

### Investment focus

The fund's aim is to achieve capital growth in the long term. 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	322.10
Volume	EUR 127.6 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	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	LU0631859062
Valor	13084174
Bloomberg	BFLESIE LX
WKN	A1UG2G

Management fee	0.90%
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	0.92
Correlation	0.94
Volatility	17.9%

Tracking Error	6.37
Active Share	91.95

Sharpe Ratio	0.02
Information Ratio	-0.7
Jensen's Alpha	-4.25

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

### Indexed performance since launch



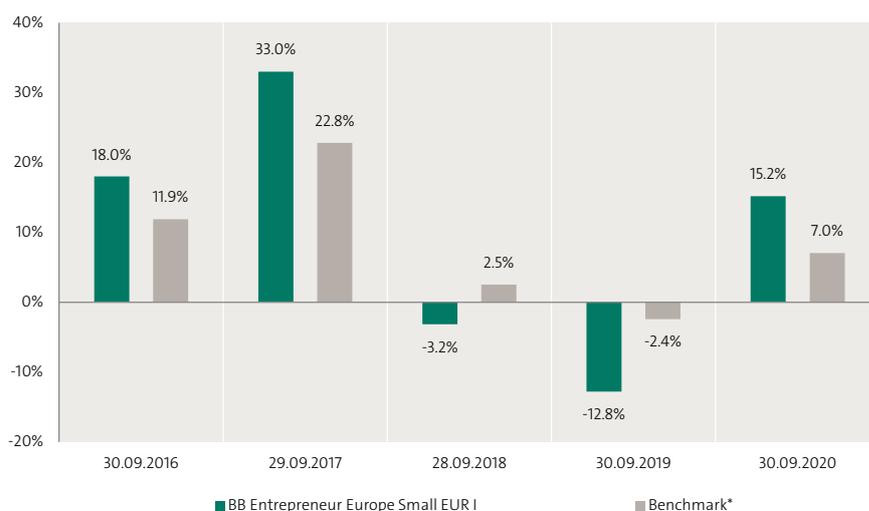
### Cumulated & annualized performance

	Cumulated						Annualized			
	1 month	YTD	1 year	3 years	5 years	since launch	1 year	3 years	5 years	since launch
I EUR	-0.9%	2.6%	15.2%	-2.8%	52.6%	157.7%	15.2%	-0.9%	8.8%	10.8%
BM	0.8%	-2.5%	7.0%	7.1%	47.3%	152.3%	7.0%	2.3%	8.1%	10.5%

### Annual performance

	2015	2016	2017	2018	2019	YTD
I EUR	29.9%	12.8%	29.8%	-28.5%	28.3%	2.6%
BM	24.9%	5.5%	20.3%	-15.8%	28.5%	-2.5%

### 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. 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.

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

### Top 10 positions

Invisio Communications		3.2%
Laboratorios Rovi		3.0%
Software One		2.9%
Arjo		2.9%
Varta		2.8%
Alten		2.8%
Huhtamäki		2.8%
Dürr		2.8%
Bakkafrost		2.7%
Zur Rose Group		2.7%

Total top 10 positions	28.7%
Total positions	46

### Sector breakdown

Information Tech.		20.4%
Industrials		18.5%
Consumer Disc.		11.5%
Materials		9.8%
Health Care		9.7%
Consumer Staples		9.5%
Communication Services		6.8%
Financials		6.4%
Energy		1.9%
Others		2.1%
Cash		3.5%

Flow adjusted cash quota at around 5%

### Geographic breakdown

Switzerland		18.7%
Germany		16.5%
Sweden		14.7%
France		12.3%
Spain		10.4%
Norway		6.6%
Italy		6.4%
Finland		5.1%
Portugal		2.3%
Denmark		2.2%
Austria		1.2%
Cash		3.5%

### Market cap breakdown

0 - 1 bn		23.8%
1 - 2 bn		31.7%
2 - 5 bn		34.4%
5 - 15 bn		6.7%
Others		3.5%

### Market review

Small and mid caps, as measured by the MSCI Europe Small Cap ex-UK, rose 0.8% in September (vs. Stoxx 600 -1.4%). General sentiment was impacted by the rise of COVID-19 infections delaying a full reopening. While macro data remained relatively resilient, the absence of further fiscal policy measures nurtured concerns about the economic recovery momentum. European composite PMI fell 1.8 points to 50.1 with weakening services data points while manufacturing strengthened further. From the political arena, the biggest factor of uncertainty remains the US election. On a sector level, the cyclical rotation was watered down. Real estate (+3.2%), healthcare (+1.6%) and communication services (+7.8%) performed best while energy (-8.7%), financials (-5.9%) and utilities (-3.4%) lagged the most.

