

### Investment focus

The fund's aim is to achieve capital growth in the long term. The Fund invests worldwide in companies active in the medical technology and healthcare services sector. Aim is to provide investors an attractive Healthcare Fund solution by investing in the entire healthcare universe with the exclusion of drug makers. Experienced sector specialists focus on profitable, liquid mid- and large-cap companies with an established product portfolio as well as fast growing small-cap companies with leading-edge technology offering. Stock selection is based on fundamental company analysis, focusing in particular on the medical benefits and the potential savings for the healthcare system as well as the expected market potential of a company's products and services. The selection of the portfolio companies is entirely bottom-up, independent of benchmark weightings.

### Fund facts

NAV	138.21
Volume	EUR 1'199.2 Mio.
NAV-calculation	Daily "Forward Pricing"
Cut off time	15:00 CET
Distribution policy	Accumulating

Investment Manager	Bellevue Asset Management AG
Custodian	RBC Investor Services, Luxembourg
Launch date	08.07.1998
Fiscal year end	30.06.
Benchmark	n.a.

ISIN code	LU0433846515
Valor	10264395
Bloomberg	BFLBBTE LX
WKN	AORP27

Management fee	1.20%
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

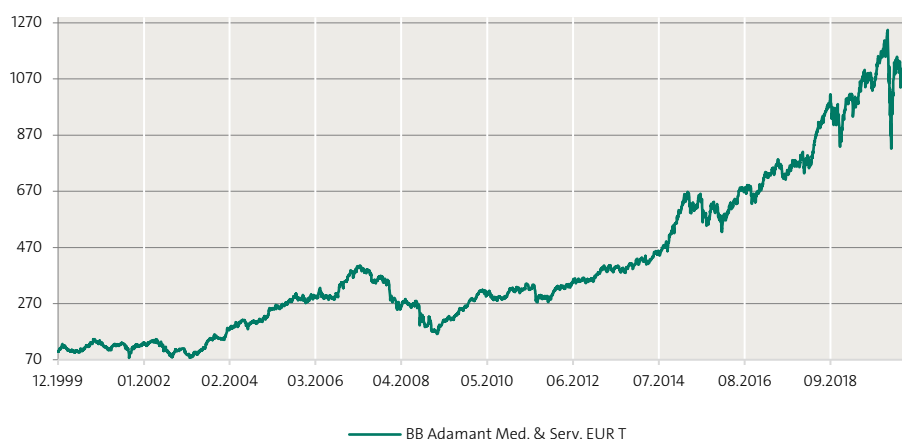
Beta	1.01
Correlation	0.93
Volatility	23.1%

Tracking Error	8.74
Active Share	35.02

Sharpe Ratio	0.78
Information Ratio	-0.47
Jensen's Alpha	-5.34

Source: Bellevue Asset Management, 30.09.2020;  
Calculation over 3 years.

