

Factsheet

Bellevue Funds (CH) | Share class A CHF

Contractual investment fund under Swiss law of the category "Securities fund"
 Marketing document – for retail and professional investors in Switzerland

Investment focus

The fund actively 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 35 to 45 stocks diversified by sub-sector and style (Value, GARP, Growth). The fund takes ESG factors into consideration while implementing the aforementioned investment objectives.

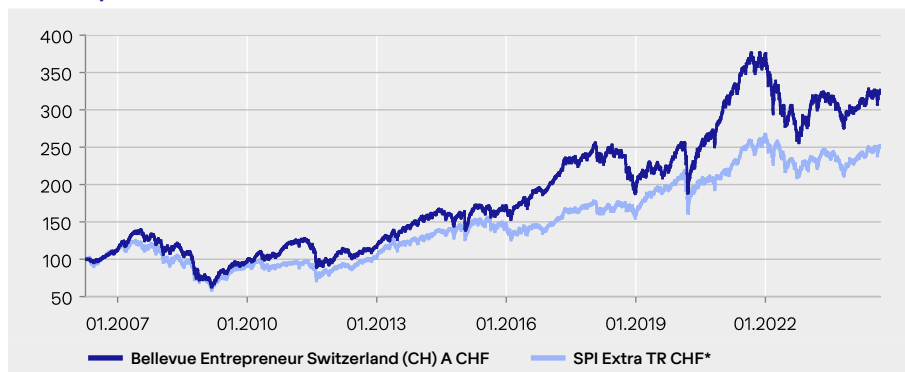
Fund facts

NAV	306.12
Volume	CHF 68.2 mn
NAV-calculation	Daily "Forward Pricing"
Cut off time	15:00 CET
Distribution policy	Distributing
Investment manager	Bellevue Asset Management AG
Custodian	CACEIS Bank, Montrouge, Zurich Branch
Launch date	04.04.2006
Fiscal year end	31.12
Benchmark	SPI Extra TR*
ISIN code	CH0023244368
Valor	2324436
Bloomberg	SWENTEQ SW
WKN	n.a.
Management fee	1.25%
Performance fee	none
Subscription fee	up to 5%
Min. investment	n.a.
Legal entity	Investment funds under Swiss law
Countries of distribution	CH

Key figures

Beta	1.01
Correlation	0.97
Volatility	16.2%
Tracking Error	3.84
Active Share	45.56
Sharpe Ratio	-0.24
Information Ratio	0.11
Jensen's Alpha	0.43

