

Factsheet

Bellevue Funds (Lux) | Share class | EUR

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

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. The Fund takes ESG factors into consideration while implementing the aforementioned investment objectives.

Fund facts

NAV	711.27
Volume	EUR 1'770.3 mn
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	30.09.2009
Fiscal year end	30.06
Benchmark (M)	ISCI World IMI HC Equip. & Supplies
Benchmark (HC)	MSCI World HC Net Return
ISIN code	LU0415391514
Valor	3882709
Bloomberg	BFLBBIE LX
WKN	A0RP25
Management fee	0.90%
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, SG, DK, IT, GB, HK

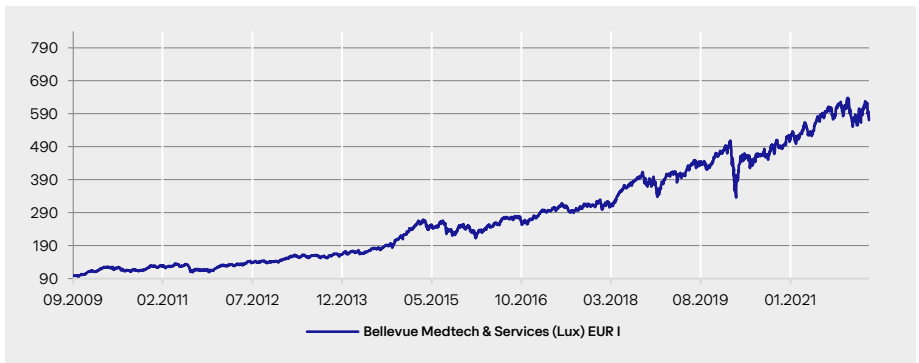
EU SFDR 2019/2088 Article 8

Key figures

Beta	1.04
Correlation	0.94
Volatility	23.3%
Tracking Error	7.89
Active Share	38.93
Sharpe Ratio	0.63
Information Ratio	-0.1
Jensen's Alpha	-1.58

Source: Bellevue Asset Management, 30.04.2022;
Calculation over 3 years.

Indexed performance since launch



Cumulated & annualized performance

Cumulated

	1 M	YTD	1 Y	3 Y	5 Y	10 Y	ITD
I EUR	-5.6%	-9.7%	2.3%	40.6%	88.3%	329.3%	470.5%
Medtech	-6.3%	-13.7%	-2.9%	42.5%	91.2%	398.4%	590.8%
H'care	0.2%	-0.5%	21.0%	56.1%	77.4%	315.0%	495.7%

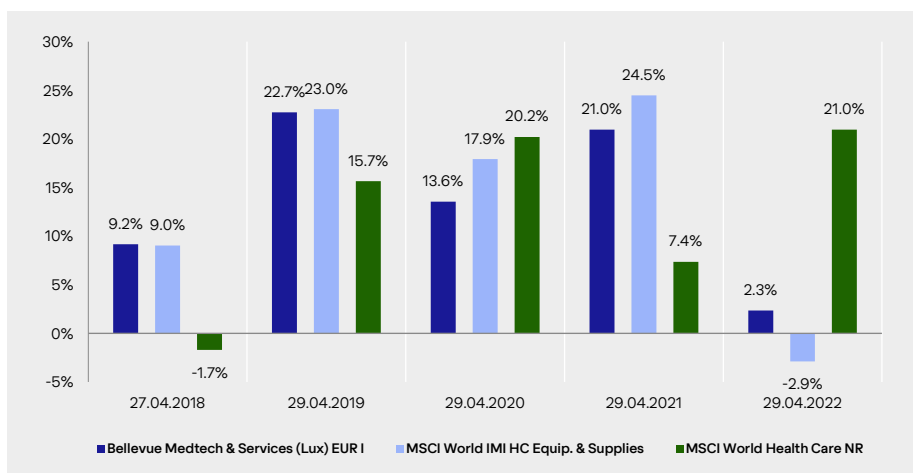
Annualized

	1 Y	3 Y	5 Y	10 Y	ITD
I EUR	2.3%	12.0%	13.5%	15.7%	14.8%
Medtech	-2.9%	12.5%	13.8%	17.4%	16.6%
H'care	21.0%	16.0%	12.1%	15.3%	15.2%

Annual performance

	2017	2018	2019	2020	2021	YTD
I EUR	14.7%	18.3%	29.4%	7.0%	25.7%	-9.7%
Medtech	14.4%	16.3%	34.1%	13.6%	23.7%	-13.7%
H'care	5.1%	7.6%	25.7%	4.3%	28.6%	-0.5%

Rolling 12-month-performance



Source: Bellevue Asset Management, 30.04.2022; 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

Abbott Laboratories		9.4%
Boston Scientific		8.5%
Stryker		6.1%
Edwards Lifesciences		5.5%
Intuitive Surgical		5.4%
Becton Dickinson		4.8%
Medtronic		3.4%
United Health Group		3.4%
Humana		3.2%
Danaher		2.9%
Total top 10 positions	52.7%	
Total positions	49	

Sector breakdown

Cardiology		28.4%
Managed Care		15.7%
Life Science Supply		13.2%
Surgery		8.8%
Orthopedics		8.4%
Diabetes		5.6%
Ophthalmology		4.0%
Hospital/Nursing H.		3.2%
Neuromodulation		2.9%
Dental		2.6%
Others		6.6%
Cash		0.6%

Geographic breakdown

United States		93.2%
Switzerland		4.9%
Others		1.3%
Cash		0.6%

Market cap breakdown

0 - 1 bn		0.4%
1 - 2 bn		0.6%
2 - 5 bn		3.0%
5 - 15 bn		7.0%
15 - 20 bn		8.7%
> 20 bn		79.7%
Others		0.7%