### Indexed performance since launch



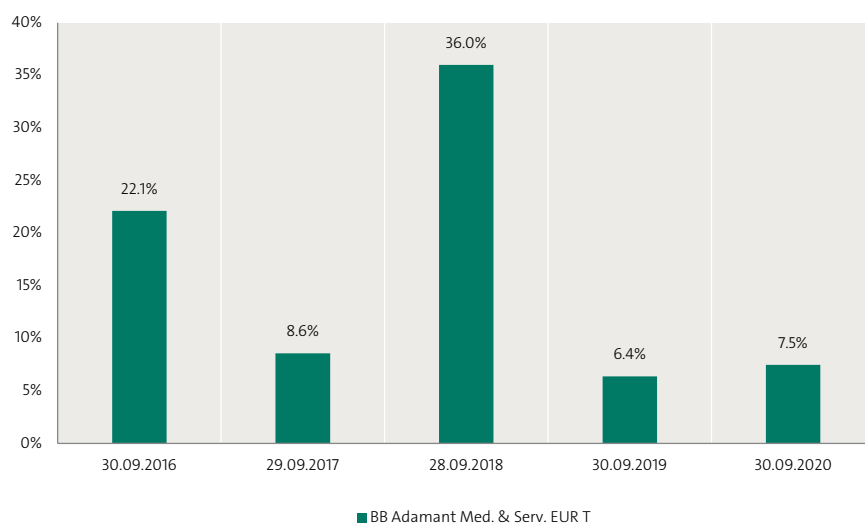
### Cumulated & annualized performance

	Cumulated					Annualized				
	1 month	YTD	1 year	3 years	5 years	since 01.01.00*	1 year	3 years	5 years	since 01.01.00*
T EUR	0.6%	0.5%	7.5%	55.5%	106.1%	1054.8%	7.5%	15.9%	15.6%	8.6%
BM	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

### Annual performance

	2015	2016	2017	2018	2019	YTD
T EUR	11.3%	6.9%	14.3%	17.9%	29.0%	0.5%
BM	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

### Rolling 12-month-performance



Source: Bellevue Asset Management, 30.09.2020; all figures in EUR %, total return / BVI-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. There can be no assurance that a return will be achieved or that a substantial loss of capital will not be incurred.

\* The data is based on the performance of BB Medtech AG shares (dividend adjusted) until 25.09.2009. As from 28.09.2009 the data and key data is based on the NAV of the BB Adamant Medtech & Services (Lux) Fund.

### Top 10 positions

Abbott Laboratories		9.2%
Danaher		6.2%
Medtronic		5.8%
Intuitive Surgical		5.0%
Boston Scientific		4.8%
Stryker		4.7%
Edwards Lifesciences		4.2%
Becton Dickinson		4.1%
UnitedHealth		3.6%
Humana		3.5%
Total top 10 positions		51.1%
Total positions		63

### Sector breakdown

Cardiology		26.5%
Managed Care		17.7%
Surgery		8.7%
Orthopedics		7.9%
Life Science Supply		6.3%
Diabetes		3.5%
Imaging/Radiotherapy		3.3%
Dialysis / Blood		2.5%
Others		21.4%
Cash		2.2%

### Geographic breakdown

United States		90.6%
Denmark		2.1%
Netherlands		1.7%
Japan		1.3%
Others		2.1%
Cash		2.2%

### Market cap breakdown

0 - 1 bn		0.7%
1 - 2 bn		1.8%
2 - 5 bn		3.5%
5 - 15 bn		15.7%
15 - 20 bn		1.6%
> 20 bn		74.1%
Others		2.7%

Source: Bellevue Asset Management, 30.09.2020;  
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

Last month saw the world stock market (MSCI World Net -1.6%) hand back some of its strong gains from the previous month, whereas the medtech sector (MSCI World Healthcare Equipment & Supplies +1.7%) continued to march higher. The BB Adamant Medtech & Services Fund (+0.6%) also delivered a positive return, beating the broad healthcare market (MSCI World Healthcare Net +0.5%) but not its benchmark.

The medtech company Shockwave Medical (+21.6%) has developed an innovative and disruptive method for treating calcified coronary stenoses by means of intravascular lithotripsy. In September, it was announced that clinical data from its US pivotal trial "Disrupt CAD III" will be presented at the TCT (Transcatheter Cardiovascular Therapeutics), the largest virtual medical congress for interventional cardiology, on October 15. The fund's positions in American Well (+67.1%) and Inspire Medical (+10.3%) also had a positive impact on performance. American Well has a comprehensive technology platform that connects insurers, hospitals, physicians and patients through virtual care platforms. American Well raised over USD 850 mn through its IPO, in which we participated. Inspire Medical, a specialist for treating moderate to severe cases of obstructive sleep apnea, made positive comments regarding the ongoing recovery in the number of procedures performed and announced that Humana is the latest health insurer that is now covering the costs of Inspire system implants. Life sciences tools provider Thermo Fisher (+4.9%) increased its guidance for third-quarter sales at a virtual investor conference to a level well above the consensus estimate. Edwards Lifesciences (-5.1%) and Boston Scientific (-4.9%) were performance detractors.

