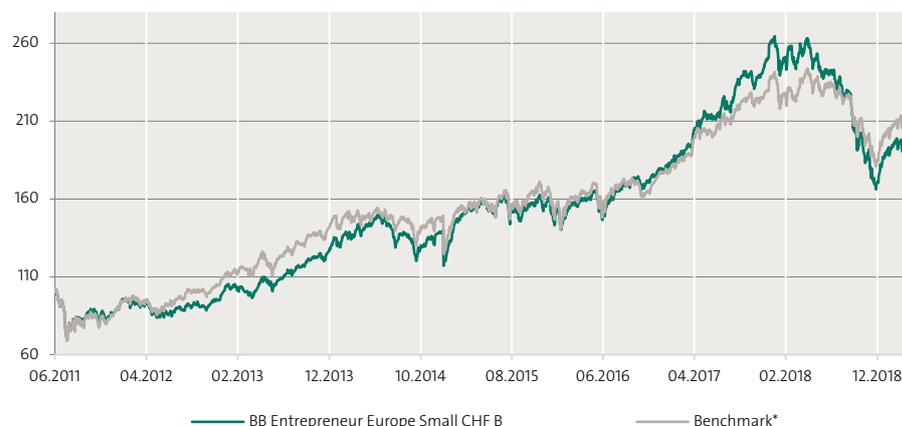
| | |
|-------------|-------|
| Beta | 0.94 |
| Correlation | 0.9 |
| Volatility | 13.1% |

| | |
|----------------|-------|
| Tracking Error | 5.44 |
| Active Share | 95.62 |

| | |
|-------------------|------|
| Sharpe Ratio | 0.55 |
| Information Ratio | -0.4 |
| Jensen's Alpha | -2 |

Source: Bellevue Asset Management, 31.03.2019;
Calculation over 3 years.
* With high watermark

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 CHF | -1.5% | 12.7% | -21.9% | 21.8% | 37.7% | 92.7% | -21.9% | 6.8% | 6.6% | 8.8% |
| BM | 0.0% | 12.1% | -7.7% | 28.7% | 38.7% | 107.9% | -7.7% | 8.8% | 6.8% | 9.9% |

Annual performance

| | 2014 | 2015 | 2016 | 2017 | 2018 | YTD |
|-------|------|-------|-------|-------|--------|-------|
| B CHF | 8.1% | 16.6% | 10.5% | 40.6% | -31.6% | 12.7% |
| BM | 4.5% | 12.8% | 4.2% | 31.3% | -19.0% | 12.1% |

Rolling 12-month-performance



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

* MSCI Europe ex UK Small since 18.05.15, MSCI Europe Small until 15.05.15

Top 10 positions

| | | |
|--------------------------|--|------|
| Stroer out of Home Media | | 4.2% |
| Korian | | 3.4% |
| CAF | | 3.3% |
| S&T | | 3.3% |
| Vidrala | | 3.3% |
| CTS Eventim | | 3.2% |
| Rhi Magnesita | | 3.2% |
| Fluidra | | 3.2% |
| Bakkafrost | | 3.1% |
| Technogym | | 3.0% |

| | |
|------------------------|-------|
| Total top 10 positions | 33.1% |
| Total positions | 46 |

Sector breakdown

| | | |
|-------------------|--|-------|
| Industrials | | 23.1% |
| Information Tech. | | 18.8% |
| Consumer Disc. | | 16.6% |
| Health Care | | 9.4% |
| Materials | | 9.1% |
| Consumer Staples | | 6.5% |
| Energy | | 5.2% |
| Financials | | 5.1% |
| Real Estate | | 2.0% |
| Cash | | 4.3% |

Flow adjusted cash quota at around 5%

Geographic breakdown

| | | |
|-------------|--|-------|
| Germany | | 16.5% |
| Spain | | 16.5% |
| Italy | | 11.4% |
| France | | 11.1% |
| Norway | | 8.9% |
| Austria | | 8.1% |
| Sweden | | 7.5% |
| Finland | | 4.6% |
| Switzerland | | 4.3% |
| Netherlands | | 3.2% |
| Portugal | | 2.6% |
| Denmark | | 1.0% |
| Cash | | 4.3% |

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 subfund 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

European SMid caps, as measured by the MSCI Europe Small Cap ex-UK, increased +1.6% in March, pursuing the trend reversal initiated in late December. While macro data pointed to an ongoing weak manufacturing and capex environment, the labor market, consumption and servicing PMIs remained resilient. After their strong January rebound, Small caps underperformed the broader market for a second month in a row. In a dovish environment with pressure on interest rates, defensives outperformed while cyclical lagged. Against this backdrop, the Fund was flat, underperforming its benchmark by 167 bps (ytd +13.7%, relative +84 bps).

Main detractors in the month were Asetek (-31.1%), Swissquote (-24.4%) and Liberbank (-11.6%). Asetek, the Danish liquid cooling solution specialist, announced a reallocation of resources from its Datacenter division into Gaming. This should imply lower short term potential for servers, but is already fully discounted in today's share price which integrates zero valuation for large scale projects. While gaming trends remains healthy in general, we need to reassess the investment case. Despite record 2018 results, Swissquote suffered from initial company indications suggesting that additional costs are likely to weigh on 2019 results. Management nonetheless reiterated its confidence in growing AuMs by +50% by 2022, which is not taken into account by the consensus yet. Top contributors in the month were Voltabox (+39.8%), Ferratum (+40%), and Korian (+9.7%). Voltabox, the German manufacturer of Lithium based batteries, benefited from 2018 results that beat expectations. Initial indications for 2019 confirmed Voltabox strong growth prospects sustained by attractive megatrends around vehicles electrification. After a difficult transition period, Ferratum, the Finish provider of mobile financial services, released encouraging 2018 results, which combined with a very low valuation suggests a high rerating potential.

Positioning & outlook

The 2018 reporting season has come to an end. Consensus expectations in Europe have risen in March for the second straight month, reversing the negative trend initiated in November. M&A is back, notably in the sectors of banking, digital payment and satellites. We have increased our holding in Sopra Steria, further enlarging our overweight tech. The French IT Services company combines high revenue growth underpinned by the ongoing digitization, superior operating leverage and low valuation both in absolute and relative terms. We also increased our position in Lectra, in light of the changed software revenue model and the uncertainties in both automotive and clothing sector. Also, Fluidra and Gima have been reinforced. From a top down perspective, shun European equities could gain from the green shots observed in China as improving Chinese PMIs should allow Europe's very open economy to bottom out sometime early summer.

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 European small capitalized founder-controlled companies. The Fund displays the typical risks associated with equity investments in European small caps.



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 sub-fund. 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

- 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.

You can find a detailed presentation of the risks faced by this fund in the "Special Investment Risks" section of the sales prospectus.

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 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.
- The fund may engage in derivatives transactions. The increased opportunities gained come with an increased risk of losses.

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.



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 Entrepreneur Europe Small is a Sub-fund 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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