

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, BE, IT (Inst.) and non-qualified investors in CH

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

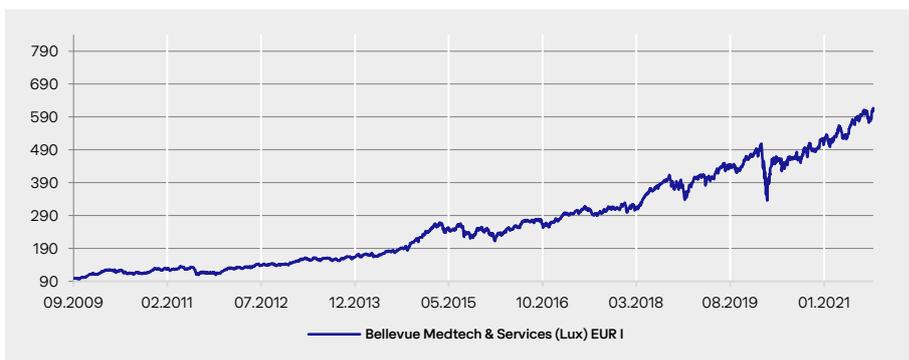
NAV	769.18
Volume	EUR 1'936.7 mn
NAV-calculation	Daily "Forward Pricing"
Cut off time	9:00 CET
Distribution policy	Accumulating
Investment manager	Bellevue Asset Management AG
Custodian	RBC Investor Services, Luxembourg
Launch date	30.09.2009
Fiscal year end	30.06
Benchmark (M)	MSCI World IMI HC Equip. & Supp.
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, LU, UK, ES, SG (Res.), IT (Inst.), BE
EU SFDR 2019/2088	Article 8

Key figures

Beta	1.03
Correlation	0.93
Volatility	23.1%
Tracking Error	8.66
Active Share	37.21
Sharpe Ratio	0.86
Information Ratio	-0.5
Jensen's Alpha	-6.24

Source: Bellevue Asset Management, 31.10.2021;
Calculation over 3 years.

Indexed performance since launch



Cumulated & annualized performance

Cumulated

	1 month	YTD	1 year	3 years	5 years	Since launch
I EUR	5.3%	22.8%	31.0%	67.2%	132.0%	517.0%
Medtech	2.5%	22.4%	29.5%	86.0%	151.3%	692.2%
H'care	4.5%	22.6%	30.6%	57.3%	90.7%	470.7%

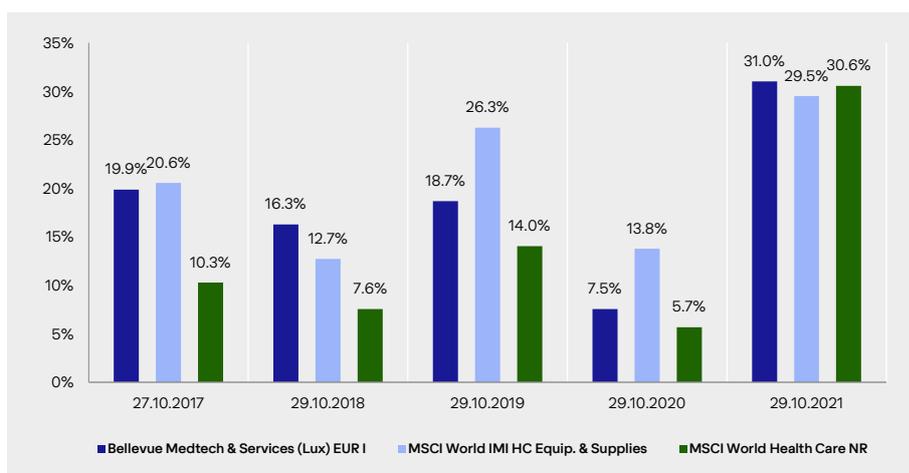
Annualized

	1 year	3 years	5 years	Since launch
I EUR	31.0%	18.7%	18.3%	16.2%
Medtech	29.5%	23.0%	20.2%	18.7%
H'care	30.6%	16.3%	13.8%	15.5%

