

Factsheet

Bellevue Funds (Lux) | Share class | EUR

Investment Company with Variable Capital (SICAV) according to Luxembourg Laws – UCITS
Marketing document – for retail and professional investors in AT, DE, LU, UK, ES, IT (Inst.) and non-qualified investors in CH

Investment focus

The fund's aim is to achieve capital growth in the long term. The Bellevue Emerging Markets Healthcare fund invests in companies that have their registered office or carry out the majority of their economic activity in the healthcare markets of emerging countries. Its investment universe consists of generics producers, pharma and biotechnology companies, medical technology and services firms. Experienced sector specialists focus on profitable companies that have a well-established product portfolio. Investments are made based on fundamental research analysis. Stock selection is exclusively bottom-up, independent of benchmark weightings. The Fund takes ESG factors into consideration while implementing the aforementioned investment objectives.

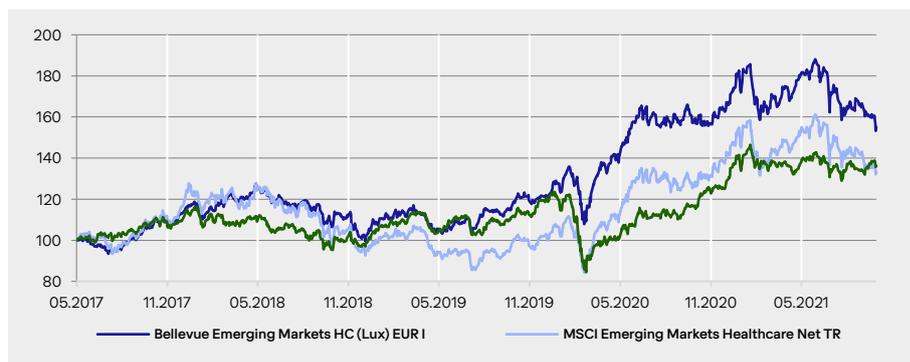
Fund facts

NAV	193.90
Volume	EUR 119.8 mn
NAV-calculation	Daily "Forward Pricing"
Cut off time	9:00 CET
Distribution policy	Accumulating
Investment manager	Bellevue Asset Management AG
Custodian	RBC Investor Services, Luxembourg
Launch date	31.05.2017
Fiscal year end	30.06
Benchmark	MSCI Asia Pacific HC Net TR
ISIN code	LU1585228882
Valor	36153236
Bloomberg	BBAEMIE LX
WKN	A2DPAY
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, LU, UK, ES, IT (Inst.)
EU SFDR 2019/2088	Article 8

Key figures

Beta	0.78
Correlation	0.9
Volatility	19.5%
Tracking Error	9.7
Active Share	62.94
Sharpe Ratio	0.7
Information Ratio	0.09
Jensen's Alpha	3.78

Indexed performance since launch



Cummulated & annualized performance

Cummulated

	1 month	YTD	1 year	3 years	5 years	Since launch
I EUR	-6.9%	-7.3%	-2.6%	45.8%	n.a.	55.1%
BM	-6.9%	-6.8%	3.7%	36.3%	n.a.	33.3%
MSCI EM	1.3%	5.7%	16.4%	42.9%	n.a.	36.1%

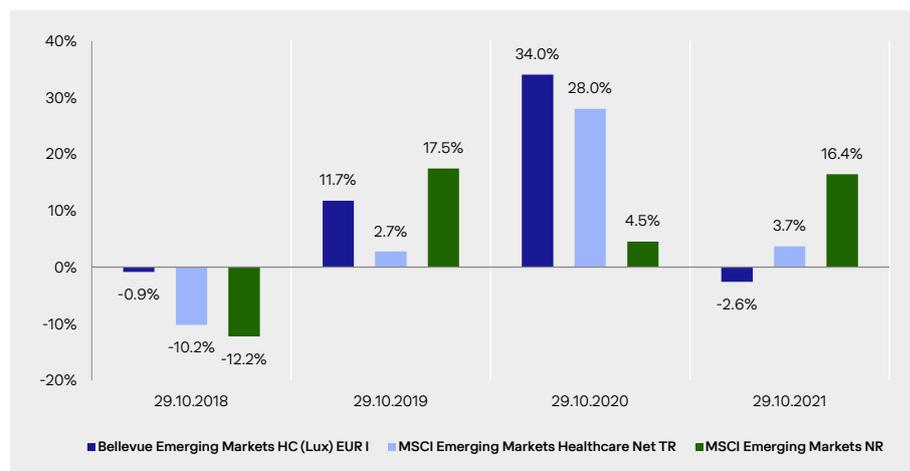
Annualized

	1 year	3 years	5 years	Since launch
I EUR	-2.6%	13.4%	n.a.	10.5%
BM	3.7%	10.9%	n.a.	6.7%
MSCI EM	16.4%	12.6%	n.a.	7.2%

