

Factsheet

Bellevue Funds (Lux) | Share class AI2 USD

Investment Company with Variable Capital (SICAV) according to Luxembourg Laws – UCITS
Marketing document - For professional investors: AT, CH, DE, ES, GB, IT, LU, HK, SG (res)

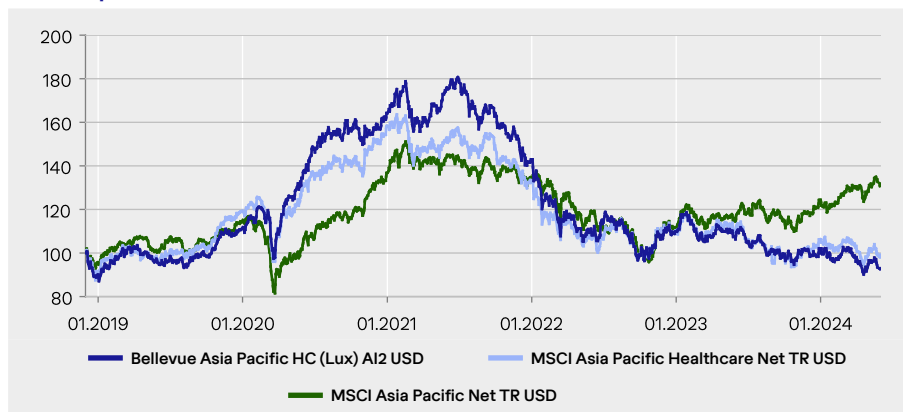
Investment focus

The fund's aim is to achieve capital growth in the long term. The Bellevue Asia Pacific Healthcare fund actively invests in healthcare stocks of companies that have their registered office or carry out the majority of their economic activity in the healthcare markets of the Asia-Pacific region. 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	105.75
Volume	USD 134.7 mn
NAV-calculation	Daily "Forward Pricing"
Cut off time	09:00 CET
Distribution policy	Distributing
Investment manager	Bellevue Asset Management AG
Custodian	CACEIS Investor Services Bank, Luxembourg
Launch date	30.11.2018
Fiscal year end	30.06
Benchmark	MSCI Asia Pacific Healthcare Net TR
ISIN code	LU1916264515
Valor	45071560
Bloomberg	BEAPA2U LX
WKN	A2N92Q
Management fee	0.90%
Performance fee	none
Subscription fee	up to 5%
Min. investment	USD 5.0 mn
Legal entity	Luxembourg UCITS V SICAV
Countries of distribution	AT, CH, DE, ES, GB, HK, IT, LU, SG
EU SFDR 2019/2088	Article 8
Key figures	
Beta	0.86
Correlation	0.84
Volatility	17.8%
Tracking Error	10.01
Active Share	50.30
Sharpe Ratio	-1.20
Information Ratio	-0.71
Jensen's Alpha	-8.39

Indexed performance since launch



Cumulative & annualised performance

Cumulative

	1M	YTD	1Y	3Y	5Y	10Y	ITD
AI2 USD	-2.1%	-8.9%	-12.6%	-47.2%	-2.8%	n.a.	-7.1%
BM	-0.4%	-6.6%	-9.1%	-35.1%	3.2%	n.a.	-0.7%
MSCI AP	1.7%	5.3%	14.3%	-9.1%	30.4%	n.a.	30.9%

