

Perspectivas 2024 para el sector salud

Madrid, 16 de enero 2024

Marketing document – for professional investors only – no disclosure to third parties

Disclaimer

This marketing communication relates to Bellevue Healthcare Funds – a subfund of Bellevue Funds (Lux), an Umbrella UCITS-SICAV governed by the Luxembourg law with registration in Germany, Austria, Luxembourg, Spain and Singapore (res.). For Hongkong the subfund has been notified to the Luxembourg Regulator. In Switzerland, the subfund is authorized and regulated by the FINMA. This presentation is intended for professional investors only in Austria, Germany, Luxembourg, Spain, Singapore (res.), Hongkong and Swiss qualified investors.

Agenda

- 1 Introduction
- 2 Macro situation
- 3 Growth Drivers for Healthcare
- 4 Update on our Funds
- 5 Two new ideas

1

Introduction

Bellevue Asset Management – Facts and Figures

Investment style

- Active investment management, unconstrained (not benchmark-oriented)
- Fundamental, research-driven stock picking
- Concentrated portfolios (30-50 stocks)
- Highly disciplined investment process

Core products



- Flagship product/
- “expert portfolio”
- Track record since 1993



- Broad healthcare offering
- Swiss/Lux UCITS solutions
- Track record since 2001



- Swiss/Lux UCITS solutions
- Swiss/Lux UCITS solutions

Year of foundation

1993

AuM in CHF

8.1 bn

No. of employees (in FTE)

101.5

Corporate strategy

Boutique

Locations

Kusnacht/Zurich/Frankfurt/
New York/London/Curaçao


Credo

«We eat our own cooking»

Healthcare – broad product offering serving every need


Bellevue Healthcare – Lux Funds

Sector strategies


 **Bellevue Medtech & Services** ^(LUX)

 **Bellevue Digital Health** ^(LUX)


 **Bellevue AI Health** ^(LUX)

 **Bellevue Obesity Solutions** ^(LUX)

Global healthcare

 **Bellevue Healthcare Strategy** ^(LUX)

 **Bellevue Sustainable Healthcare** ^(LUX)

 **Bellevue Diversified Healthcare** ^(LUX)


Regional

 **Bellevue Asia Pacific Healthcare** ^(LUX)

 **Bellevue Emerging Markets Healthcare** ^(LUX)

Bellevue Healthcare – «Mandates»

Investment trust*

 **Bellevue Healthcare Trust**

Investment Company*

 **BB Biotech**








Institutional mandates

Private Label Solutions

*Bellevue Healthcare Trust and BB Biotech are not distributed in Spain
Source: Bellevue Asset Management

Overview – Bellevue healthcare strategies – fund solutions (Lux)

Dedicated solutions for global, regional and sectoral healthcare strategies







	Regions				Sub-Sectors					Market Cap			Portfolio
	USA	Europe	APAC	EM	Pharma	Biotech	Generics	Medtech	Services	Large	Mid	Small	Holdings
 Bellevue Healthcare Strategy ^(LUX)	35%	25%	15%	25%									40
 Bellevue Sustainable Healthcare ^(LUX)	35%	25%	15%	25%									40
 Bellevue Diversified Healthcare ^(LUX)													50 - 70
 Bellevue Medtech & Services ^(LUX)													40 - 60
 Bellevue Digital Health ^(LUX)													30 - 50
 Bellevue AI Health ^(LUX)													50 - 70
 Bellevue Obesity Solutions ^(LUX)													40 - 60
 Bellevue Asia Pacific Healthcare ^(LUX)													30 - 50
 Bellevue Emerging Markets Healthcare ^(LUX)													30 - 50

 Focus  Selective

Source: Bellevue Asset Management, data as of December 29, 2023

Healthcare Investments – highly specialized teams











Bellevue Healthcare Funds & Mandates

	Dr. Cyrill Zimmermann <ul style="list-style-type: none"> • 35 years of experience • Focus: Medtech, Asia HC • Zurich office 		Oliver Kubli <ul style="list-style-type: none"> • 31 years of experience • Focus: Emerging Markets, Asia HC • Zurich office
	Stefan Blum <ul style="list-style-type: none"> • 28 years of experience • Focus: Medtech & Services • Zurich office 		Remo Krauer <ul style="list-style-type: none"> • 19 years of experience • Focus: Emerging Markets, Asia HC • Zurich office
	Marcel Fritsch <ul style="list-style-type: none"> • 20 years of experience • Focus: Medtech & Services • Zurich office 		Dr. Christian Lach <ul style="list-style-type: none"> • 28 years of experience • Focus: Biotech, Pharma • Zurich office
	Dr. Teresa Vilanova <ul style="list-style-type: none"> • 3 years of experience • Focus: Life Science Tools & Dx • Zurich office 		Dr. Lukas Leu <ul style="list-style-type: none"> • 9 years of experience • Focus: Biotech, Pharma • Zurich office
	Dr. Terence McManus <ul style="list-style-type: none"> • 22 years of experience • Focus: Pharma, Biotech, Medtech • Zurich office 		Catharina Claes <ul style="list-style-type: none"> • 10 years of experience (sell-side analyst) • Focus: Medtech & Services • Zurich office
	Dr. Annie Zeng <ul style="list-style-type: none"> • 9 years of experience (sell-side analyst) • Focus: Medtech & Services • Zurich office 		Dr. Malek Bou-Diab <ul style="list-style-type: none"> • 20 years of experience • Focus: Quant, Emerging Markets • Zurich office

Independent Healthcare Consultants

	Prof. Michael Mullen <ul style="list-style-type: none"> • 39 years experience • Focus: Biotech, Medtech • Boston office 		Marvin Ng <ul style="list-style-type: none"> • 27 years experience • Focus: Asia HC • Singapore office
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BB Biotech*

	Dr. Daniel Koller <ul style="list-style-type: none"> • 26 years of experience • Focus: Biotech • Zurich office 		Felicia Flanigan <ul style="list-style-type: none"> • 32 years of experience • Focus: Biotech • New York office
	Dr. Christian Koch <ul style="list-style-type: none"> • 13 years of experience • Focus: Biotech • Zurich office 		Dallas Webb <ul style="list-style-type: none"> • 22 years of experience • Focus: Biotech • New York office
	Dr. Maurizio Bernasconi <ul style="list-style-type: none"> • 12 years of experience • Focus: Biotech • Zurich office 		Dr. Stephen Taubenfeld <ul style="list-style-type: none"> • 19 years of experience • Focus: Biotech • New York office
	Dr. Samuel Croset <ul style="list-style-type: none"> • 11 years of experience • Focus: Biotech, Data science • Zurich office 		Dr. Leonidas Georgiou <ul style="list-style-type: none"> • 3 years of experience • Focus: Biotech • Zurich office
	Dr. Olivia Woolley <ul style="list-style-type: none"> • 10 years of experience • Focus: Biotech, Data science • Zurich office 		Dr. Can Buldun <ul style="list-style-type: none"> • 6 years of experience • Focus: Biotech, Data science • Zurich office

Bellevue Healthcare Trust & WS Bellevue Healthcare Fund*

	Paul Major <ul style="list-style-type: none"> • 27 years of experience • Focus: Global Healthcare • London office 		Brett Darke <ul style="list-style-type: none"> • 23 years of experience • Focus: Global Healthcare • London office
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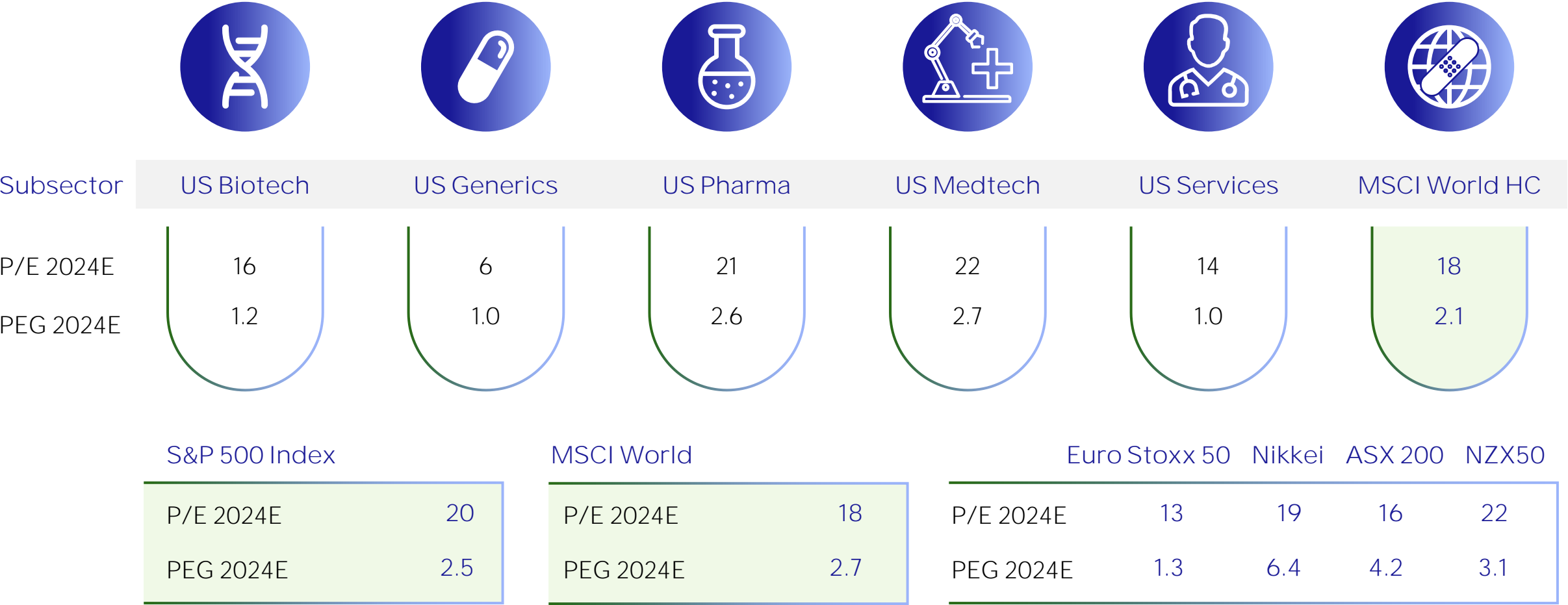
Cockpit: overview of global healthcare markets

					
Subsector	Biotech	Generics / Spec Pharma	Big Pharma	Medtech	Services
Sales growth	+10%	+6%	+4%	+6%	+5%
Global market size 2021 (revenues in USD)	210 bn	230 bn	680 bn	600 bn	7700 bn

The above valuations do not constitute a reliable indicator of future performance of the sub-fund. There can be no assurance that the investment objective will be achieved or that there will be a return on capital.

Source: WHO, IQVIA, BVMed, Bloomberg, Bellevue Asset Management (data as of January 2022)

Attractive valuation of healthcare versus overall market



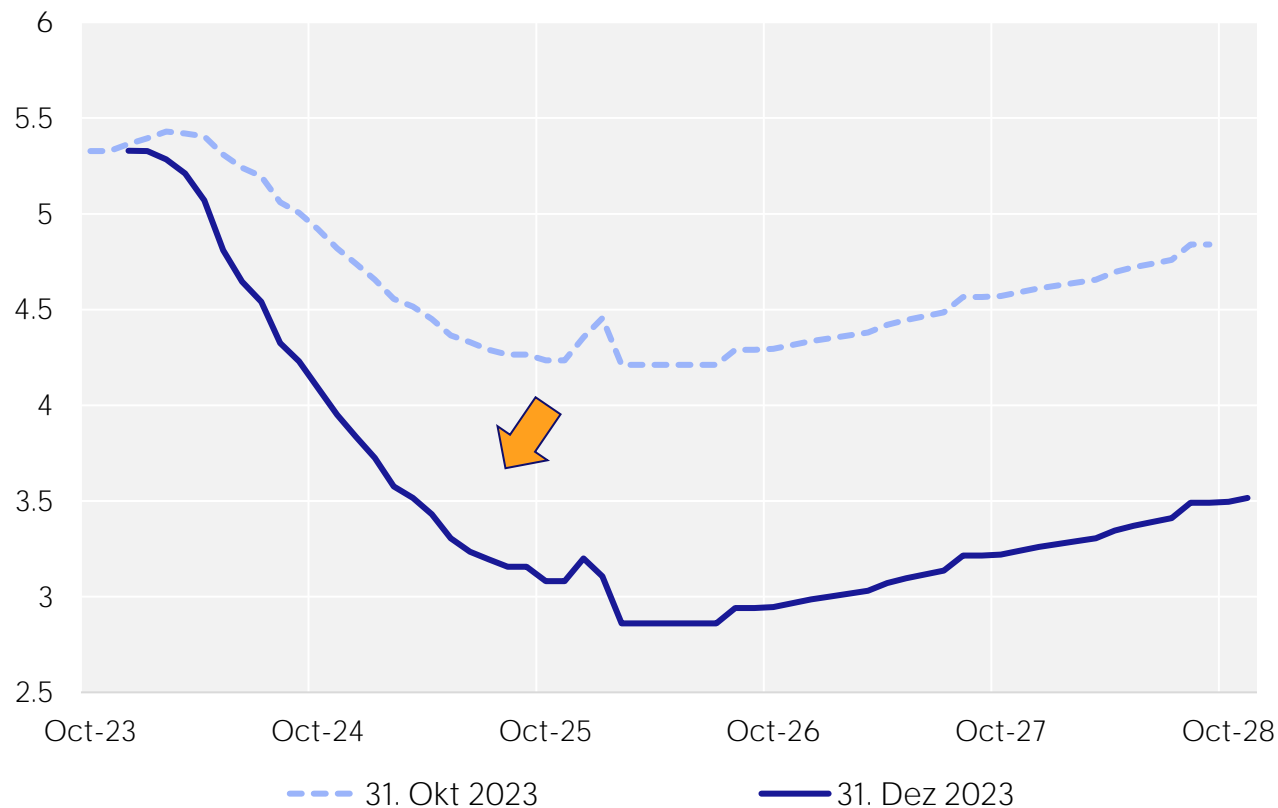
The above valuations do not constitute a reliable indicator of future performance of the sub-fund. There can be no assurance that the investment objective will be achieved or that there will be a return on capital.
Source: Bloomberg, BAM Research; PEG = PE 2024/ Earnings growth rates 2021-2025e, Data as of January 3, 2024

2

Macro situation

Development of the US Fed Futures

US Fed Fund Futures (in %)