In the insurance space, UnitedHealth (+2.1%) and Humana (+1.7%) made positive contributions to the fund's performance in September. "Medicare Advantage" plans offer coverage to people 65 and older in the US; Humana is focused on this segment and UnitedHealth is the largest provider in this particular market. In September, the US Department of Health "Centers for Medicare & Medicaid Services" forecast record-high "Medicare Advantage" enrollment for 2021. Its projection of a more than 10% yoy increase was well above investor expectations.

The US presidential election and the confirmation of a US Supreme Court Justice will take place during the next few months. President Trump has nominated conservative Amy Coney Barrett to the Supreme Court. If confirmed, 6 out of 9 judges would belong to the court's conservative faction, which could have an impact on the court's hearing of a case challenging the constitutionality of Obamacare in mid-2021. Senate confirmation of Amy Barrett is considered a done deal. However, it is highly unlikely that the country's highest court will rule that the entire Affordable Care Act is unconstitutional.

### Positioning & outlook

New infection rates began to increase in several countries during the third quarter, which is likely to hinder the full re-opening of the economy. We expect the medtech and services sector to perform better than the broader stock market in a challenging economy thanks to the non-cyclical underlying demand for its products and services. This assumption is also based on the additional growth the sector is likely to experience as treatments that had to be canceled during the corona crisis are rescheduled. Based on our discussions with numerous companies, we expect Q3 results will be better than expected and that elective procedure volumes will have continued to normalize as expected.

On November 3, 2020, Americans will elect their president and a third of the Senate. We presume Donald Trump's re-election would be positive for the performance of our portfolio companies, and a victory by challenger Joe Biden would be neutral to slightly positive. The business outlook of medical technology and digital health companies, which represent 80% of the fund's portfolio, will not be affected much by the outcome of the US presidential election. In the health insurance space, 15% of the fund's portfolio, Biden would expand Medicaid, the health insurance program for low-income households. This would lead to a further increase in the number of people with health insurance coverage. If Democrats win a majority in the Senate as well as the White House – which we do not expect at the moment – corporate tax rates might be increased. Medtech companies would be less impacted by such action than the overall market, while health insurers would be affected more than average. We believe that the Medtech and Services sector's current valuation discount vs the US stock market already prices in to a great extent various potentially negative scenarios and that, once the uncertainty in connection with the US elections has passed, the sector will experience a re-rating.

### 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 medtech sector and who are willing to accept the equity risk typical of this sector



This fund is assigned to category 6, as its share price fluctuates severely and both the risk of loss and the opportunities for profit can therefore be high. 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

- Digitalization of the healthcare sector is boosting medtech companies' growth and earnings.
- Focusing on profitable, liquid mid and large-cap companies with an established product portfolio as well as on rapidly growing small-cap businesses delivering cutting-edge technology.
- Managed care profits from the privatization of the health insurance sector and lower treatment costs.
- Minimally invasive techniques gaining ground – shorter treatment times reduce healthcare costs.
- 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 price fluctuations and so are also exposed to the risk of price losses.
- 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.
- Investing in emerging markets entails the additional risk of political and social instability.
- 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



#### Stefan Blum

**Lead Portfolio Manager since inception of the fund**

Joined Bellevue in 2008 as portfolio manager. Prior to joining Bellevue, he spent 4 years as head of investor relations at Sonova and as a financial analyst at Bank Sarasin from 1996 to 2000.



#### Marcel Fritsch

**Portfolio Manager since inception of the fund**

Joined Bellevue in 2008 as portfolio manager. Prior to that, he spent more than 3 years as a consultant with Deloitte & Touche, where he advised multinational companies in the healthcare industry on strategic issues.



REFINITIV LIPPER  
FUND AWARDS  
2020 WINNER  
EUROPE



LIPPER FUND AWARDS  
FROM REFINITIV  
2019 WINNER  
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 Adamant Medtech & Services 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](http://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](http://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: DZ PRIVATBANK (Schweiz) AG, Münsterhof 12, P.O. Box, CH-8022 Zürich

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](http://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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