Indexed performance since launch



Cumulative & annualised performance

Cumulative

	1M	YTD	1Y	3Y	5Y	10Y	ITD
A CHF	0.4%	7.9%	5.9%	-12.1%	51.2%	103.9%	226.7%
BM	0.6%	8.6%	6.5%	-1.9%	27.7%	82.5%	152.6%

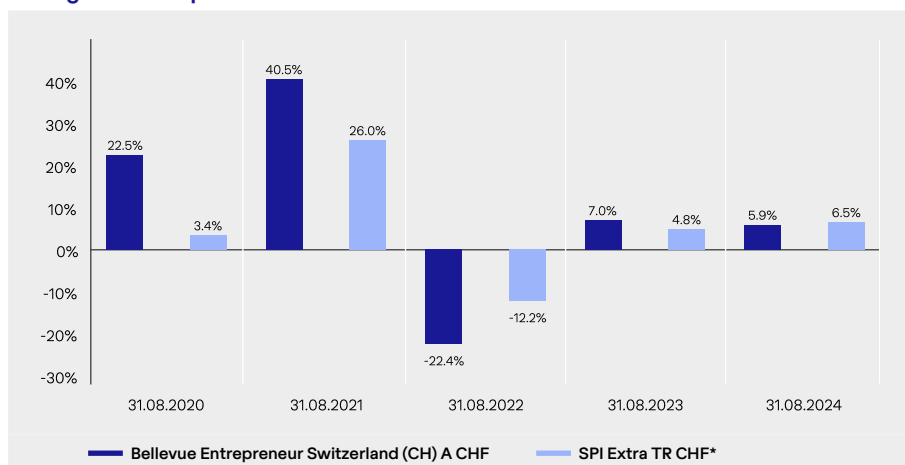
Annualised

	1Y	3Y	5Y	10Y	ITD
A CHF	5.9%	-4.2%	8.6%	7.4%	6.6%
BM	6.5%	-0.7%	5.0%	6.2%	5.2%

Annual performance

	2019	2020	2021	2022	2023	YTD
A CHF	29.7%	17.8%	26.2%	-24.9%	8.2%	7.9%
BM	30.6%	3.8%	23.4%	-17.8%	6.5%	8.6%

Rolling 12-month-performance



Source: Bellevue Asset Management, 31.08.2024; all figures in CHF %, total return / BVI-methodology
Past performance is not a reliable indicator of future results and can be misleading. As the 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 CHF 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 CHF 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). The fund is actively managed. No benchmark is directly identical to a fund, thus the performance of a benchmark is not a reliable indicator of future performance of the fund to which it is compared. There can be no assurance that a return will be achieved or that a substantial loss of capital will not be incurred.

*SPI Extra since 30.06.23, SPI until 30.06.23

Top 10 positions

Sandoz		4.3%
Roche		4.0%
VAT Group		3.8%
Swissquote		3.6%
Lindt & Sprüngli		3.5%
Burckhardt Compression		3.5%
Straumann		3.4%
Sulzer		3.4%
Kardex		3.3%
SFS Group		3.1%
Total top 10 positions		36.0%
Total positions		42

Sector breakdown

Industrials		40.0%
Healthcare		15.1%
Financials		13.2%
Consumer Staples		10.0%
IT		9.2%
Materials		5.8%
Consumer Discretion.		2.1%
Cash		4.5%

Market cap breakdown

0 - 1 bn		3.3%
1 - 2 bn		11.6%
2 - 5 bn		28.0%
5 - 15 bn		28.2%
15 - 20 bn		7.8%
>20 bn		16.5%
Others		4.5%

Market review

Swiss small and mid caps, as measured by the SPIEX Index, rose by 0.6% in the month, underperforming larger caps (SPI 0.9%, SXXR +1.6%). The month got off to a rough start, with volatility spiking to levels last seen in 2020, impacted by the combination of a weak US job report and the unwinding of the yen carry trade sending Japanese equities down 12% on a single day. Calm rapidly returned, underpinned by better US economic data (robust retail sales, core inflation down to 3.2%) and a clearly dovish message from J. Powell at Jackson Hole symposium. Most equities finally rose in August, with both S&P 500 and US Treasuries posting a 4th consecutive monthly gain. The Eurozone flash PMI increased to 51.2 in August (from 50.2 in July), sustained by a solid increase in business activity in services (53.3 vs 51.9) while manufacturing continued to fall at a broadly unchanged rate (45.6 vs 45.8). In Switzerland, the PMI rose to 49.0 in August from 43.5 in July, its highest level since January with both services (52.9 vs 44.7) and manufacturing (49 vs 43.5) improving sequentially. In terms of sector performances, real estate (+5.2%), construction and materials (+3.9%) and insurance (+3.5%) performed best, while automobiles and parts (-10.7%), Media (-6.6%) and personal care, drug and grocery stores (-5.5%) lagged the most.

Against this backdrop, the fund increased by 0.4% (CHF / A shares) in the month, slightly underperforming its benchmark. This brings the ytd performance to 7.9%, a 69 bps underperformance versus the benchmark.

Main detractors in the month were Gurit (-16.8%), Medmix (-13.5%) and SoftwareOne (-10.2%). Gurit delivered H1 results slightly below expectations as the wind division continued to be impacted by challenges with some Western OEMs and remaining blade inventory depletion. The company expects to reach the bottom of its FY revenue guidance, suggesting that the situation is now stabilizing. SoftwareOne delivered H1 EBITDA 3% below expectations and tweaked down its FY growth guidance to 7/9% (vs 8/10%). This umpteenth guidance revision was disappointing but the underlying performance remains decent (EBIT growth trend >10%), and the valuation very appealing (EV/EBIT c10x) for cash-rich company whose board is openly trying to sell the company.