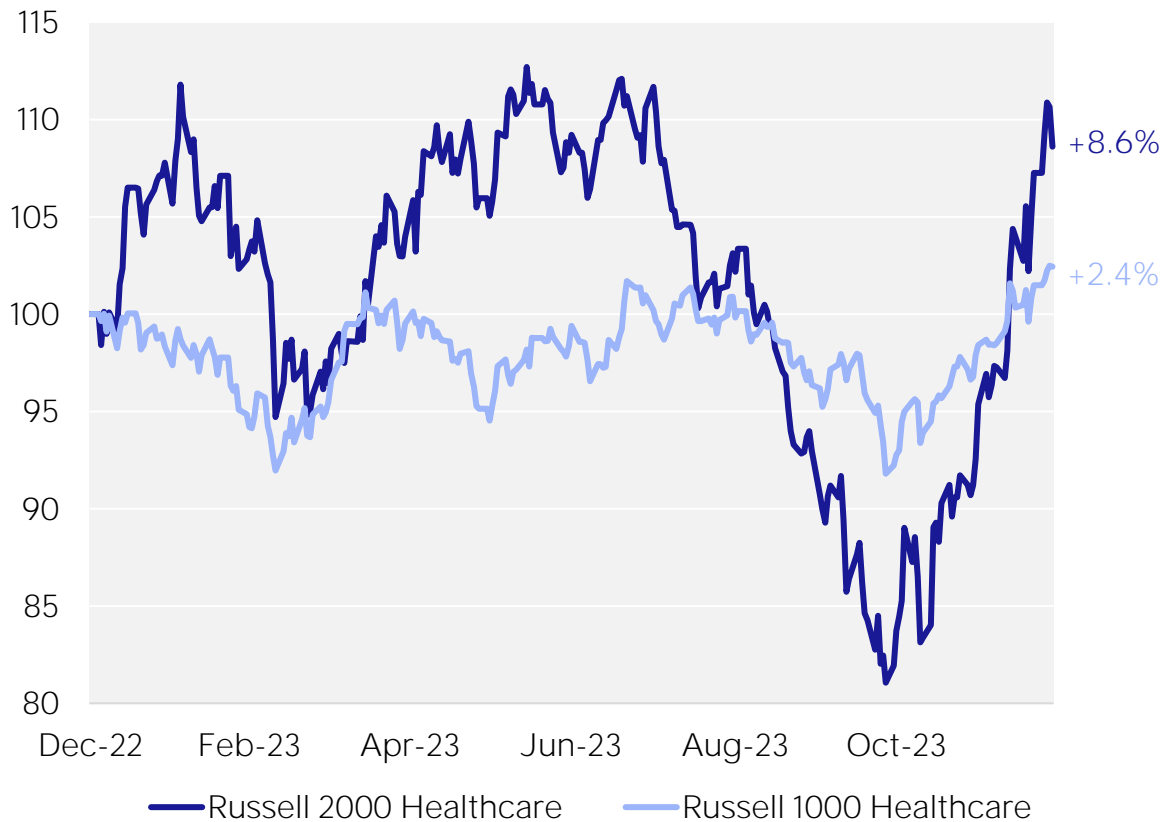


Significant shift in the FED Funds futures curve since the end of October:

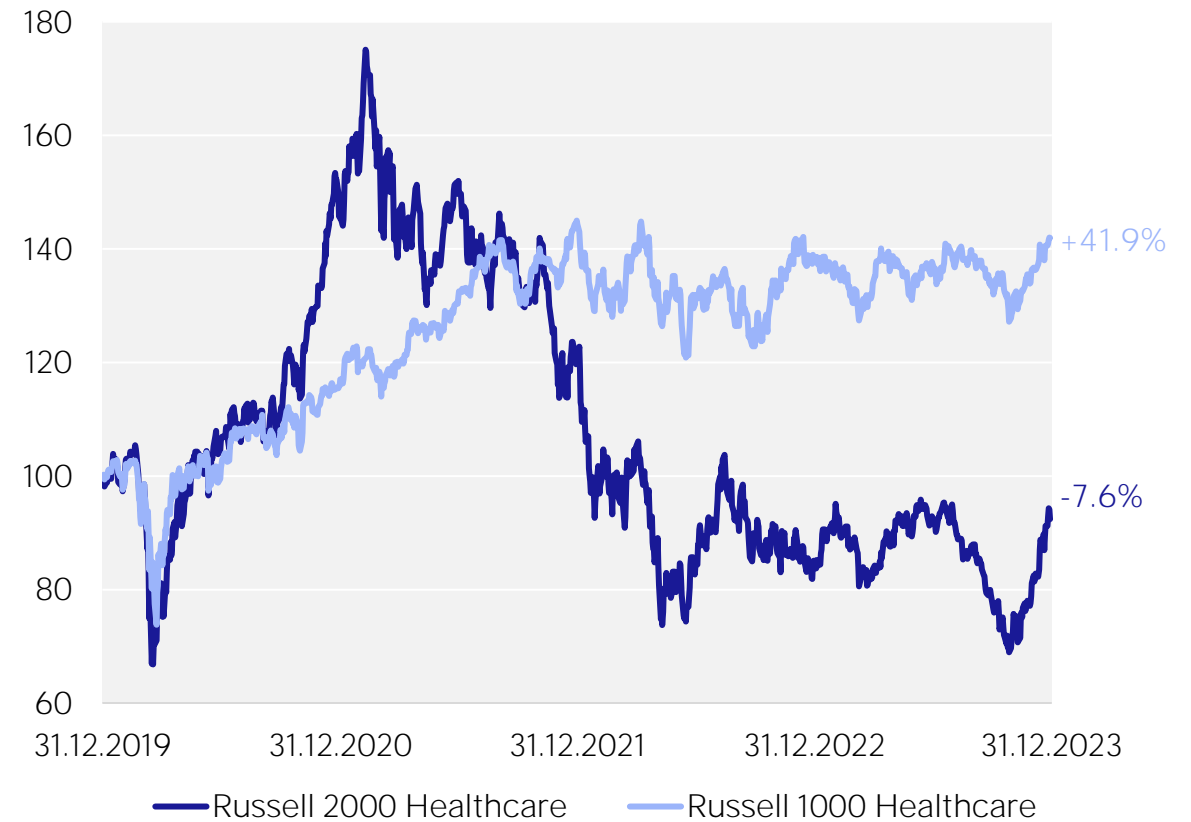
- Weaker economic data in the USA (especially labor market data) and declining inflation
- FED sees three interest rate cuts in 2024
- Market expects six rate cuts in 2024
- Fed Fund Futures signal Fed Fund Rate at 4.33% at the end of July and 3.73% at the end of December

Small Cap HC vor Large Cap HC YTD – Small Cap HC with strong rebound

Russell 1000 Healthcare vs Russell 2000 Healthcare
End 2022 – end 2023, in USD

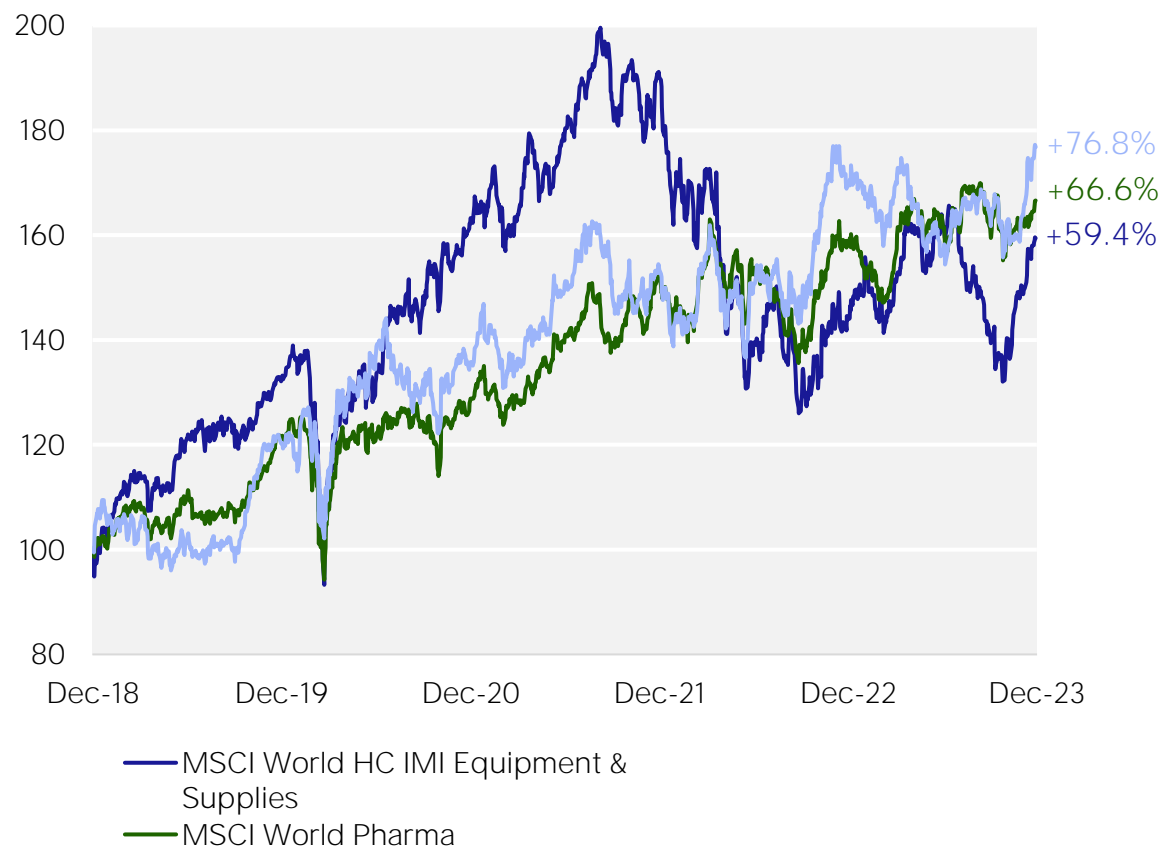


Russell 1000 Healthcare vs Russell 2000 Healthcare
End 2019 – end 2023, in USD

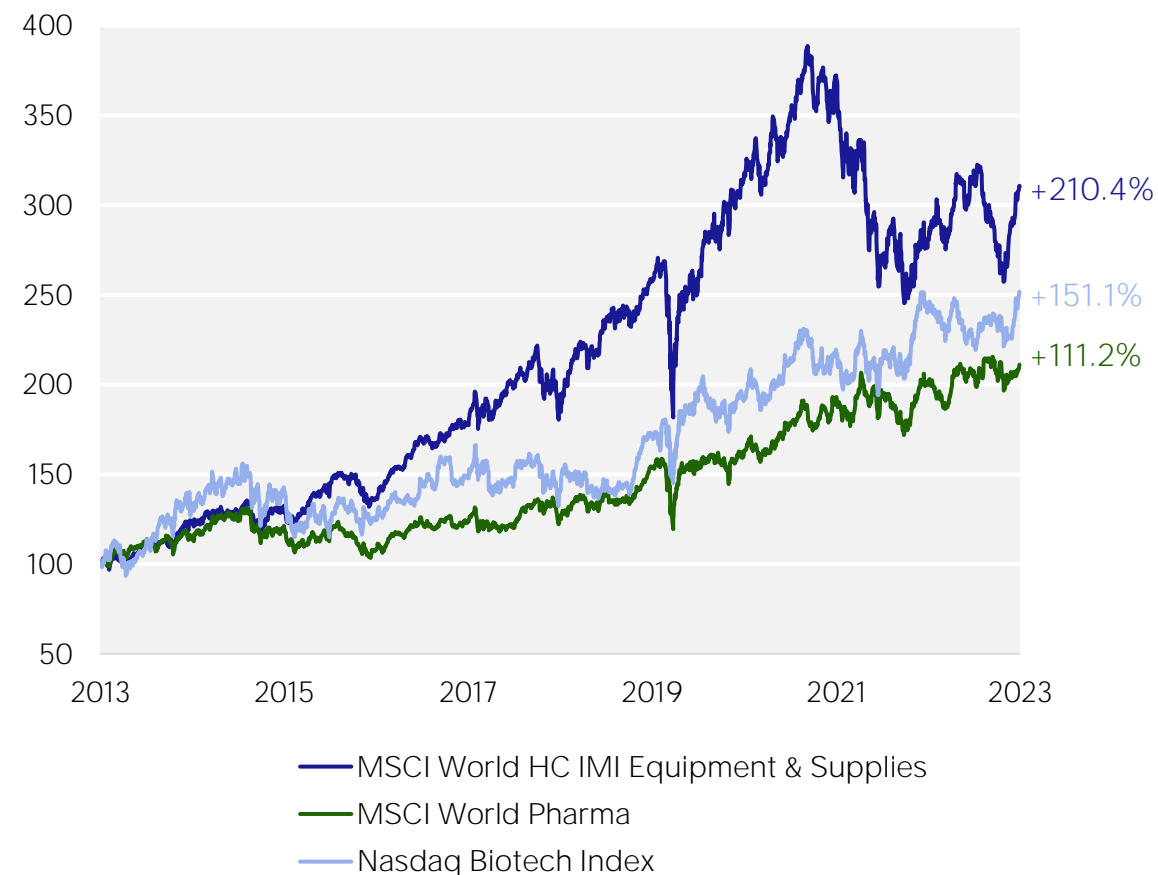


Medtech and Biotech ahead of Pharma in the long term

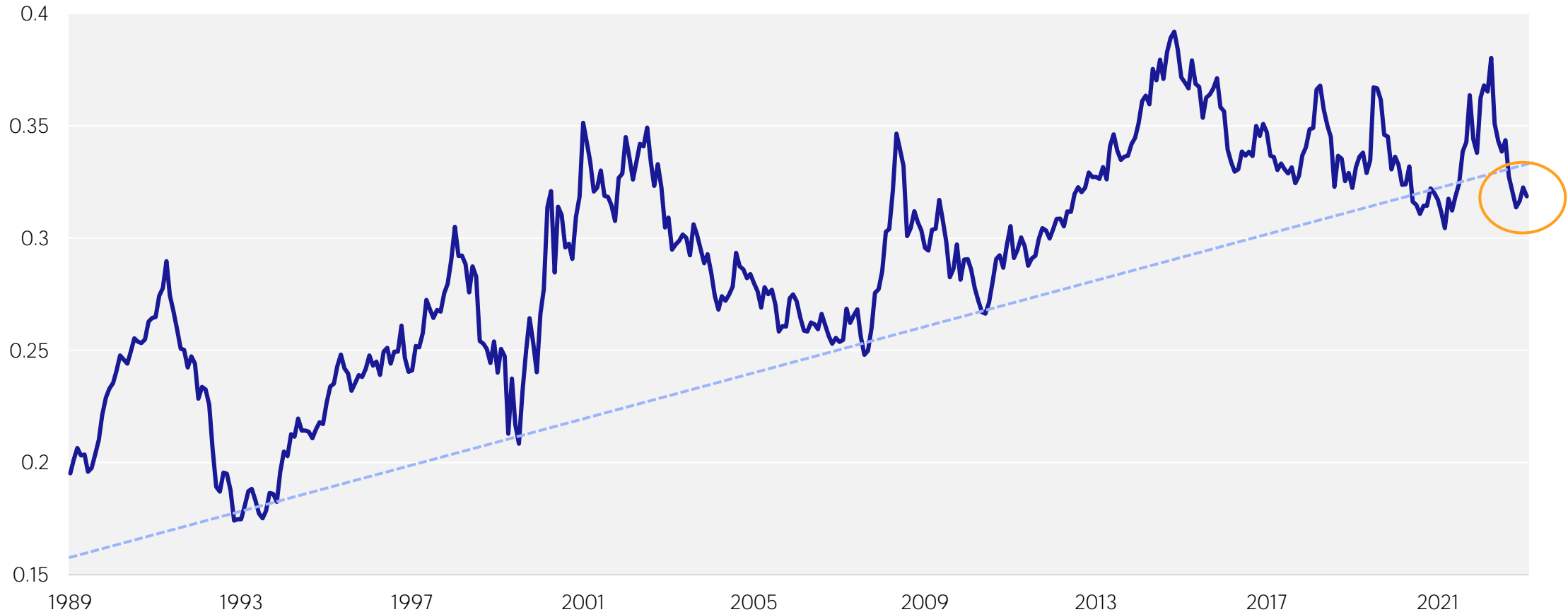
Performance indexed – 5 years (in USD)