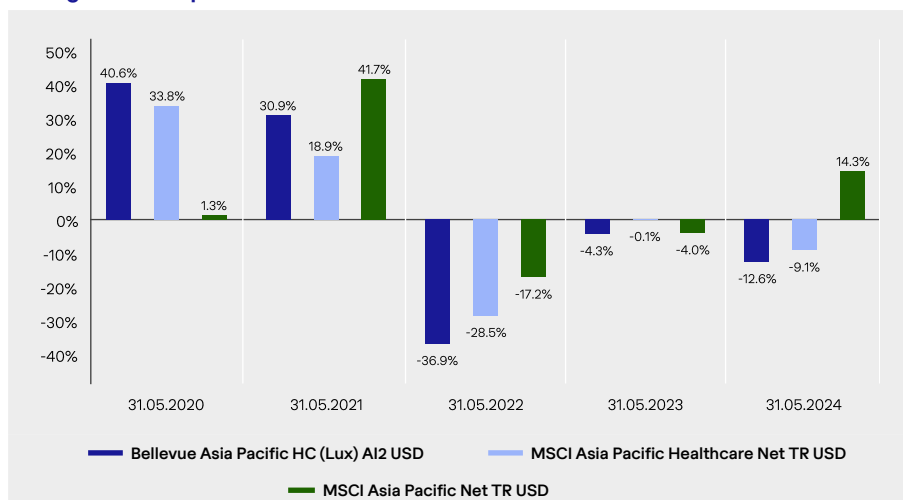
Annualised

	1Y	3Y	5Y	10Y	ITD
AI2 USD	-12.6%	-19.2%	-0.6%	n.a.	-1.3%
BM	-9.1%	-13.4%	0.6%	n.a.	-0.1%
MSCI AP	14.3%	-3.1%	5.4%	n.a.	5.0%

Annual performance

	2019	2020	2021	2022	2023	YTD
AI2 USD	23.6%	47.5%	-12.9%	-23.2%	-7.1%	-8.9%
BM	30.1%	33.0%	-16.2%	-17.3%	-3.6%	-6.6%
MSCI AP	19.4%	19.7%	-1.9%	-17.2%	11.4%	5.3%

Rolling 12-month-performance



Source: Bellevue Asset Management, 31.05.2024; all figures in USD %, 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 USD 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 USD 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 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.

Top 10 positions

Daiichi Sankyo		9.8%
Otsuka		6.4%
CSL		5.6%
Legend Biotech		5.3%
Terumo		4.4%
Takeda		4.3%
Samsung Biologics		4.3%
Olympus		4.1%
Eisai		3.5%
Innovent Biologics		3.4%
Total top 10 positions		51.1%
Total positions		42

Sector breakdown

Pharma		27.4%
Services		18.0%
Biotechnology		16.8%
Generics/Spec.Pharma		16.5%
Medtech		13.7%
Other		1.3%
Cash		6.2%

Geographic breakdown

Japan		36.9%
China		22.0%
India		13.3%
Australia		9.0%
South Korea		8.2%
Thailand		3.1%
New Zealand		1.4%
Cash		6.2%

Market cap breakdown

1 - 2 bn		1.8%
2 - 5 bn		6.7%
5 - 15 bn		36.8%
15 - 20 bn		5.2%
>20 bn		43.3%
Others		6.2%

Market review

World stock markets bounced back from their weak showing in April and made strong gains in May. The MSCI World Index closed the month 4.5% higher in USD. Mega caps are still the driving force behind the market advance. Nvidia and Apple, for example, clearly outdistanced the total market. Both tech giants soared on the wings of solid quarterly results and bullish analyst commentary. The market's positive performance came as a surprise given that the timing of an initial interest rate cut has been pushed back further into the future by stubbornly high inflation and the generally good readouts on the economy. Early this year, investors were expecting the Fed to announce no fewer than five rate cuts during the course of 2024. Today, the consensus forecast is no more than one rate cut. These developments have strengthened the US dollar and created strong headwinds for emerging market stocks. The MSCI Asia Pacific Index nevertheless closed nearly 2% higher in May. Healthcare stocks in the region were weaker in comparison and closed 0.4% lower.

The US Biosecure Act making its way through Congress represents the latest geopolitical attack out of Washington, this time explicitly targeting Chinese companies that provide services to the global biotech industry. The bill would prevent US companies from contracting with Chinese services providers deemed a threat to US national security. When it would take effect is not yet known. US lawmakers claim that genetic information of American patients is being collected and used for military purposes. The bill singles out five Chinese companies that allegedly have ties to the Chinese military: Wuxi Aptec, Wuxi Biologics, BGI, MGI and Complete Genomics. US companies will probably be granted a transition period, with 2032 a proposed cut-off date, to give them time to find new business partners. We assume that the bill will become law by the end of 2024 at the latest. It is still too early to say whether the bill will apply only to the contracts of US companies funded with US government money (best case) or to all domestic contracts of US companies (base case) or to all of their contracts ex China (worst case). Unfortunately, the latest news on this front not only put the shares of the companies specifically mentioned in the draft legislation under selling pressure, although there is no connection between the proposed law and any other companies.