Annual performance

	2016	2017	2018	2019	2020	YTD
I EUR	n.a.	n.a.	-9.1%	18.1%	37.9%	-7.3%
BM	n.a.	n.a.	-17.0%	5.7%	40.4%	-6.8%
MSCI EM	n.a.	n.a.	-10.3%	20.8%	8.7%	5.7%

Rolling 12-month-performance



Source: Bellevue Asset Management, 31.10.2021; all figures in EUR %, total return / BVI-methodology
Past performance is not a reliable indicator of future results and can be misleading. As the subfund 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 subfund, thus the performance of a benchmark is not a reliable indicator of future performance of the subfund 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

Richter Gedeon		5.2%
Wuxi Biologics		4.8%
Hygeia Healthcare		4.5%
Rede D'Or		4.2%
Sun Pharmaceutical		4.0%
Hikma Pharmaceuticals		3.9%
CSPC Pharmaceutical		3.9%
Beigene		3.7%
SZ Mindray		3.6%
Cipla		3.5%
Total top 10 positions		41.2%
Total positions		39

Geographic breakdown

China		54.9%
India		13.3%
South Korea		7.8%
Brazil		5.2%
Hungary		5.2%
Jordan		3.9%
South Africa		2.2%
Thailand		1.7%
Cash		5.6%

Market cap breakdown

1 - 2 bn		2.3%
2 - 5 bn		11.0%
5 - 15 bn		41.1%
15 - 20 bn		3.2%
> 20 bn		37.5%
Others		4.8%

Market review

Stocks as measured by the MSCI World staged a strong comeback in October after giving up some ground in September and advanced almost 6% in USD mom. Despite the continued upward pressure on prices and consequently on nominal bond yields in the wake of supply chain constraints, at the end of the day robust quarterly results announcements led to the positive market sentiment. Year to date, the MSCI World Index is now showing a remarkable 20% return. Emerging market stocks also gained some ground during the past month, closing 1% higher mom. Emerging market healthcare stocks were hit by profit-taking and profit warnings from Ping An Healthcare and Ali Health, two Chinese digital health firms. In this context, the emerging healthcare sector shed about 7% of its value in USD over the past month.

The US pharmaceutical giant Merck demonstrated that its antiviral COVID-19 pill molnupiravir reduces the risk of hospitalization in patients with mild to moderate cases of COVID-19 by 50%. This could represent a huge business opportunity for several Indian pharmaceutical companies. Divi's Laboratories is one of Merck's API (Active Pharmaceutical Ingredient) suppliers and licensing partners in India.

Ping An Healthcare and Ali Health slashed their medium-term growth targets with the release of their latest quarterly results. Recently introduced Chinese regulations concerning data privacy, patient-related data in particular, have forced these companies to adjust their business models. Their management also said that capital expenditure to fuel future growth would be higher than expected. The announcements put the share prices of both companies under pressure.

Abbvie released promising data from a Phase III study of Vraylar in patients with major depressive disorder. Vraylar is an antipsychotic developed by Hungarian specialty pharmaceutical company Gedeon Richter that was approved by the FDA for the treatment of schizophrenia and bipolar depression. Based on the data it has so far, Abbvie decided to submit a supplemental New Drug Application for Vraylar to the FDA. If approved by the FDA, it would clearly boost Vraylar's sales potential and Richter would also benefit in the form of royalty income and sales-related milestone payments.

New positions were opened in Akeso, Mediclinic, SK Bioscience and Hypera last month. Existing portfolio positions in Legend Bio, Hikma, Aier Eye and Jinxin were topped up. Celltrion Healthcare, Hapvida, Notre Dame, Ping An Healthcare, Microport and Cansino Biologics are no longer in the portfolio, while existing positions in Innovent, Wuxi Aptec and Ali Health were reduced.