Performance indexed – 10 years (in USD)

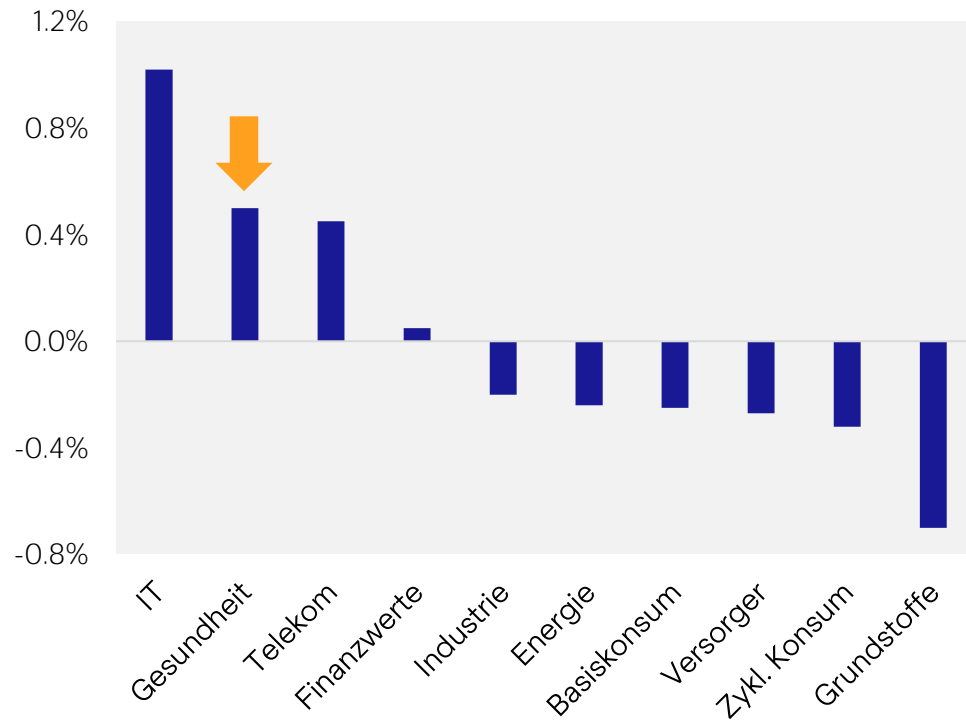


Technical data provide support S&P 500 Healthcare vs. S&P 500 (1989 - 2023)



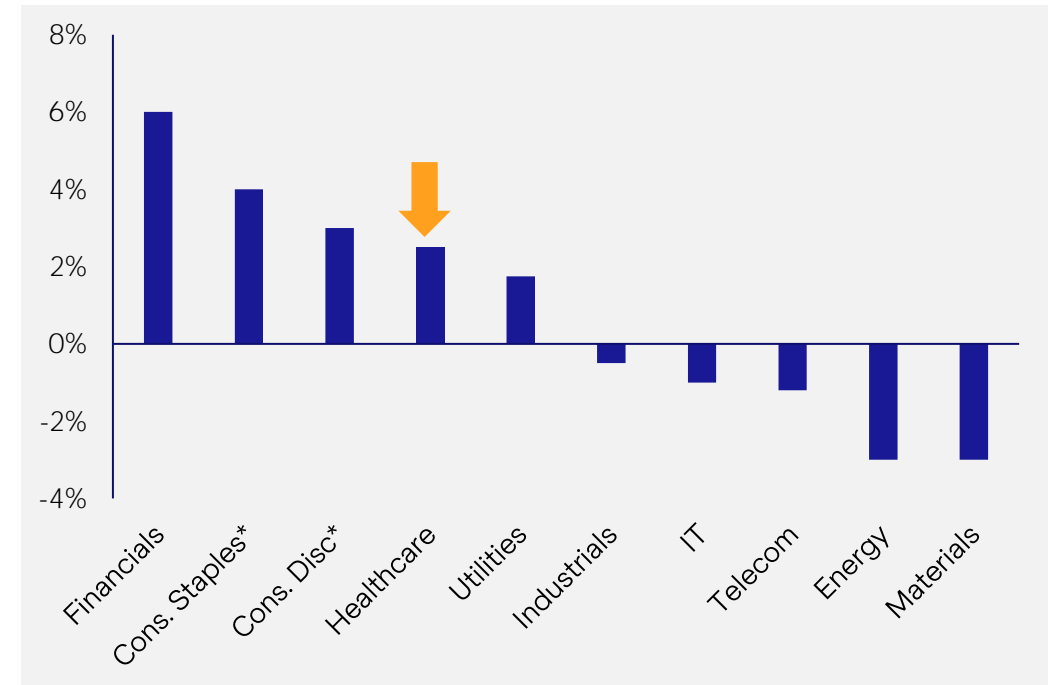
Historical experience provides supporting arguments for investing in the healthcare sector

Which sectors in the S&P 500 outperformed historically in a 5-6% interest rate environment?



■ Durchschnittliche monatliche Outperformance vs. S&P 500

Historical outperformance of healthcare versus the overall market 6 months after the last rate hike



US Elections on November 5, 2024

Limited impact for Healthcare

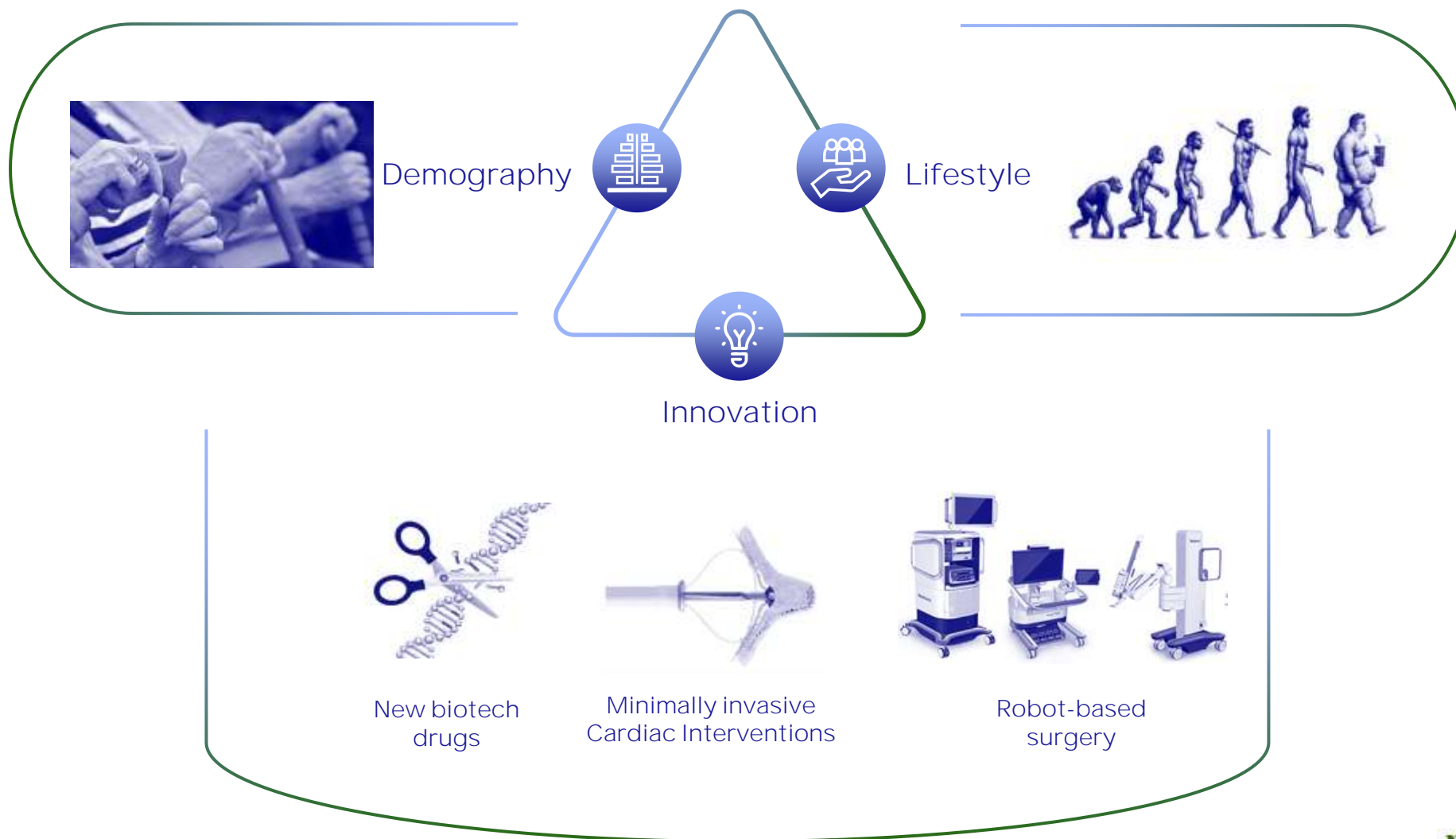
Sector	President Trump		President Biden	
	GOP Trifecta	Divided Gov't	Divided Gov't	Dem Trifecta
Healthcare	• Medicaid or ACA cuts?	• No Medicaid or ACA cuts, no real action on broader "entitlement reform"		
	• Less aggressive IRA drug price negotiation offers • More generous Medicare Advantage rate proposals		• More aggressive IRA drug price negotiation offers • Status quo on MA rates and other CMS policy	
	• Ongoing risk of modest PBM reforms (both regulatory and legislative)			
ACA Repeal	• Modest risk, driven only by fiscal offset needs	• 0% chance		
Medicaid Cuts	• Moderate risk; proposed cuts ~\$2T (~30%)	• 0% chance		

3

Growth Drivers for Healthcare

Long-term growth drivers remain intact

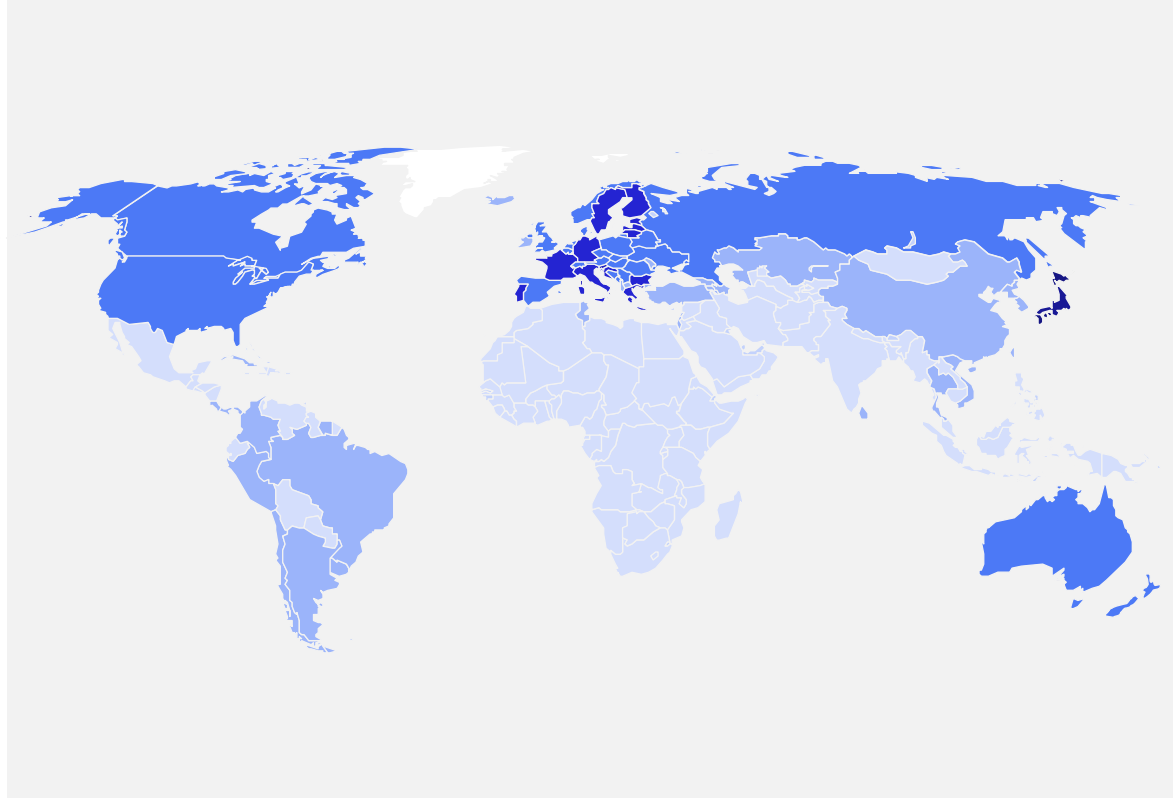
Aging population disproportionately increases demand for better medicine