Annual performance

	2016	2017	2018	2019	2020	YTD
I EUR	7.3%	14.7%	18.3%	29.4%	7.0%	22.8%
Medtech	8.2%	14.4%	16.3%	34.1%	13.6%	22.4%
H'care	-4.0%	5.1%	7.6%	25.7%	4.3%	22.6%

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

Abbott Laboratories		9.7%
Intuitive Surgical		6.3%
Danaher		6.0%
Boston Scientific		5.4%
Becton Dickinson		4.8%
Stryker		4.7%
Edwards Lifesciences		4.3%
IDEXX		3.4%
Dexcom		3.3%
UnitedHealth		3.2%
Total top 10 positions		51.0%
Total positions		56

Sector breakdown

Cardiology		22.5%
Managed Care		14.7%
Life Science Supply		11.3%
Surgery		9.5%
Orthopedics		6.8%
Diabetes		6.2%
Dental		4.1%
Ophthalmology		3.9%
Neuromodulation		2.7%
Others		17.1%
Cash		1.2%

Geographic breakdown

United States		90.8%
Switzerland		4.9%
Denmark		1.0%
Australia		1.0%
Others		0.9%
Cash		1.3%

Market cap breakdown

0 - 1 bn		0.1%
1 - 2 bn		1.1%
2 - 5 bn		2.3%
5 - 15 bn		9.7%
15 - 20 bn		6.9%
> 20 bn		78.6%
Others		1.4%

Market review

October was a very strong month for global stocks (MSCI World Net +6.0%), the Euro Stoxx 50 (+5.2%) and Germany's Dax index (+2.8%). The Bellevue Medtech & Services Fund (+5.3%) also showed signs of strength, as did the medical technology sector (MSCI World Healthcare Equipment & Supplies (+2.5%)). Performance last month was primarily driven by the ongoing third-quarter reporting season.

US health insurers Humana (+19.3%), UnitedHealth (+18.2%), Anthem (+17.0%), Centene (+14.6%) and Molina (+9.3%) delivered excellent returns. Somewhat better-than-expected third-quarter results, confident initial guidance for 2022 and subsiding political risks eased long-standing investor skepticism toward the healthcare insurance industry in the US. As a result, the hefty discount of US health insurers versus the broad stock market of more than 30% subsided, but it is still around 25%. Strong performance moves within a short period of time are not uncharacteristic for US health insurers. For example, this sector jumped 28% in October and November of 2019.

The medtech sector has also been affected by supply chain constraints and labor shortages. Moreover, the surge of delta infections in July and August put a temporary hold on the upward trend in elective healthcare procedures. Third-quarter earnings reports were therefore keenly awaited and announcements so far have revealed that these factors were much more mild compared to other industries and have been more manageable. Dexcom (+14.3%), Abbott (+9.8%), Surgical Abbott (+9.3%) and Edwards Lifesciences (+6.1%) for example had no problem beating investors' expectations. Medical procedures showed some sequential weakness but were still at higher levels compared to the third quarter of 2019. All medical technology companies also reported a steady recovery in the number of interventions in September and October and this positive news confirms our investment case. A shortage of staff at hospitals and supply chain constraints (e.g. a shortage of electronic components) have not proven to be material factors. All performance data is in EUR / B shares.)

Positioning & outlook

Even without a normalization of the coronavirus situation, 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.

Vaccination rates in key medtech & services markets (North America, Europe and Japan) at the end of October showed another slight sequential increase. Between 69% and 81% of the population in major Western European countries have already received at least one dose of a coronavirus vaccine. In the US, 66% of the total population is vaccinated and in Japan 78%.

This is an important prerequisite for achieving herd immunity in these countries without a significant increase in hospitalizations. Vaccine booster shots and oral antiviral therapies, a recent development, will also be available to prevent and treat COVID-19 infections. The number of elective procedures should therefore continue to normalize during the course of 2021 and 2022.

The 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, 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, United Kingdom, Singapore (Res.), Italy (Insti.), Belgium and Switzerland.

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



Mateusz Niedzwiecki
Equity Analyst of the fund since 2021

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): 17.6 t (low) **MSCI ESG coverage:** 99%
MSCI ESG Rating (AAA - CCC): BBB **MSCI ESG coverage:** 99%
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 Medtech & Services ces 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, UK, ES, SG (Res.), IT (Inst.), BE 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