Against this backdrop, the fund declined 1.0% (EUR / B shares), 170 bp below its benchmark index. Ytd performance reached 2.1%, 450 bps above the benchmark. Top detractors in the month were S&T (-23.5%), Asetek (-10.4%) and Zur Rose (-10.4%). S&T, provider of IoT solutions, plummeted on the publication of a sell recommendation from a UK research boutique with a very aggressive price target of EUR 6. While we have no access to the report, the position is under review and we reduced our weighting. After rising nearly 180% Asetek share price consolidated in September. Business momentum remains very well oriented. While the PC division benefits from the increasing popularity of liquid cooling solutions also among gamers, demand from the server side is finally emerging as the pressure to reduce DC energy consumption is rising. Zur Rose also experienced some profit taking following the strong +130% YTD performance. In our view, it remains an excellent structural growth case, benefiting from a rapid penetration increase of online pharmacy in Germany.

Top 3 performers in the month were Invisio (+13.7%), Rovi (+11.7%) and Alten (+11.5%). Invisio, the manufacturer of professional headsets and communication equipment, booked an promising first order from the US SFAB, which could well open doors for future contracts of more significant size with potential sales estimated at SEK 300-400 mn. The specialty pharma player Rovi benefited from broker reports highlighting the overall positive growth momentum and profitability potential of the company. Our recent management contact confirms the growth of the heparin franchise amidst COVID-19 while Doria against schizophrenia and Letrozole-ISM to treat breast cancer should provide further mid-term structural growth drivers. Short term with expect more news around the Moderna deal to trigger a further rerating. Alten delivered encouraging H1 results, marked by better than expected EBIT margin of 6.1% and a very good cash flow generation, confirming the tight cost management culture. Also, Alten's CEO willingness to resume acquisitions is a positive. With operating margin expected to normalize toward 10% by 2022, we see potential for consensus upgrades.

### Positioning & outlook

We have participated in the IPO of Knaus Tabbert, which provides an interesting exposure to the growing leisure vehicle industry. Motorhomes and caravans are experiencing a strong increase in demand as consumers are attracted by more local and environmentally friendly outdoor activities. We have also initiated on Flughafen Zürich, which should benefit mid-term from the recovery of European short-haul and leisure traffic, while having a good protection to the downside thanks to the positive development of its real estate unit, which is not reliant on air traffic. Finally, we entered Mediaset Espana, offering highly attractive margins together with a net cash position securing a normalized dividend yield of >10%. The consolidated Spanish TV ad market is quickly recovering thanks to rising TV consumption, which should induce significant valuation rerating from the currently depressed levels of 4.4x EBIT 2021E. Mediaset Espana is also a potential play on a further consolidation of the European TV market.

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 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.

## 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.



This fund is assigned to category 5, 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

- 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](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).

This document is neither directed to, nor intended for distribution or use by, any person or entity who is a citizen or resident of any locality, state, country or jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. It is particularly not intended for US persons, as defined under Regulation S of the U.S. Securities Act of 1933, as amended. The information and data presented in this document are not to be considered as an offer to buy, sell or subscribe to any securities or financial instruments. The information, opinions and estimates contained in this document reflect a judgment at the original date of release and are subject to change without notice. This information pays no regard to the specific or future investment objectives, financial or tax situation or particular needs of any specific recipient and in particular tax treatment depends on individual circumstances and may be subject to change.

This document is not to be relied upon in substitution for the exercise of independent judgment. Before making any investment decision, investors are recommended to ascertain if this investment is suitable for them in the light of their financial knowledge and experience, investment goals and financial situation, or to obtain specific advice from an industry professional. The details and opinions contained in this document are not to be considered as recommendation or investment advice. 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 no indicator for 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. For more information about the associated costs, please refer to the related costs and fees section of the prospectus. Any benchmarks/indices cited herein are provided for information purposes only. No benchmark/index is directly comparable to the investment objectives, strategy or universe of the subfund. The performance of a benchmark shall not be indicative of past or future performance of the subfund. Financial transactions should only be undertaken after having carefully studied the current valid prospectus and are only valid on the basis of the latest version of the prospectus and available annual and half-yearly reports. Please take note of the risk factors.

### **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.

Copyright©2020 Bellevue Asset Management, Inc. All rights reserved. Copyright©2020 Morningstar, Inc. All rights reserved.

Citywire information is proprietary and confidential to Citywire Financial Publishers Ltd (“Citywire”), may not be copied and Citywire excludes any liability arising out its use.

The most important terms are explained in the glossary at [www.bellevue.ch/en/glossary](http://www.bellevue.ch/en/glossary)