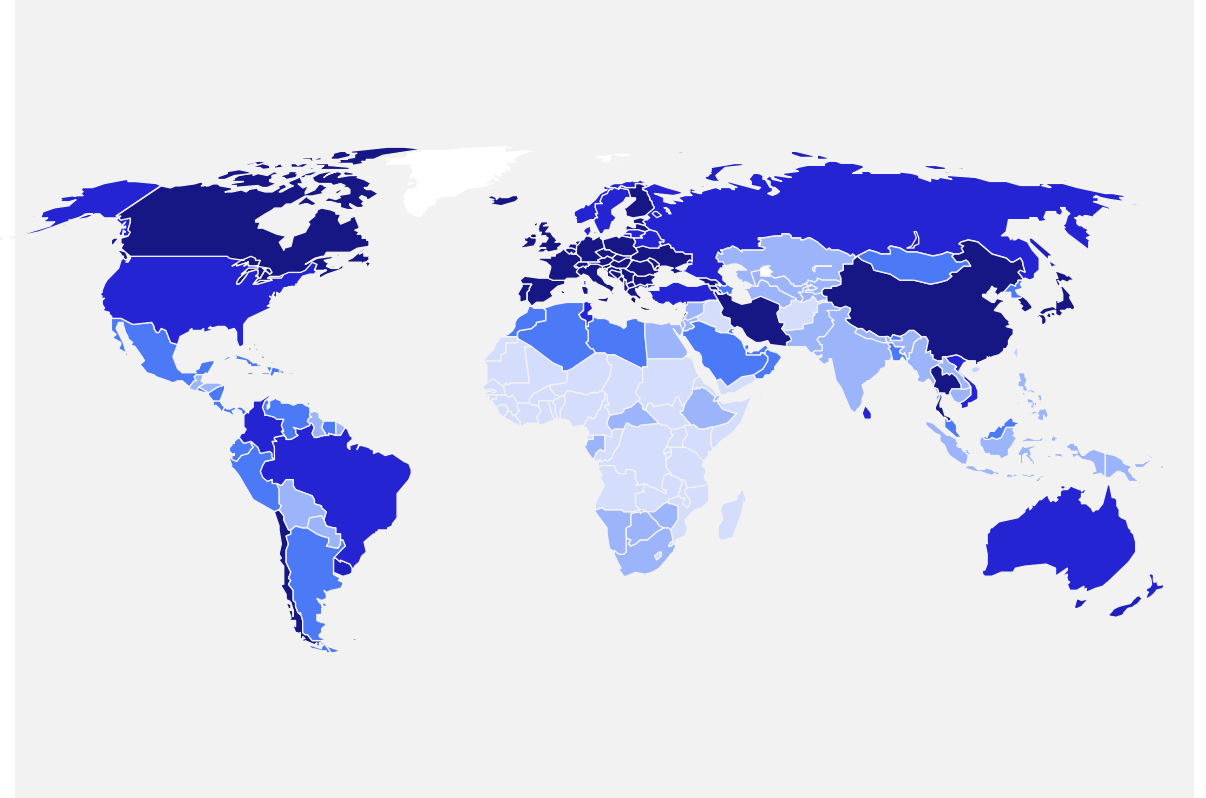
Aging is becoming a global issue

Increasing global life expectancy with far-reaching effects

2015



2050

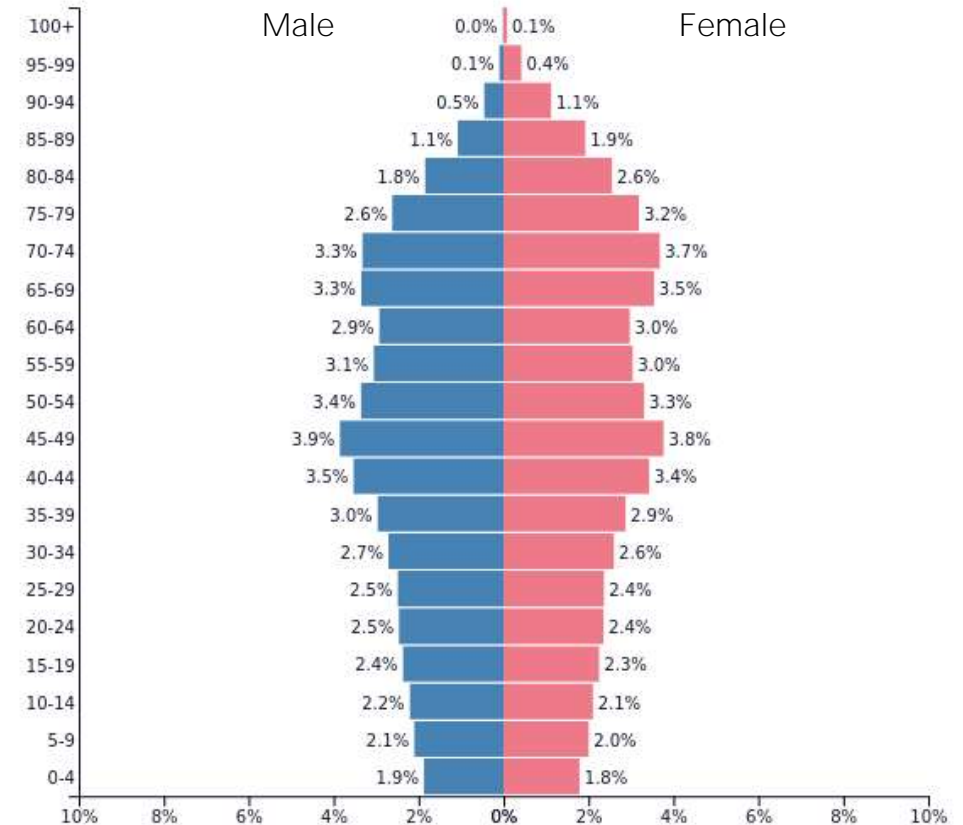


Percentage of people aged 60 and older

0-9 10-19 20-24 25-29 30 or more

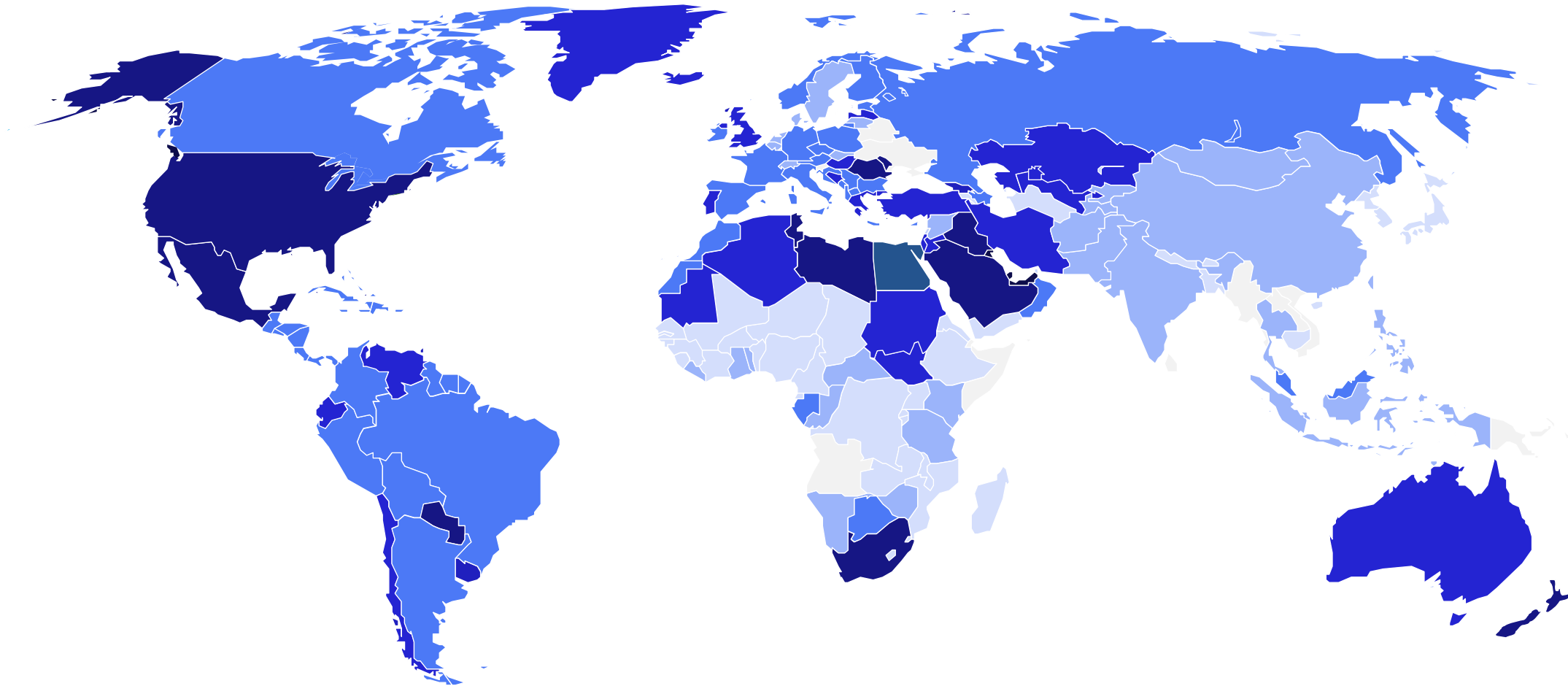
Japan - the ageing laboratory!

Hidekichi Miyazaki's world record for "over 105 year olds"

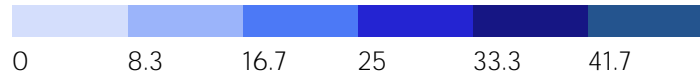


Overweight on the rise

Number of obese people as % of the population



Percentage of adults with obesity



Source: Wordobesity.org (EU 3rd Health Programme), 2017

500 million diabetics worldwide

... with secondary diseases and financial consequences

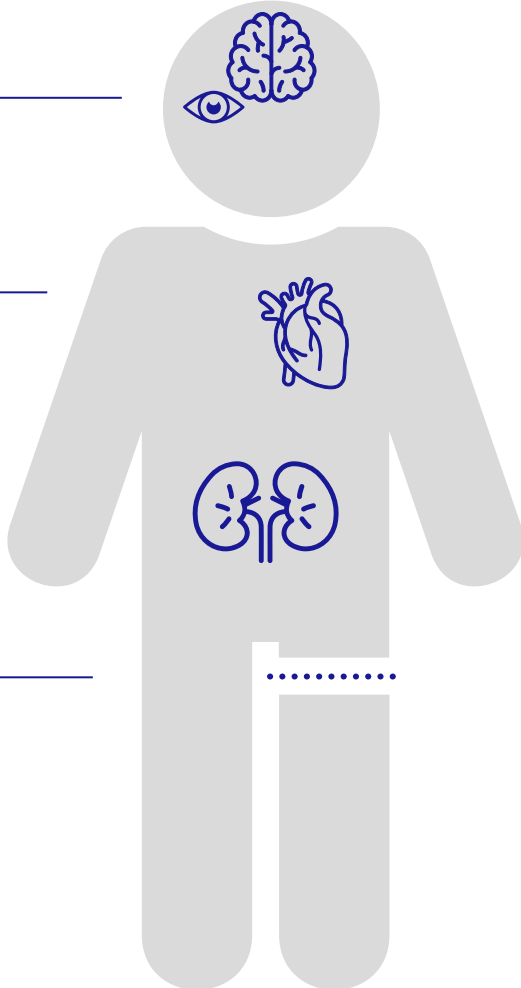
Brain stroke

Blindness

Heart attack

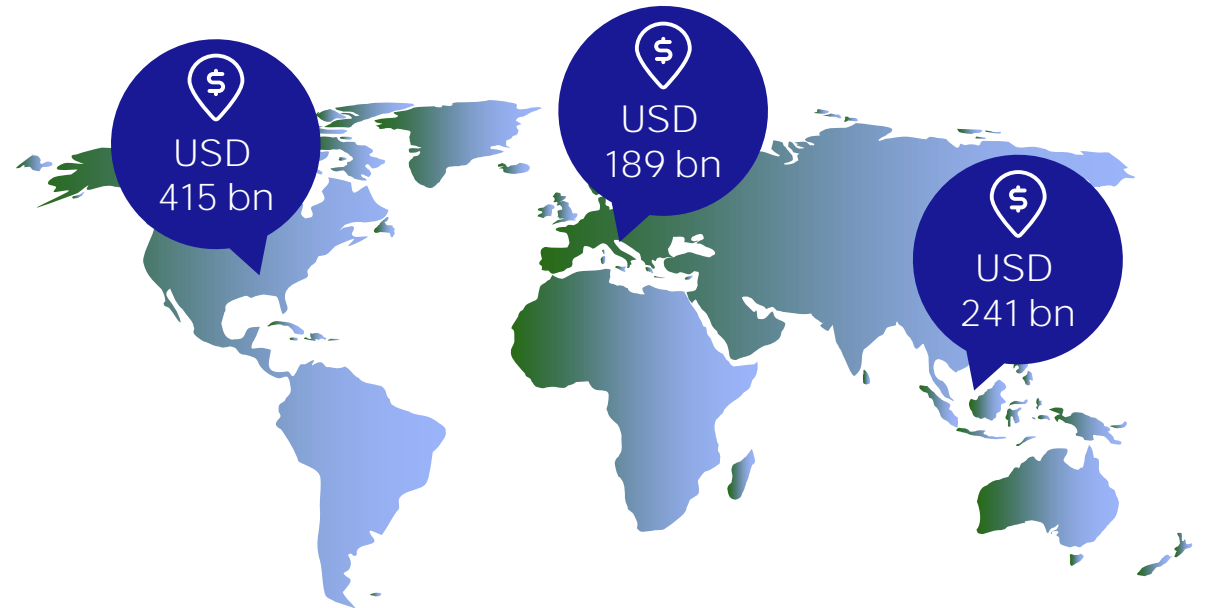
Kidney failure

Amputation



Diabetes causes annual health expenditure of USD 1000 bn.

→ an increase of 300% in the last 15 years



New major market-expanding medtech products

These Medtech products will support top line growth in 2024 and beyond

Approved products



G7 disposable sensor for continuous glucose monitoring in real time (Dexcom)



Sapien 3 Ultra w/ Resilia tissue TAVR with significant calcium-blocking properties (Edwards)



Omnipod 5 tubeless closed-loop automated insulin delivery (AID) pump (Insulet)

- Ion robotic platform for minimally invasive lung biopsy (Intuitive Surgical)
- MitraClip mitral leaflet repair for primary and secondary MR (Abbott)
- Pascal Precision mitral leaflet repair for primary MR (Edwards)

Products we expect to be approved in 2024 and beyond



TriClip transcatheter tricuspid leaflet repair (H1:2024) (Abbott)



Pascal Precision tricuspid valve repair for TR (2024) (Edwards)



Hugo robotic-assisted surgery system (2024) (Medtronic)

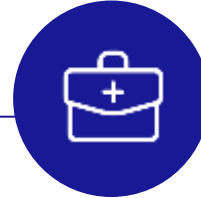
- Evoque transcatheter tricuspid valve replacement (2024) (Edwards)
- Sapien 3 Ultra w/ Resilia TAVR for asymptomatic severe AS (2024) (Edwards)
- Ion robotic platform for minimally invasive nodule ablation (EU: 2024)

US market unless otherwise noted, TAVR (transcatheter aortic valve replacement), MR (mitral regurgitation), AS (aortic stenosis), TR (tricuspid regurgitation), w/ (with)
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.

Source: Bellevue Asset Management, company annual reports and presentations

Outlook 2024 & positioning

Medtech



Medical Technology

- Normalization of surgery volumes continues well into 2024
- 2024 looks like another year where pricing can be better than historical average
- Approval and market launch of relevant new products ensure continued high revenue growth: TriClip, AVEIR, Libre (Abbott); Farapulse PFA (Boston Scientific); next generation da Vinci (Intuitive Surgical); Pascal TR, Evoque (Edwards); Hugo, Affera PFA (Medtronic); G7 (Dexcom)
- For 2024, we expect +MSD to +HSD sales and +HSD to +LDD EPS growth
- Attractive valuation – large cap Medtech companies are valued at a -3% discount vs. S&P 500 (historical premium of 15%-25%)

Life Sciences Tools

- Bioproduction – temporary slowdown with recovery likely in H2:2024

Positioning:

Focus on high quality profitable growth companies that can compound earnings faster than average

Healthcare Services



Hospitals

- Benefit from continued recovery of surgery volumes and favorable reimbursement
- Strict cost measurement programs and lingering use of temporary staffing lead to higher earnings