The Chinese pharmaceutical company CSPC published a convincing set of quarterly results. Sales rose by more than 11% yoy and the gross profit margin increased by about 4 percentage points. Reported earnings were therefore well above analyst expectations. The solid results reflected CSPC's strong performance in the therapeutic areas of nervous system disease, oncology and anti-infectives, driven by significant inroads into the hospital market.

Divi's Laboratories, Gan & Lee and Santen Pharma were added to the portfolio during the past month. Shareholdings of Hoya, Shionogi, Apollo Hospitals and Chugai were reduced.

Positioning & outlook

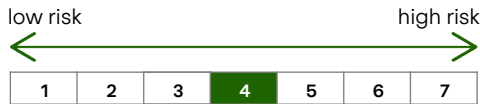
Asia is the most dynamic growth region in the world and it accounts for more than half of the world's population. Asian emerging markets are forecast to account for more than 50% of global GDP by 2050. As household incomes rise, the economic growth model of Asian countries will shift from manufacturing to the services sector. 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.

Japan, which has been referred to as "the world's demographic laboratory", has championed cutting-edge innovation for decades. The Land of the Rising Sun boasts technology leadership in numerous fields, ranging from therapeutic antibody technology, immunotherapy and robotics to digitalization, diagnostics and medical imaging systems. The fund offers defensive access to Asian emerging markets as well as exciting investment opportunities in technology leaders throughout the entire region. It invests in the entire healthcare system value chain, from generic drug producers and biotechnology companies to medical device manufacturers and digital health specialists.

Source: Bellevue Asset Management, 31.05.2024;
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 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.



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.

Benefits

- Access to defensive growth – Asia’s emerging countries are facing aging populations and changing lifestyles.
- An interesting combination of investments in Asian emerging markets and Japanese cutting-edge technology.
- Broad spread across different sectors and company sizes in the Asia-Pacific healthcare industry.
- 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 actively 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 fund 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

Sustainability Profile – ESG

EU SFDR 2019/2088 product category: Article 8

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):	63.1 (Low)	Coverage:	92%
MSCI ESG Rating (AAA - CCC):	BBB	Coverage:	92%

Based on portfolio data as per 31.05.2024; – 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; for further information c.f. www.bellevue.ch/sustainability-at-portfolio-level.

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 Asia Pacific 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 as well as the Key Information Document (PRIIP-KID) 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 Information Document (PRIIP-KID) is available free of charge in the languages of the countries of distribution 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, CH, DE, ES, LU, GB, IT and SG. For HK the subfund has been notified to the Luxembourg Regulator.

Austria, Germany:

Facilities Agent: Zeidler Legal Process Outsourcing Ltd with address at 19-22 Lower Baggot Street, Dublin 2, D02 X658, Ireland, email: facilities_agent@zeidlerlegalservices.com (“Zeidler”) and CACEIS Investor Services Bank S.A. with address at 14, Porte de France, L-4360 Esch-sur-Alzette, Luxembourg.

Spain: Representative: Atl Capital, Calle de Montalbán 9, ES-28014 Madrid - CNMV under the number 938

UK: The Bellevue Funds (Lux) SICAV is recognized for public offering and distribution in the United Kingdom. The Facilities Agent is Zeidler Legal Services (UK) Ltd., 164-180 Union Street, London SE1 0LH, United Kingdom.

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 Information Document (“PRIIP-KID”), 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.

The Summary of Investor Rights is available under: https://www.waystone.com/wp-content/uploads/2021/08/Waystone_Management_Company_Lux_S.A_Summary_of_Investor_Rights_-_August_2021.pdf

The management company may decide to withdraw the arrangements it has made for the distribution of the units of its collective investment undertakings in accordance with Article 93a of Directive 2009/65/EC and Article 32a of Directive 2011/61/EU.

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

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Important information**BELLEVUE FUNDS (LUX)
PROSPECTUS SUPPLEMENT – ADDITIONAL INFORMATION FOR
INVESTORS IN HONG KONG
DATED NOVEMBER 2021**

This section has been prepared solely for Hong Kong investors who invest or propose to invest in Shares of Bellevue Funds (Lux) (the “Company”) in Hong Kong. Investors in Hong Kong should read this supplement in conjunction with the Prospectus for the Company (the “Prospectus”). References to the Prospectus are to be taken as references to that document as supplemented hereby. In addition, words and expressions defined in the Prospectus, unless otherwise defined below, shall bear the same meaning when used herein.

FOR RESIDENTS OF HONG KONG

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