Positioning & outlook

The fastest growing countries in the world can be found in emerging markets and they contain more than half of the world's population. Asian emerging markets are also forecast to account for more than 50% of global GDP by 2050. It is known that the economic growth model of countries shifts from manufacturing to the services sector as household incomes rise. A growing middle class fuels demand for modern medicine. Healthcare ranks increasingly high on their wish list. Billions are being invested in infrastructure, technology and research to modernize the healthcare systems in emerging market countries. This is giving a greater swath of the population access to better healthcare. Meanwhile rapid population aging is also stoking demand for healthcare. In 30 years' time there will be 400 to 500 million people over 60 in China alone, and they will have a growing need for modern health services and medicines.

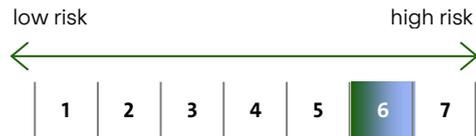
Outside Asia, Brazil's rapidly expanding private-sector healthcare market offers a range of interesting investment opportunities. The quality and long waiting times of the country's public health system are no longer acceptable to many higher-income Brazilian households and they are increasingly embracing these new services offered by private-sector healthcare providers. Hospital chains embedded in a fully-integrated ecosystem are but one example of the beneficiaries of this structural change.

The fund serves as a defensive vehicle for capturing the above-average growth potential emerging markets offer. It invests in the entire healthcare system value chain, from hospital chains, drug developers and device manufacturers to medical research specialists and digital health companies.

Source: Bellevue Asset Management, 31.10.2021;
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 objective is to generate an attractive return over a long-term horizon. It is therefore particularly suited to investors with an investment horizon of at least 5 years who want to diversify their portfolio with selective exposure to the healthcare sector in Asia and who are willing to accept the risks typically associated with stocks in this sector.



This fund is assigned to this category, 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 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.

Target market

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

Chances

- Access to defensive growth – emerging countries are facing aging populations and changing lifestyles.
- Development of healthcare infrastructure combined with a growing middle class is an additional growth driver.
- High growth potential of Emerging Markets.
- Attractive valuations compared with the projected medium to long-term growth.
- Bellevue Healthcare Team – top-performing pioneer in the management of healthcare portfolios in Emerging Markets.

Inherent risks

- The fund invests in equities. Equities are subject to price fluctuations and so are also exposed to the risk of price losses.
- Investing in Emerging Markets entails the additional risk of political and social instability.
- The fund invests in foreign currencies, which means a corresponding degree of currency risk against the reference currency.
- The subfund may invest in China A equities. This entails the risk of supervisory changes, volume caps and operating restrictions which may lead to a higher counterparty risk.
- 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.

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



Oliver Kubli, CFA
Portfolio Manager since inception of the fund



Remo Krauer, CIIA
Portfolio Manager of the fund since 2018



Dr. Cyrill Zimmermann
Portfolio Manager since inception of the fund

Awards



Sustainability Profile – ESG

- Norms-based exclusions:** Compliance UNGC, HR, ILO Controversial weapons
ESG Risk Analysis: ESG Integration Best-in-Class
Stewardship: Engagement Proxy Voting

CO2 intensity (t CO2/mn USD sales): 57.9 t (low) MSCI ESG coverage: 91%
MSCI ESG Rating (AAA - CCC): BB MSCI ESG coverage: 90%
EU SFDR 2019/2088 product category: Article 8

Based on portfolio data as per 30.09.2021 (quarterly updates) – ESG data base on MSCI ESG Research and are for information purposes only; compliance with global norms according to the principles of UN Global Compact (UNGC), UN Guiding Principles for Business and Human Rights (HR) and standards of International Labor Organisation (ILO); no involvement in controversial weapons; ESG Integration: Sustainability risks are considered while performing stock research and portfolio construction; Best-in-class: systematic exclusion of "ESG laggards"; MSCI ESG Rating ranges from "leaders" (AAA-AA), "average" (A, BBB, BB) to "laggards" (B, CCC). Note: in certain cases the ESG rating methodology may lead to a systematic discrimination of companies or industries, the manager may have good reasons to invest in supposed "laggards". The CO2 intensity expresses MSCI ESG Research's estimate of GHG emissions measured in tons of CO2 per USD 1 million sales; for further information c.f. www.bellevue.ch/en/corporate-information/sustainability

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). Bellevue Emerging Markets Healthcare is a subfund 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 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 AT, DE, LU, ES and CH.

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: Waystone Fund Services (Switzerland) SA, Avenue Villamont 17, CH-1005 Lausanne. 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. 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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The most important terms are explained in the glossary at www.bellevue.ch/en/glossary