Health Insurers

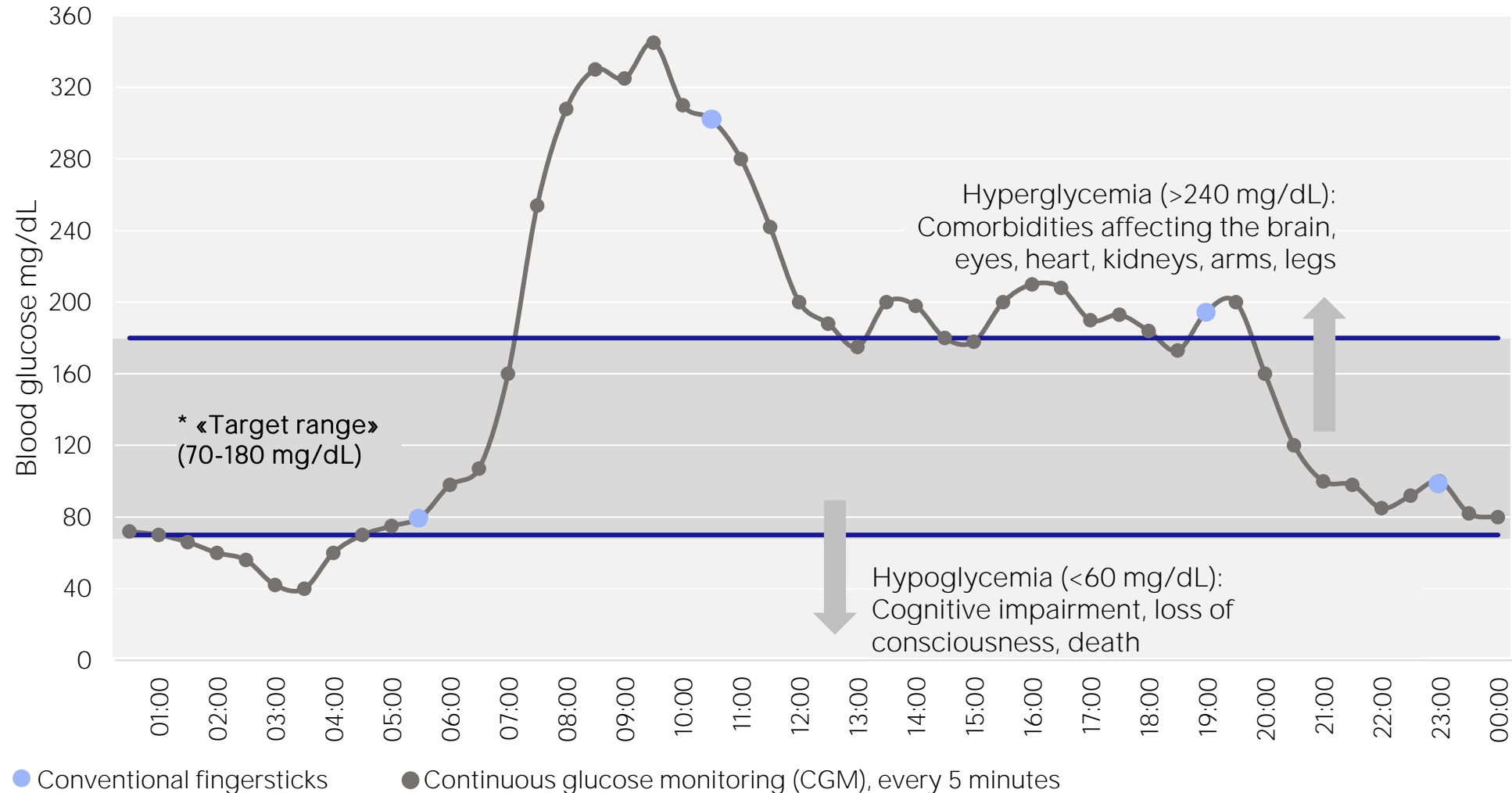
- Underlying business shows solid Medicare Advantage and Commercial members enrollment
- Above average premium pricing in 2024 as health insurers can pass through core price inflation and additionally baked in some conservatism
- Increasing political risk in 2024 election year
- Attractive valuation – US health insurers trade at a -31% discount vs. S&P 500

Positioning:

Balanced positioning between US Health Insurers, US Hospitals, and Healthcare Services

Monitoring glucose levels with finger pricks is inadequate

Glucose levels of patients who use fingerstick testing are too high or low for too long



* The «Target range» from 70 to 180 mg/dL was established by the «International Consensus on Time-in-Range (TIR) Panel» in February 2019
Source: Dexcom, Bellevue Asset Management

Dexcom

Dexcom G6 & G7: The best system for continuous glucose monitoring in real time

How does continuous glucose monitoring work?

- A sensor measures glucose levels just beneath the skin's surface every 5 minutes and sends the data to any compatible mobile device (smartphone, insulin pump, etc.)
- The mobile device shows whether glucose levels are falling or rising (and how rapidly), so that they can take action in advance
- Alerts if glucose levels are approaching high or low levels

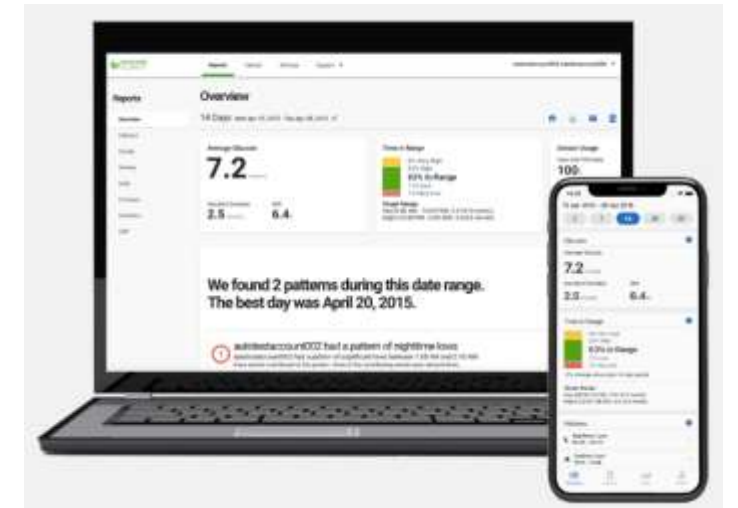
Intermittent monitoring is not enough

- Diabetes management is a constant balancing act
- Most patients are only 30-50% of time within the healthy «Target Range» (see next slide)



Dexcom G7
CGM-System

Dexcom
CLARITY-App



Big Data Analytics



Mobile



Cloud



Wearables



Internet of Things

Intuitive Surgical

Innovation leader in robotic-assisted surgery

Summary

- da Vinci robotic surgical systems are highly innovative products with revenue growth rates of +15% (CAGR 2017-2022)
- Robotic surgical systems can reduce length of hospital stay, complications, infection rates and hospital readmissions
- The >7500 da Vinci robotic surgical systems in operation worldwide performed >1.8 million surgeries in 2022
- Market potential is vast, with 3.8 million general surgery procedures, 3.3 million cardiothoracic and 2.5 million uro- and gynecological surgeries performed every year in the US alone
- Promising product pipeline: in addition to the single-port da Vinci SP, the Ion biopsy robot provides access to the pulmonary biopsy market, which has an estimated market potential of USD 6 billion

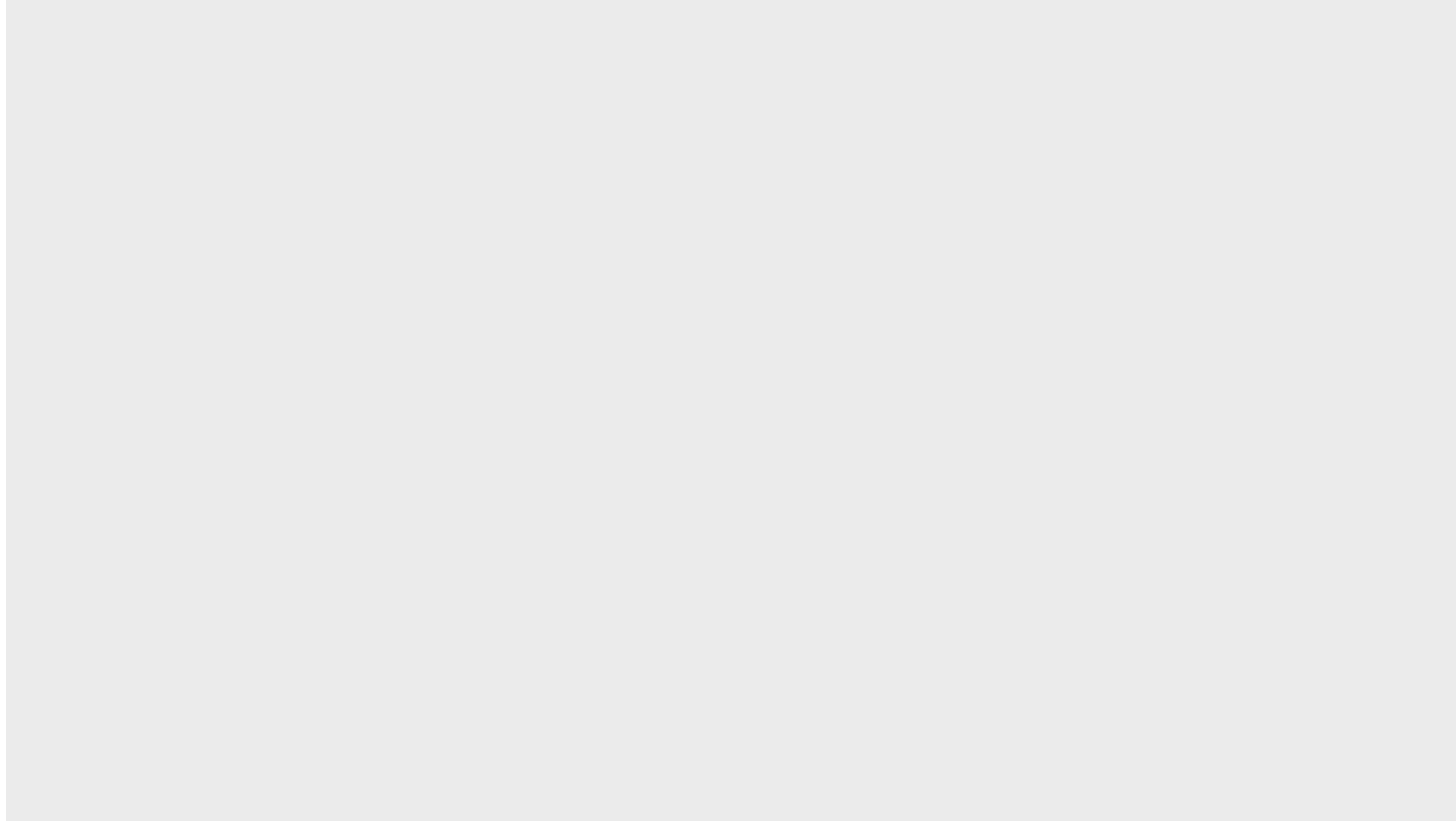
Products & pipeline

Approved da Vinci robotic surgical systems



Ion biopsy robot

Ion a new robotic bronchoscopy platform for nodule biopsy



Outlook 2024 & positioning

Low valuations and full pipelines will drive deals and business development activities

Biotech



Dynamics

- Several key themes are expected to be tailwinds that could drive the space higher in 2024:
 - Regulatory progress from high profile gene therapy programs for Hemophilia A and Duchenne Muscular Dystrophy (in vivo gene therapy)
 - Progress in delivery tools for genetic medicine targeted at tissues outside of the liver, which could enormously expand the opportunity
 - Ongoing progress from 1st generation CRISPR (gene editing) programs
 - Artificial Intelligence (AI) tools for identification of new targets and molecule optimization as well as manufacturing
- Genetic medicines and RNA approaches could continue with make major strides in 2024, esp. mRNA therapeutic cancer vaccines (PCV)
- Neurology emerges as an even bigger theme for 2024 (Alzheimers, etc.)
- Last but not least, oncology is making big strides (bispecfics, ADCs, etc.)
- Valuation – low valuations for large cap Biotech names

Pharma / Specialty Pharma



Pharma

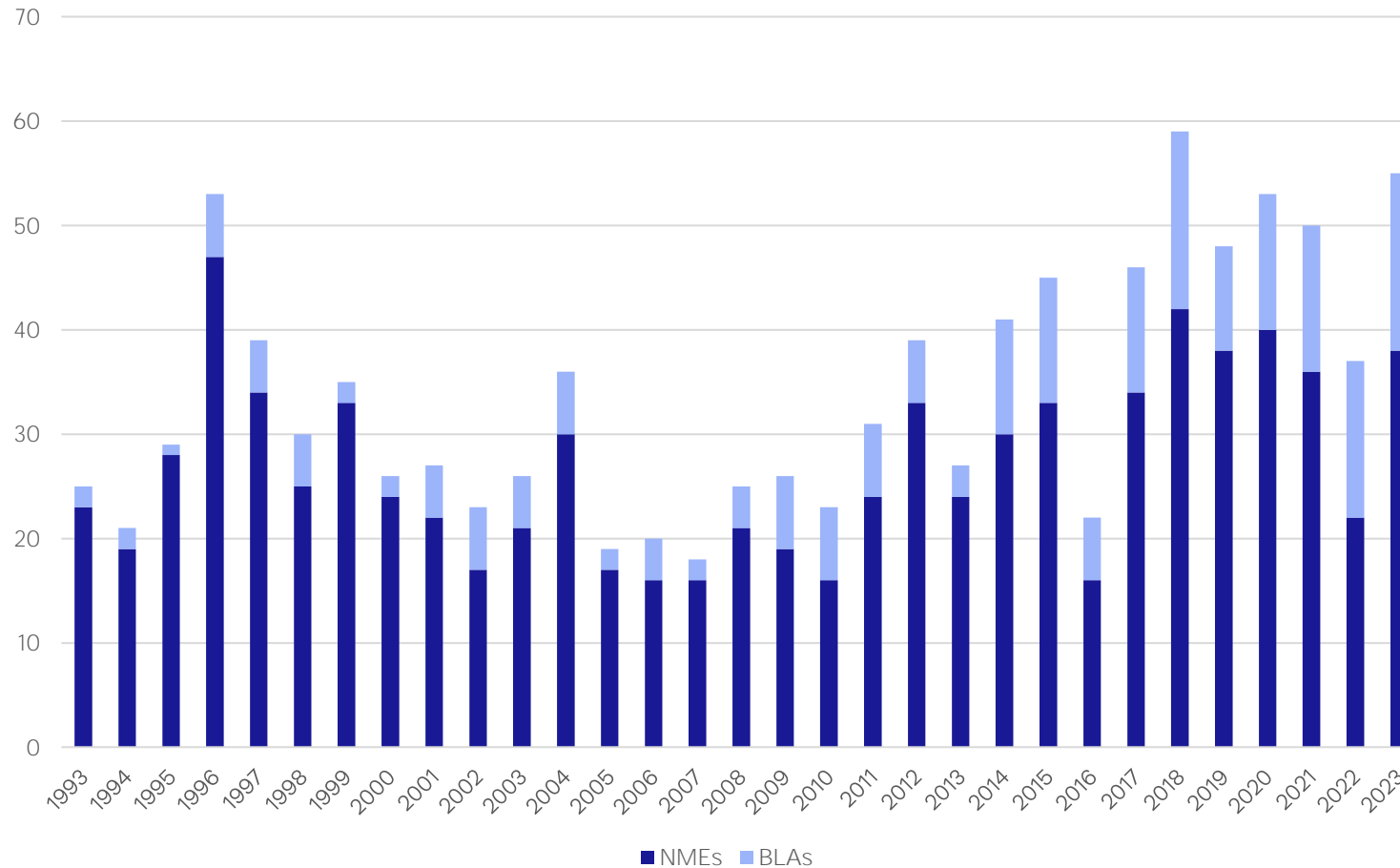
- Balance sheets remain very healthy across pharmaceuticals. With significant firepower and more moderated small/mid-cap biopharma valuations, we expect continued **momentum** in **M&A** activity in 2024
- Historically pharmaceuticals outperform when economies enter slower growth periods
- High cash flows, **high-margins**, reasonable valuations, and strong pricing power will remain attractive
- Emerging mega-blockbuster opportunities in widespread diseases, specifically **anti-obesity** and **Alzheimer's** disease during 2024
- Advanced mechanisms of action (MOA) move from having a transformational impact in ultra-rare diseases, to larger diseases (**hemophilia**/DMD gene therapies, cell therapy in diabetes, ADCs in oncology)

Specialty Pharma /Generics

- US generic drug price deflation has bottomed, creating a better business environment
- Biosimilar launches should drive sales growth and better margins

Very good momentum in Biotech

Annual New Drug Approvals: 2nd best year in history!