Top 3 contributors in the month were Huber+Suhner (+12.0%), Swissquote (+8.1%) and VZ Holding (+2.9%). Huber+Suhner delivered H1 results above expectations, marked notably by a strong rebound of orders – up +5% yoy and 42% higher than H2 23. For 2024, the company cautiously confirmed its guidance of positive organic growth, implying higher sales in H2 implying a positive revision of the consensus. Swissquote released excellent Q2 results with record new client openings and 10% growth in NNM at CHF 3.8 bn. NII tended weaker as expected but crypto income exceeded expectations. The stock is trading at ca. PE 2025 of 14x, which we deem unexpensive given the diversification of income sources, the operating leverage in the model and the excess cash allowing for attractive M&A. VZ Holding's H1 results also surprised positively. 10% AuM growth and better margins due to positive top line trends and a controlled cost base. NNM momentum is working in favour of the company and could accelerate in H2. We continue to like the defensive stable growth business model and the good management execution.

Positioning & outlook

We have been busy meeting with companies after the Q2 results to check our assumptions, testing the merit of our existing positions and assessing new ideas. In general the tone has been constructive but one can't help but notice the restricted visibility of many managements going into the second half of 2024 both in Switzerland and in the rest of Europe, and not only in the more cyclical sectors. Some narratives have changed or are not materialising as expected and we adjust for this in the portfolio. We can confirm our positive stance on Montana Aerospace, Swissquote, VZ Holding and Accelleron. We have also added Landis+Gyr to the portfolio.

Source: BelleVue Asset Management, 31.08.2024;
 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 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.

Risk and return profile acc. to SRI

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.



We have classified this product as risk class 4 on a scale of 1 to 7, where 4 corresponds to a medium risk class. The risk of potential losses from future performance is classified as medium. In the event of very adverse market conditions, it is possible that the ability to execute your redemption request may be impaired. 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 PRIIP-KID.

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 use 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.

Awards



Benefits

- Above-average top line growth driven by high innovation and strong pricing power.
- Higher operating margins on the back of high market share ("Champion in the niche") combined with good cost discipline.
- 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.

Management Team



Birgitte Olsen, CFA
Lead Portfolio Manager since inception of the fund



Laurent Picard, SFAF
Portfolio Manager of the fund

Sustainability Profile – ESG

Exclusions:

- Compliance UNGC, HR, ILO ✓
- Norms-based exclusions ✓
- Controversial weapons ✓

ESG Risk Analysis:

- ESG-Integration ✓

Stewardship:

- Engagement ✓
- Proxy Voting ✓

Key Figures:

CO ₂ -intensity (t CO ₂ /mn USD sales):	22.6 (Low)	Coverage:	93%
MSCI ESG Rating (AAA - CCC):	A	Coverage:	90%

Based on portfolio data as per 31.08.2024; – 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; norms-based exclusions based on annual revenue thresholds; ESG Integration: Sustainability risks are considered while performing stock research and portfolio construction; Stewardship: Engagement in an active and constructive dialogue with company representatives on ESG aspects as well as exercising voting rights at general meetings of shareholders. MSCI ESG Rating ranges from "leaders" (AAA-AA), "average" (A, BBB, BB) to "laggards" (B, CCC). The CO₂-intensity expresses MSCI ESG Research's estimate of GHG emissions measured in tons of CO₂ per USD 1 million sales. The decision to invest in the promoted fund should take into account all the characteristics or objectives of the promoted fund as described in the prospectus. For further information c.f. www.bellevue.ch/sustainability-at-portfolio-level.

Important information

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Prospectus, Key Information Document („PRIIP-KID“), fund contract as well as the annual and semi-annual reports of the BelleVue securities fund under Swiss law are available free of charge from: Switzerland: PMG Investment Solutions AG, Dammstrasse 23, CH-6300 Zug or BelleVue Asset Management AG, Seestrasse 16, CH-8700 Küsnacht.

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The most important terms are explained in the glossary at www.bellevue.ch/en/glossary.

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