Market review

April was a very weak month for equities worldwide (MSCI World Net -3.7%). After trading sideways during the first three weeks of the month, stocks came under pressure after Fed Chairman Powell said that the US central bank was prepared to raise the federal funds rate more quickly and decisively to battle inflation. The Euro Stoxx 50 (-2.0%) and Germany's blue-chip Dax index (-2.2%) closed lower as well. The medtech sector (MSCI World Healthcare Equipment & Supplies -6.3%) held its ground till mid-month, when it turned sharply lower, mirroring its higher structural growth trend. Thanks to its dual focus on healthcare services providers and medtech companies, the Bellevue Medtech & Services Fund (-5.6%) beat its benchmark, despite the higher weighting of growth stocks in its portfolio.

US health insurance stocks continued to march higher in April. Cigna (+8.2%), Humana (+7.3%), Anthem (+7.3%), UnitedHealth (+4.8%) and Centene (+0.5%) all made positive contributions to the fund's performance. Their impressive performance in today's choppy market was driven by various factors. UnitedHealth, Humana and Anthem beat investor expectations for the first quarter thanks to lower medical cost trends and they all raised their earnings guidance for 2022. Second, yields at both the short and of the curve climbed higher, as already seen in March. Two-year US Treasury yields, for example, rose 40 bps to 2.7% in April and this should have a positive impact on the interest income from health insurers' investment portfolios. Third, given the tense geopolitical situation, investors continue to favor companies that generate all of their revenues and earnings in the United States, which is the case for the US health insurance industry.

The largest hospital chain operator in the US – HCA Healthcare (-10.1%) – detracted from the fund's performance after publishing lower-than-expected revenues and profits for the first quarter and lowering its full-year earnings outlook. Revenues were lower than forecast because COVID-19 patients generally had more mild forms of the disease, which led to a drop in treatment costs. Meanwhile, higher-than-expected costs for temporary or traveling nurses squeezed the company's profit margins. The contracts US hospital operators have with health insurers give them little leeway to pass through higher expenses. But HCA's good management has proven before that it can quickly and efficiently lower the company's costs.

As for the medtech investments, Procept BioRobotics (+6.8%), Terumo (+2.3%), Abbott (+1.1%), and Becton Dickinson (+0.1%) were the only medtech stocks that made a positive contribution to portfolio performance. Dexcom (-20.1%), Omnicell (-15.7%) and Abiomed (-13.5%) published good quarterly results, but their stock prices were still weighed down by macro factors. As were the stock prices of Shockwave Medical (-27.1%), Inspire Medical (-23.4%), Axonics (-13.0%), Tandem Diabetes (-12.8%) and Insulet (-5.8%), companies which have not yet published their latest quarterly results.

Quarterly results from Align (-33.5%) confirmed that consumers (even in China) are reining in their spending on Invisalign teeth straightening solutions, on top of problems in the company's supply chain. Early indicators that the capital investment cycle might lose some momentum led Intuitive Surgical (-20.7%) shares lower. At the same time, Intuitive reported that the upturn in treatments/procedures observed in March continued in April. This prompted Intuitive to raise its forecast for full-year procedure growth in 2022 to 12-16% yoy. All performance data is in EUR / B shares.

Positioning & outlook

The outlook for the 2022 investment year in the medtech & services sector is attractive. New cases and hospitalizations in key medtech & services markets (North America, Europe and Japan) have plunged as Omicron became the dominant strain of COVID-19. We believe that high immunity levels will enable a significant rebound in elective medical procedures in 2022. The sector's risk-return profile is enticing for many investors.

Sector valuations are moderate and that offers opportunities, not just for investors; we also expect takeover activity to pick up because the valuation multiples of many small, fast-growing companies declined so much in 2021. Regardless of when the situation surrounding the pandemic and the geopolitical situation returns to normal, the sector-specific structural growth factors such as rising life expectancy and high rates of innovation will sustain the medtech & services sector's above-average growth versus the overall economy and power its high rates of profit growth.

The Bellevue Medtech & Services Fund invests in the entire healthcare market except for the drug developers. As a fully adequate healthcare investment vehicle, the fund aims to generate a significantly higher return than a traditional healthcare fund but with a comparable risk profile. The medtech & services sector is one of the stock market's most defensive sectors with sustainable outperformance potential and that is one reason for the unqualified success of our investment strategy. This and the additional growth from non-emergency treatments that had to be postponed during the pandemic create attractive entry points for investors.

Source: Bellevue Asset Management, 30.04.2022;
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 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 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.

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.
- Bellevue – 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



Marcel Fritsch
Portfolio Manager since inception of the fund



Dr. Mateusz Niedzwiecki, MD
Equity Analyst of the fund since 2021

Awards



Sustainability Profile – ESG

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

CO2 intensity (t CO2/mn USD sales): 16.7 t (low) MSCI ESG coverage: 100%
MSCI ESG Rating (AAA - CCC): BBB MSCI ESG coverage: 100%
EU SFDR 2019/2088 product category: Article 8

Based on portfolio data as per 31.03.2022 (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 (UNG), 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; 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/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 Medtech & Services 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, CH, DE, ES, LU, SG, DK, IT, GB and HK.

Austria: Paying and information agent: ERSTE BANK der oesterreichischen Sparkassen AG, Am Belvedere 1, A-1100 Vienna

Germany: Information agent: ACOLIN Europe GmbH, Reichenastrasse 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

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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