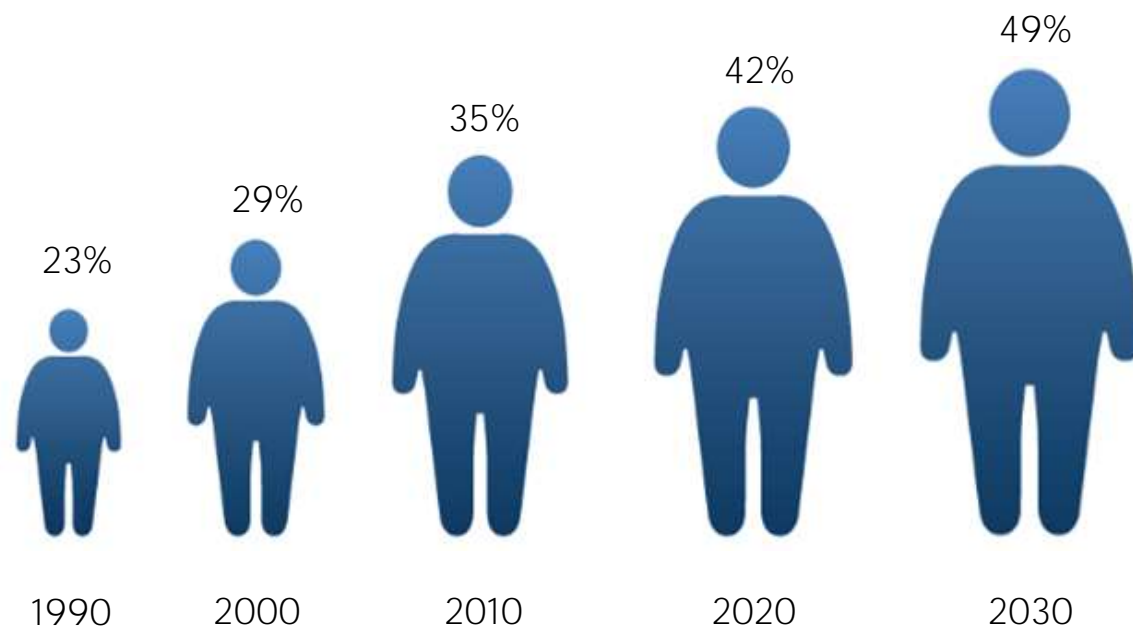


- Despite tough fund raising for Biotechs, the Fundamentals look really good
- This is not reflected in the Stock Performance of Biotechs

Biggest opportunity in healthcare today - Obesity

Mega-cap Pharma is leading the race in obesity

Percentage of American adults with BMI >30



Why a drug to treat Obesity is a big opportunity

- Weight reduction of 15%-20% within a few months
- Reimbursed in the US and other major markets
- Global sales to reach USD 44bn in 2030 (USD 2.5bn in 2022)
- Growth: CAGR of 43% (2022-30)
- Related diseases/interventions:
 - ↓ Cardiovascular disease
 - ↓ Diabetes
 - ↓ Chronic kidney disease
 - ↓ Fatty liver disease
 - ↓ Orthopedic surgery
- Key drugs/companies: Wegovy/ Novo Nordisk; Mounjaro/ Eli Lilly

Note: Obesity are people with BMI over 30

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.

Source: Novo Nordisk, NEJM, Bellevue Asset Management

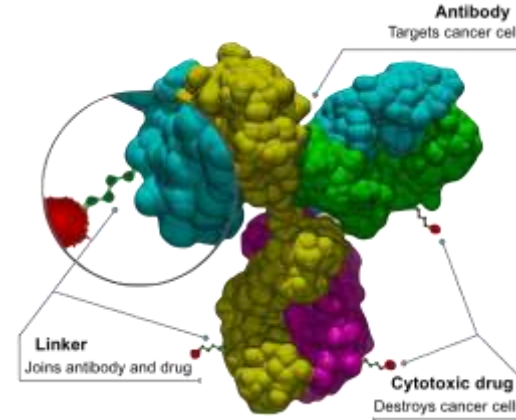
Portfolio company Daiichi Sankyo

Antibodies Generation 2.0 from Japan

In short

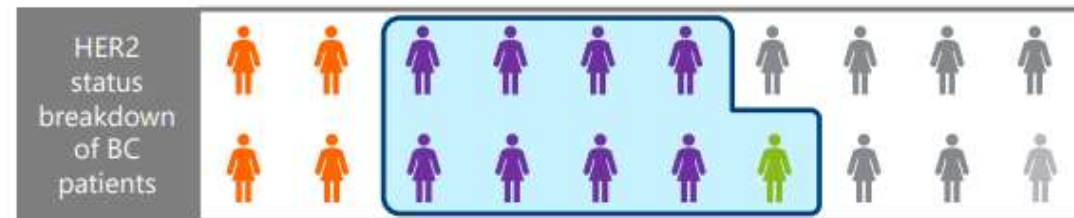
- Global pharmaceutical company from Japan with long-standing cooperation with AstraZeneca
- Leader in ADCs (Antibody Drug Conjugates) – targeted chemotherapies
- Enhertu breakthrough in breast cancer with deeply expressed HER2 (no effective therapy at present)
- Enhertu sales potential of up to USD 15 bn
- Pipeline focused on oncology, including other promising ADC programmes in development
- Healthcare subsector Pharma
Region Japan/Oceania

Antibody Drug Conjugate (ADC) with three components



- High “drug to antibody ratio” of 8:1
- Charge with high potency
- Charge with short half-life
- Stable “linker”
- “Bystander” antitumour effect

New treatment options for “HER2” low patients



HER2+
(IHC 3+,
2+/ISH+)



HR+/HER2-
(IHC 0)

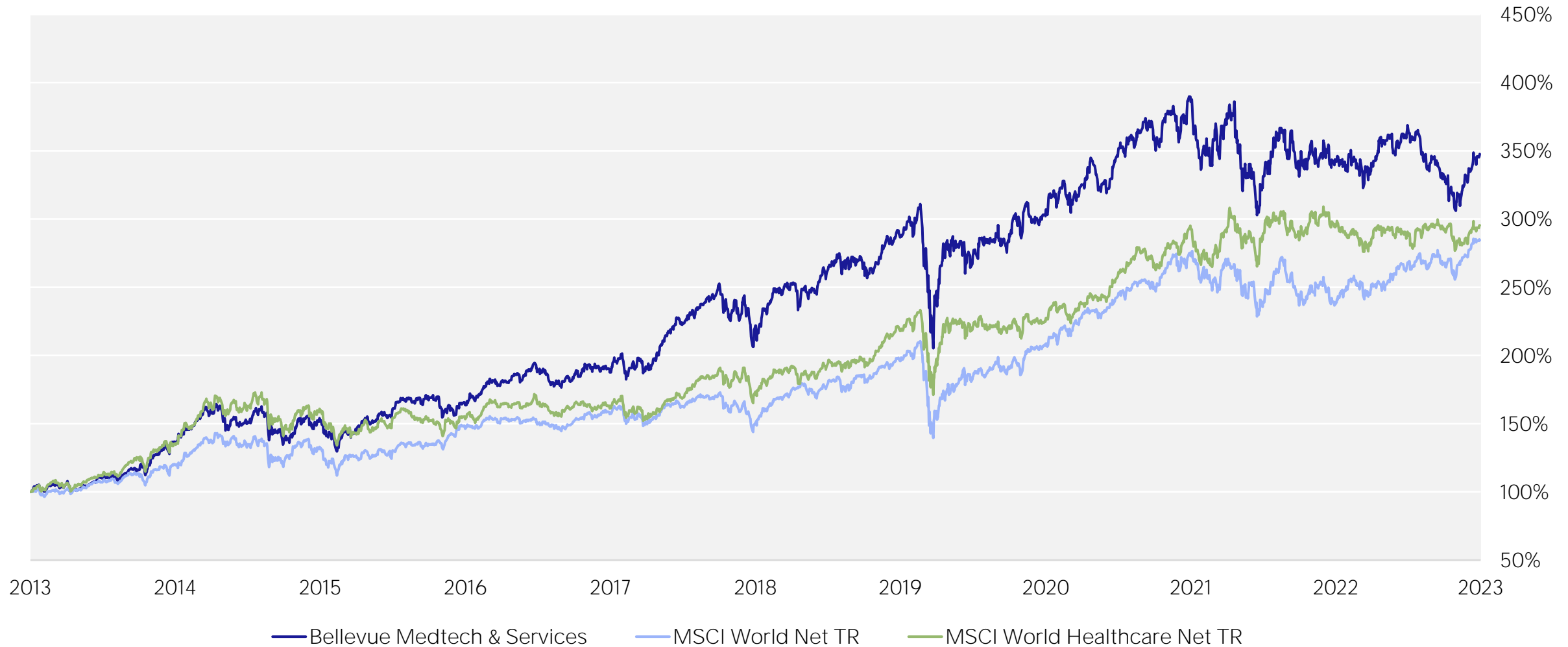
HR-/HER2-
(IHC 0)

4

Update on our Funds

Bellevue Medtech & Services - a sustainable and attractive Investment

Total return over 10 years compared to global healthcare and global equities



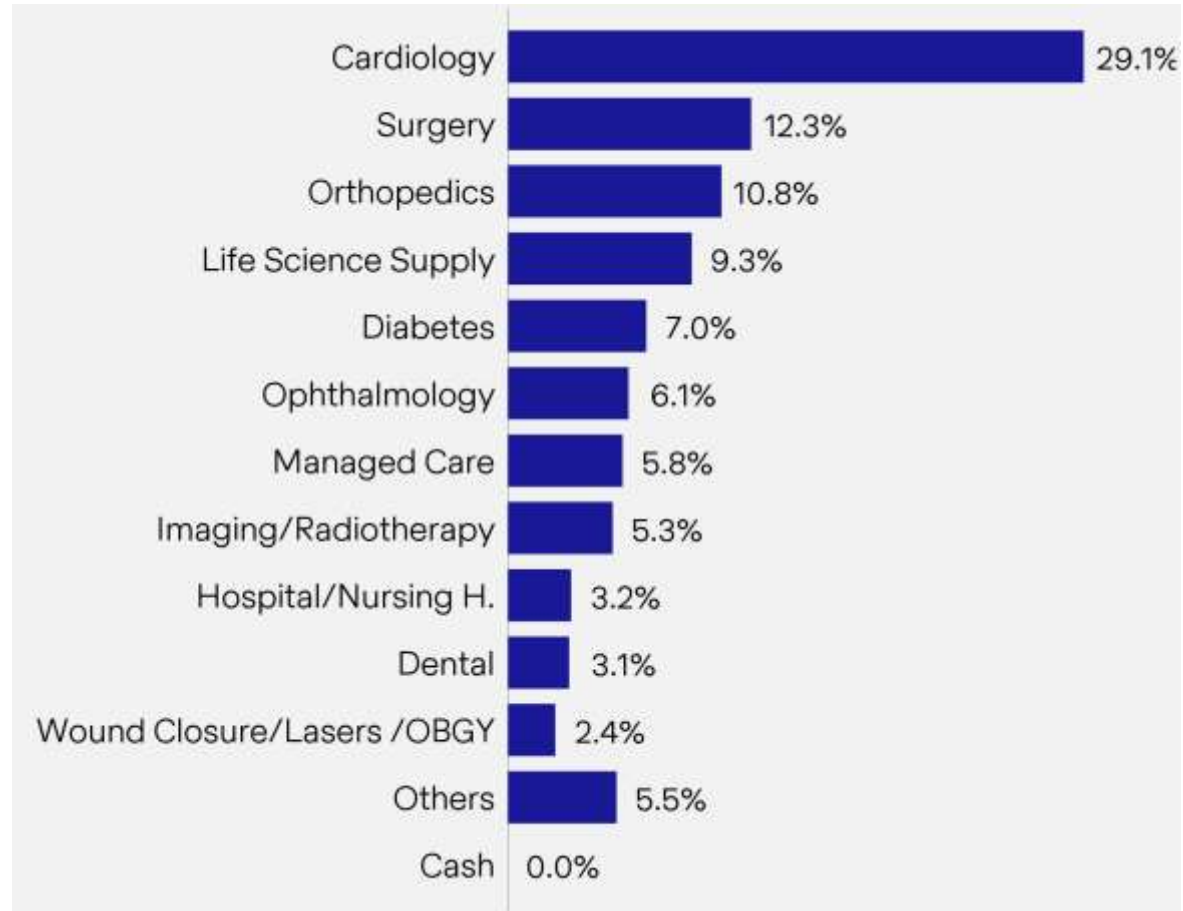
Past performance is not a reliable indicator of future results and can be misleading. The performance of a benchmark shall not be indicative of past or future performance of any Sub fund. Bellevue Medtech & Services Fund I EUR vs MSCI World Healthcare Net vs MSCI World Net.

Data in EUR, December 31, 2013 - December 31, 2023.

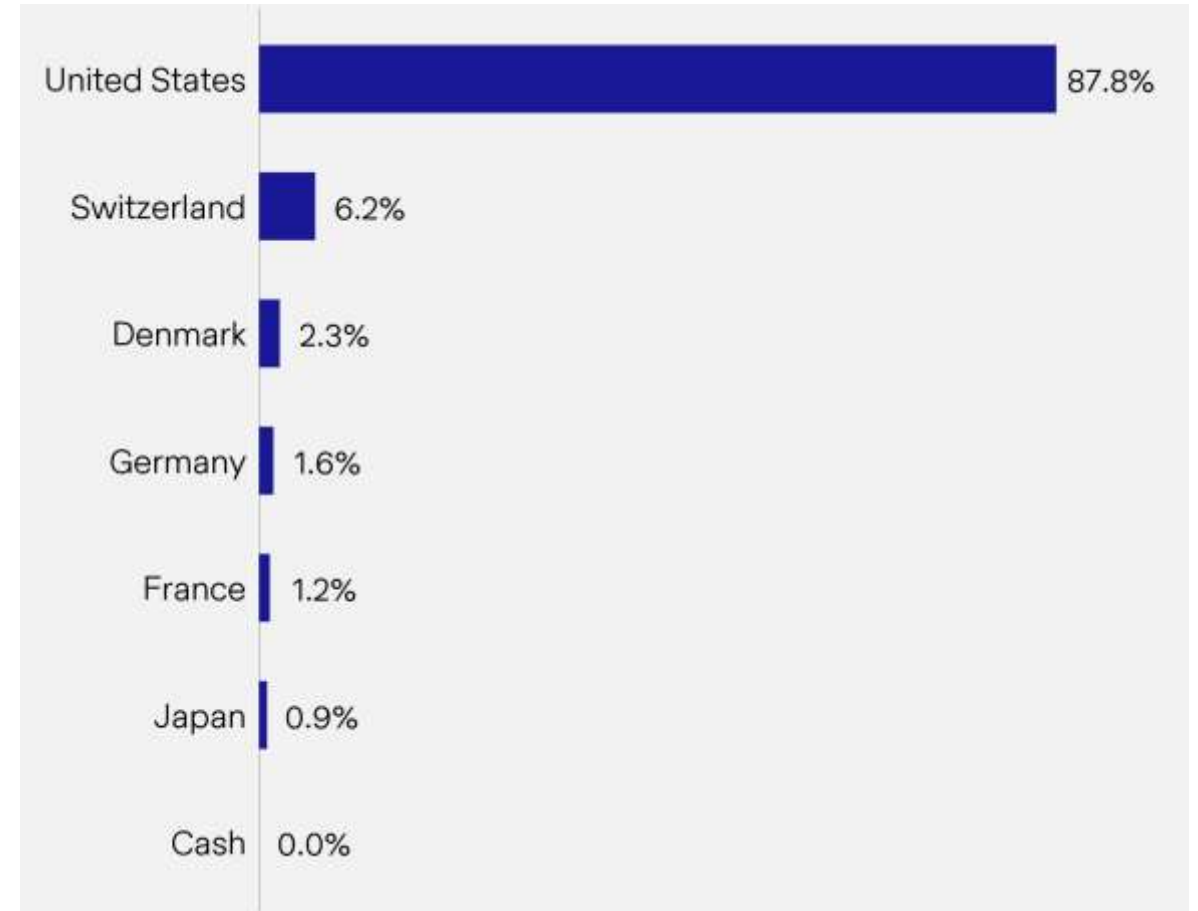
Source: Bellevue Asset Management, Bloomberg (Data)

Industry- and country allocation

Industry breakdown



Country allocation



For illustrative purposes only. Holdings and allocations are subject to change. For more information about the risks please refer to the relevant section of this presentation and the Fund documents.

Source: Bellevue Asset Management, data as of December 31, 2023

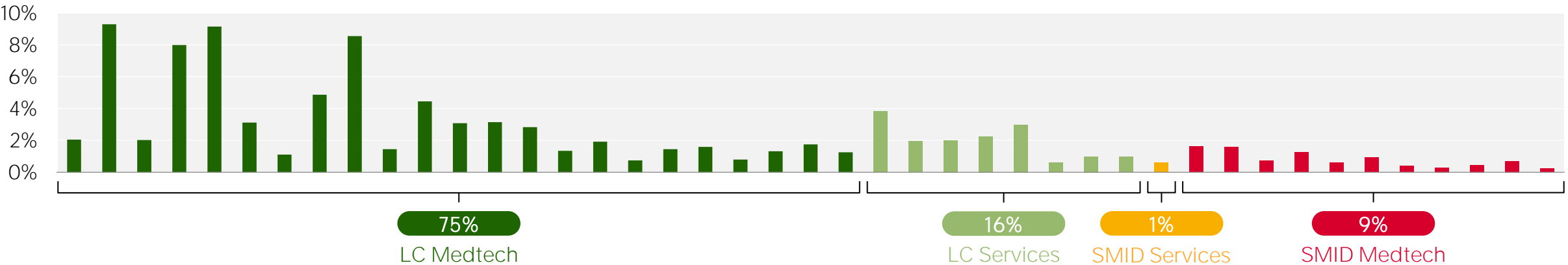
Maximum stability and attractive returns

Large cap core + long-tail structure with growth stocks

Portfolio characteristics



Portfolio weightings



LC (Large Cap, >= USD 10 billion), SMID (Small and Mid Cap, < USD 10 billion)
Market cap, sales growth, and gross margin are weighted averages
Source: Bellevue Asset Management, October 2023

Bellevue Healthcare Strategy – a basic investment tool

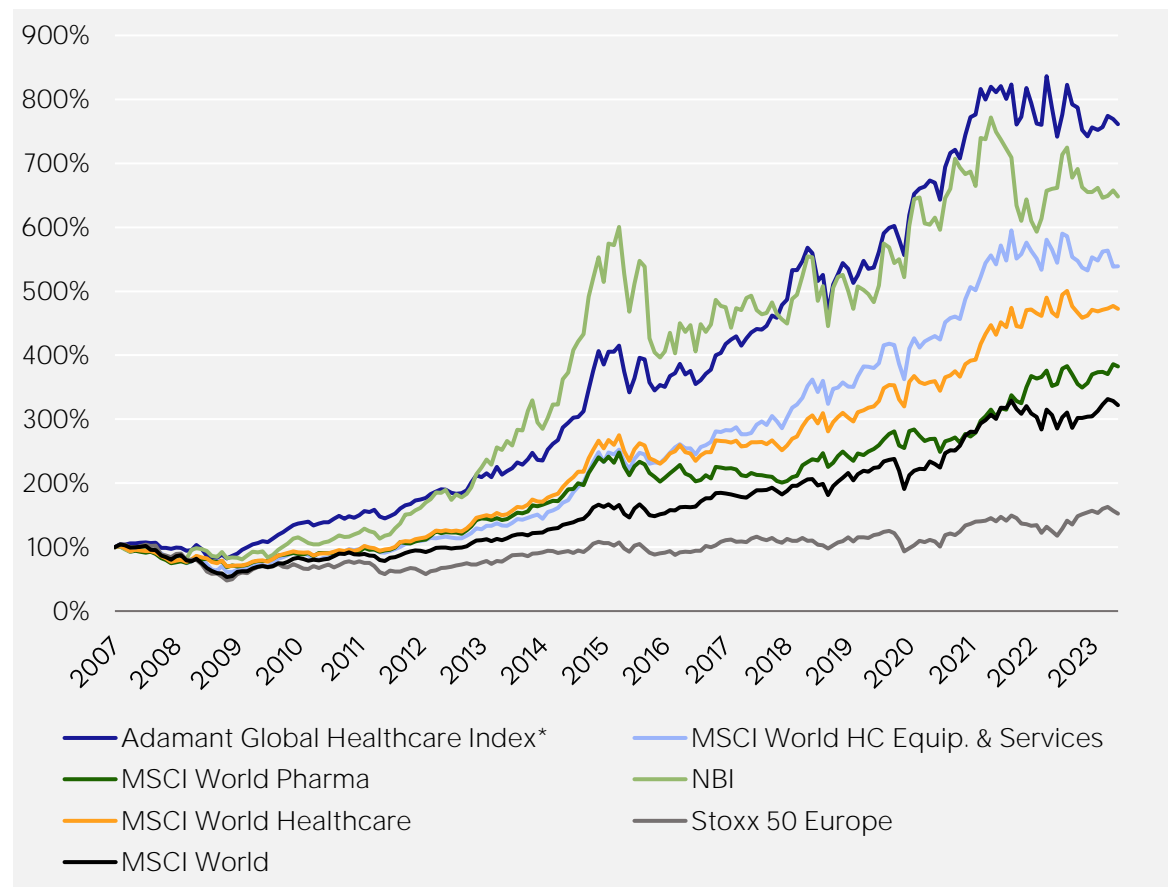


- Invests in the **best healthcare ideas**
- **Global** coverage of **every subsector**
- Sharp focus on fundamentally sound **mid caps**
- Bottom-up selection, good diversification across **40 stocks**
- Semi-active portfolio management: portfolio reevaluation and portfolio rebalancing **twice a year**
- Buoyed up by the need to modernize healthcare systems in emerging markets and innovation in industrialized nations

Performance and risk-/return profile over 16 years

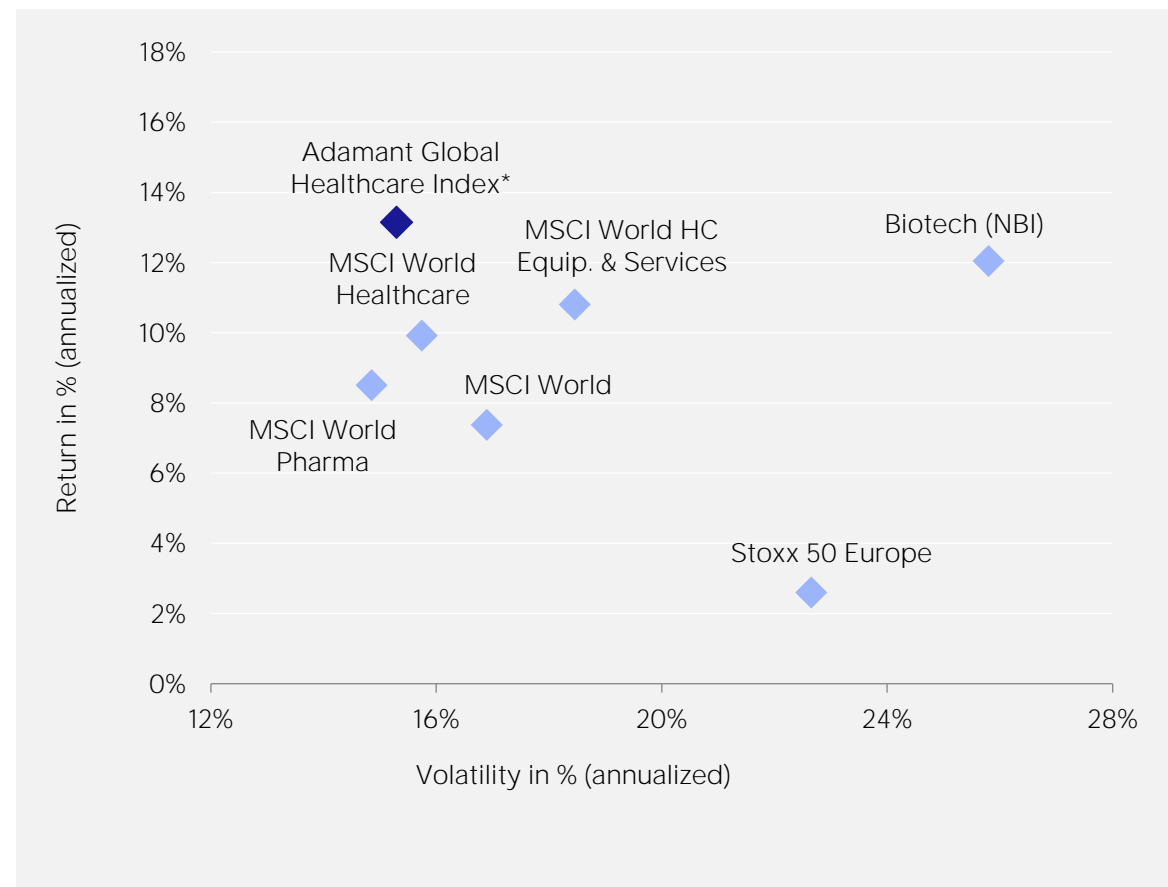
Performance indexed, in EUR (monthly data)

April 30, 2007 - September 30, 2023



Risk-/Return profile, in EUR (daily data)

April 30, 2007 - September 30, 2023



Past performance is not a reliable indicator of future results and can be misleading.

*The Adamant Global Healthcare Index is a proprietary index not available to the public.

Source: Bloomberg, Standard&Poors, Bellevue Asset Management, data as of September 30, 2023

Attractive valuation of the portfolio companies

Focus on profitable growth companies

	Index weight	PEG	Price/ Sales	EBITDA margin	Sales growth
USA	35%	1.7	5.1	23.0%	10.7%
Europa	25%	1.2	4.9	30.5%	10.6%
Emerging Markets	25%	1.0	8.3	32.9%	27.9%
Japan / Ozeanien	15%	1.8	6.0	29.1%	9.7%
Portfolio	100%	1.4	6.0	28.3%	14.8%

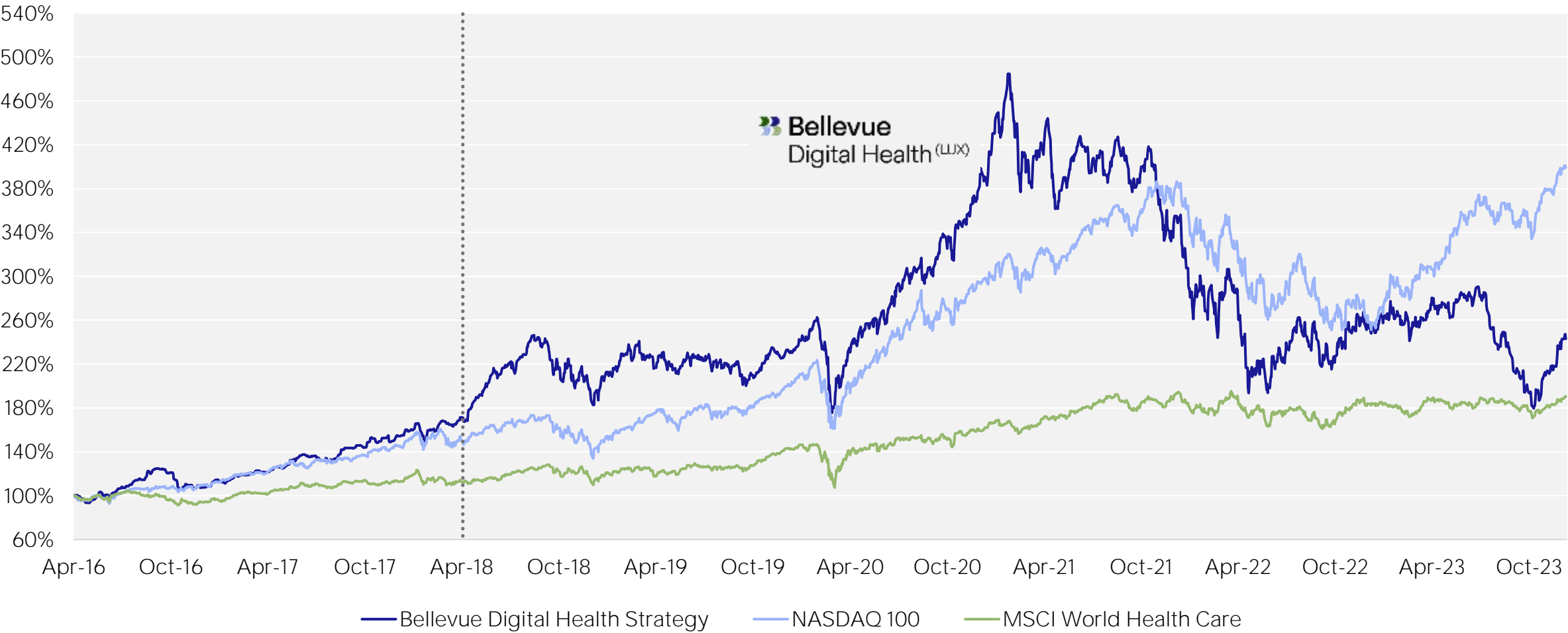
The above valuations do not constitute a reliable indicator of future performance of the sub-fund. There can be no assurance that the investment objective will be achieved or that there will be a return on capital.

*Adamant Global Healthcare Index is a proprietary index not available to the public

Source: Bellevue Asset Management, data as of October 19, 2023, median values, weighted by region

Performance since launch

Bellevue Digital Health strategy compared with the healthcare and technology sectors



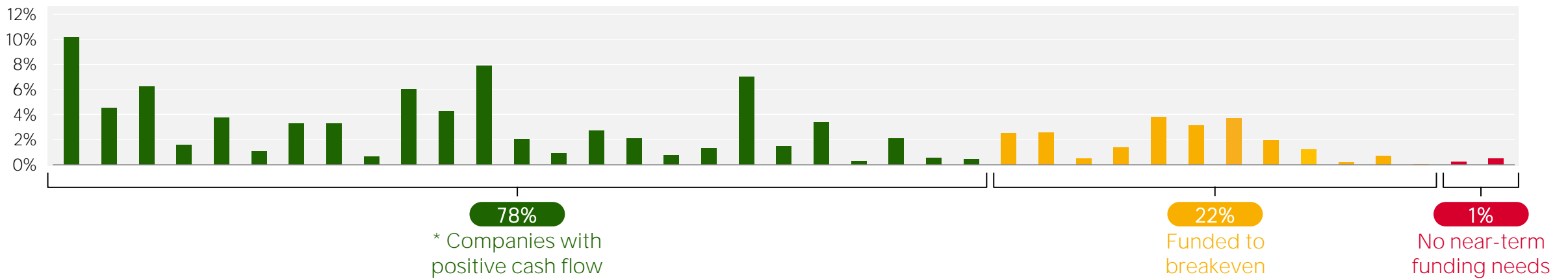
Past performance is not a reliable indicator of future results and can be misleading. The performance of a benchmark shall not be indicative of past or future performance of any sub-fund.
Bellevue Digital Health Strategy: BB HealthTech AMC price (April 21, 2016 - April 29, 2018) and Bellevue Digital Health (Lux) I-USD
from April 30, 2018 onwards, data as of December 31, 2023

Focus on fast-growing companies offering high prospective returns

Portfolio characteristics



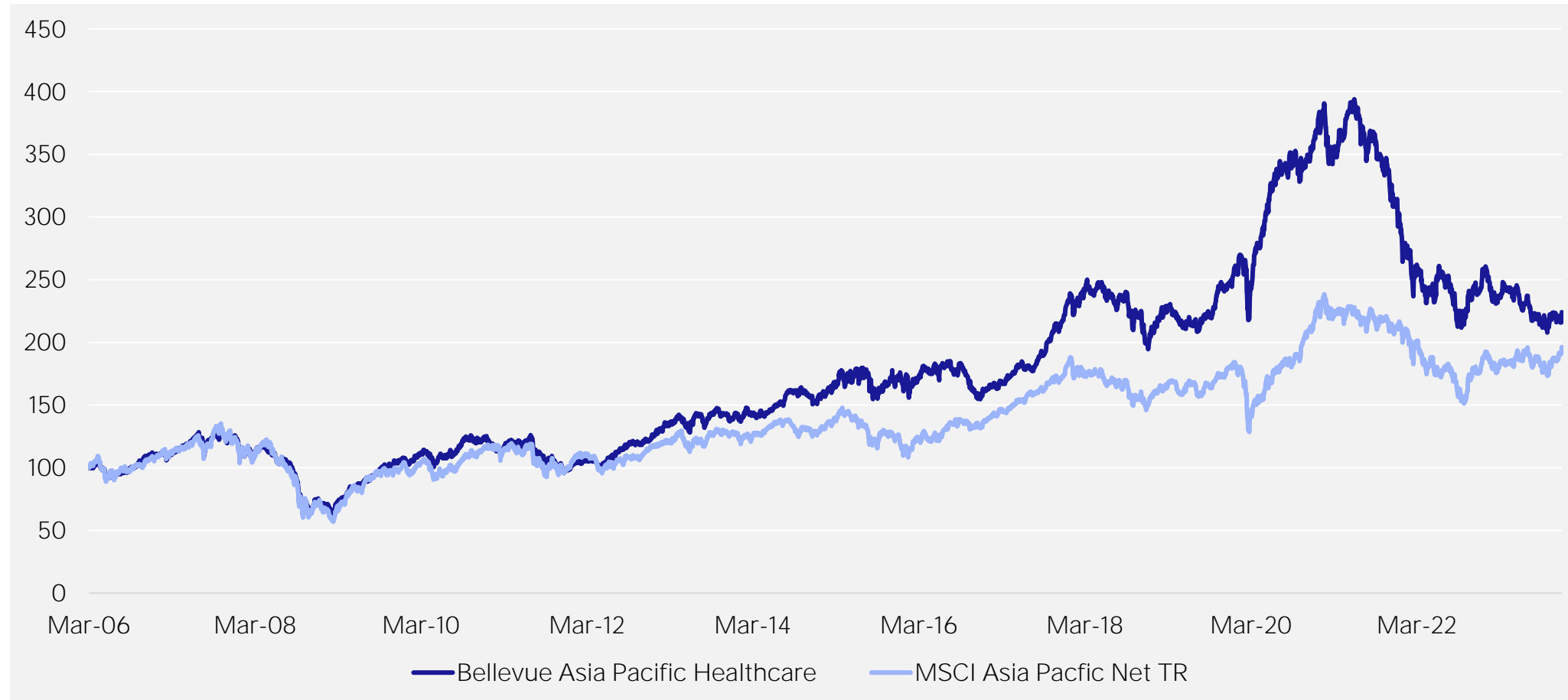
Portfolio weightings



Forecasts are not a reliable indicator of future performance. For illustrative purposes only. Holdings and allocations are subject to change. There can be no assurance that the investment objective will be achieved or that there will be a return on capital.
Source: Bellevue Asset Management, as of November 2023, Large cap market cap > USD 10 bn, * measured as positive adj. EBITDA

Healthcare performs better long-term – ideal building block for an investor in Asia

Bellevue Asia Pacific Healthcare strategy (Performance indexed in % USD)



Past performance is not a reliable indicator of future results and can be misleading. No benchmark/ index is directly comparable to the investment objectives, strategy or universe of a sub-fund. The performance of a benchmark shall not be indicative of past or future performance of any sub-fund.
Source: BAM, Bloomberg, data as of December 31, 2023

Bellevue Asia Pacific Healthcare Fund - Actual valuation

Attractive valuations and growth opportunities in the respective markets

	Weighting in %	PEG	Price/Sales	EBITDA-Margin in %	Sales Growth in %
Japan	35	2.1	5.3	29.3	6.9
China	28	0.5	9.5	14.9	38.2
India	12	1.8	7.0	23.7	13.5
Australia	8	1.8	11.2	34.3	21.7
Korea	10	2.1	14.2	30.0	21.2
Rest	2	2.5	4.1	25.0	6.8
Portfolio	95	1.6	7.7	23.8	18.2

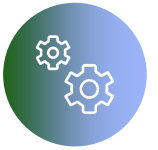
The above valuations do not constitute a reliable indicator of future performance of the sub-fund. There can be no assurance that the investment objective will be achieved or that there will be a return on capital.

Source: Bellevue Asset Management, data as of December 31, 2023



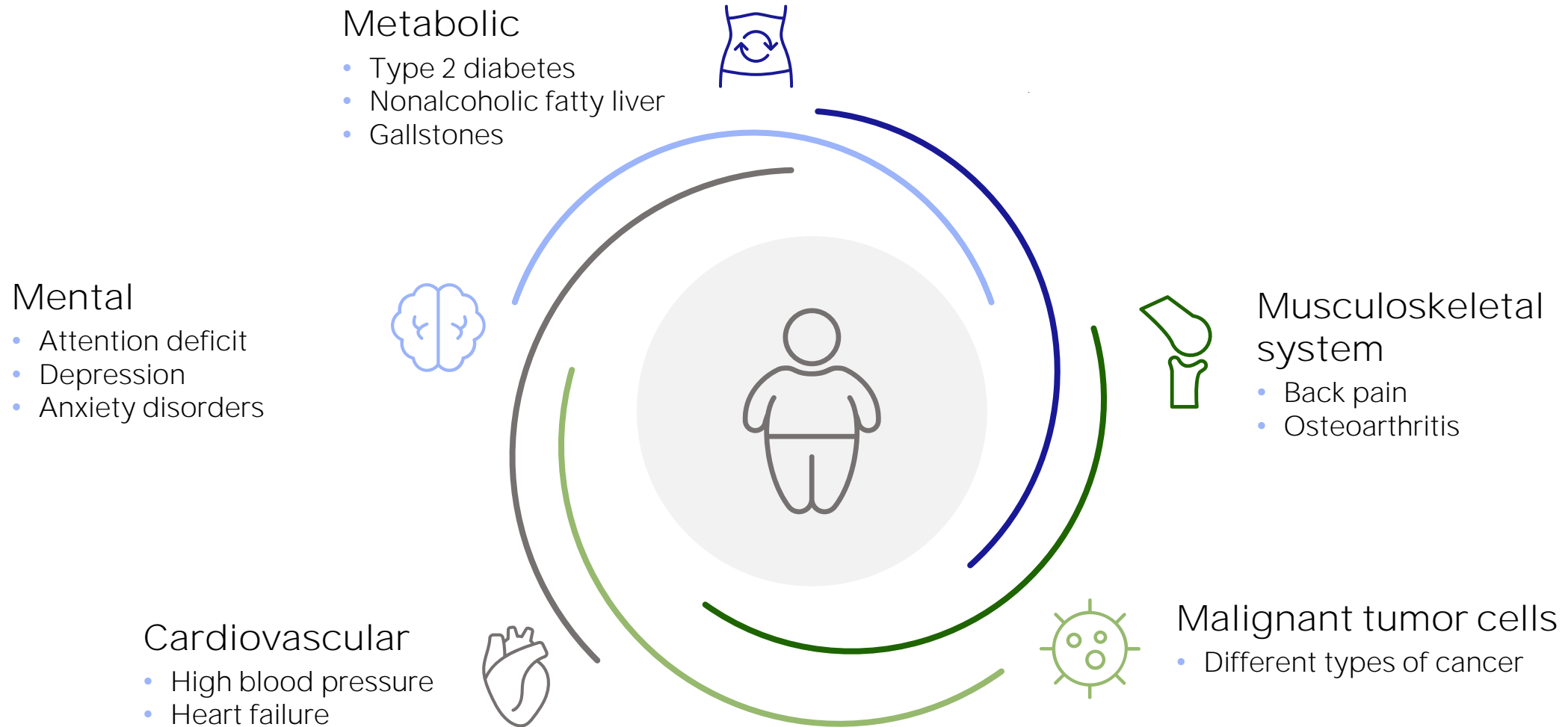
5

Two new ideas



The many faces of obesity with far-reaching consequences

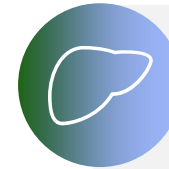
Obesity increases the risk of over 200 secondary diseases - “the new tobacco”



GLP-1 - Breakthrough by mimicking the functions of a natural hormone

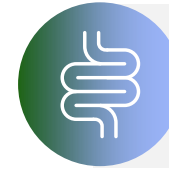
Glucagon-like peptide 1 (GLP-1)

- GLP-1 is a hormone produced in the intestines that helps control blood sugar levels
- Stimulates insulin secretion, inhibits glucagon secretion (lowering blood sugar levels)
- Delays gastric emptying of food intake into the intestines and inhibits gastric acid secretion
- Induces satiation signals



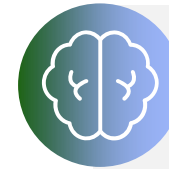
Liver

Glucagon secretion suppressed



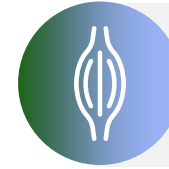
Intestine

Gastric emptying slowed



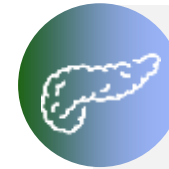
Brain

Appetite suppressed



Muscles

Increased muscle glucose uptake



Pancreas

Stimulated insulin secretion
Inhibits glucagon secretion



Investment universe with above-average growth rates

Holistic therapy requires a holistic investment approach along the entire value chain



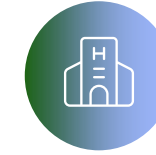
Nutrition and physical activity

- Food manufacturers
- Operators of health and fitness clubs, developers of sports equipment



Diagnostics and treatment

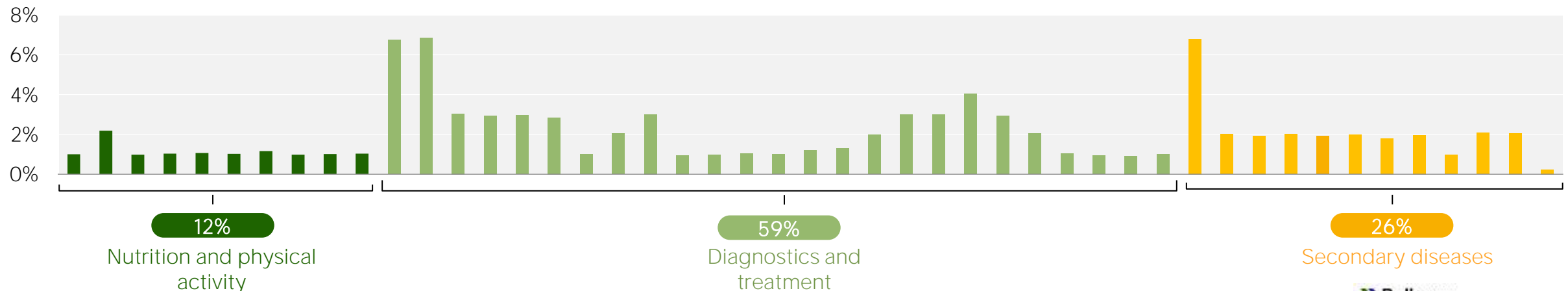
- Biopharma and medical technology companies
- Manufacturers of pharmaceutical active ingredients (CDMOs)



Accompanying diseases

- Biopharma and medtech companies active in diagnostics and treatment of associated comorbidities
- Behavioral medicine, diabetes management and rehabilitation

Portfolio weight



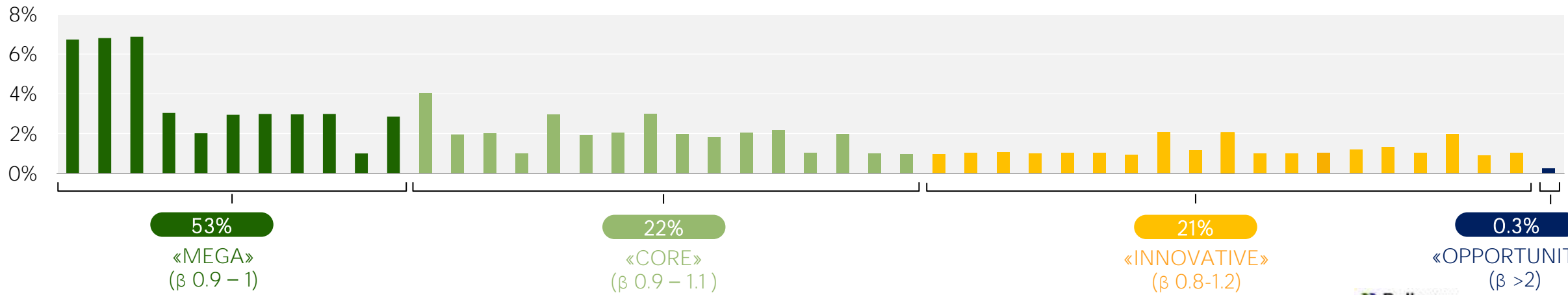
Portfolio characteristics: defensively positioned with sustainable growth

Concentrated portfolio, good diversification within the individual "buckets"

Portfoliocharakteristika (Portfolio (47) vs. MSCI World Healthcare (137))



Portfoliogewicht



* Mega \$>100bn; Core \$ 20-100bn, Innovate \$ 2-20bn, Opportunity \$ <2bn
Source Bloomberg, 4.December 2023, * Sales growth based on FY24, sales USD >150mn, Beta vs MSCI Healthcare



Smart Fit

The world's fourth largest gym chain

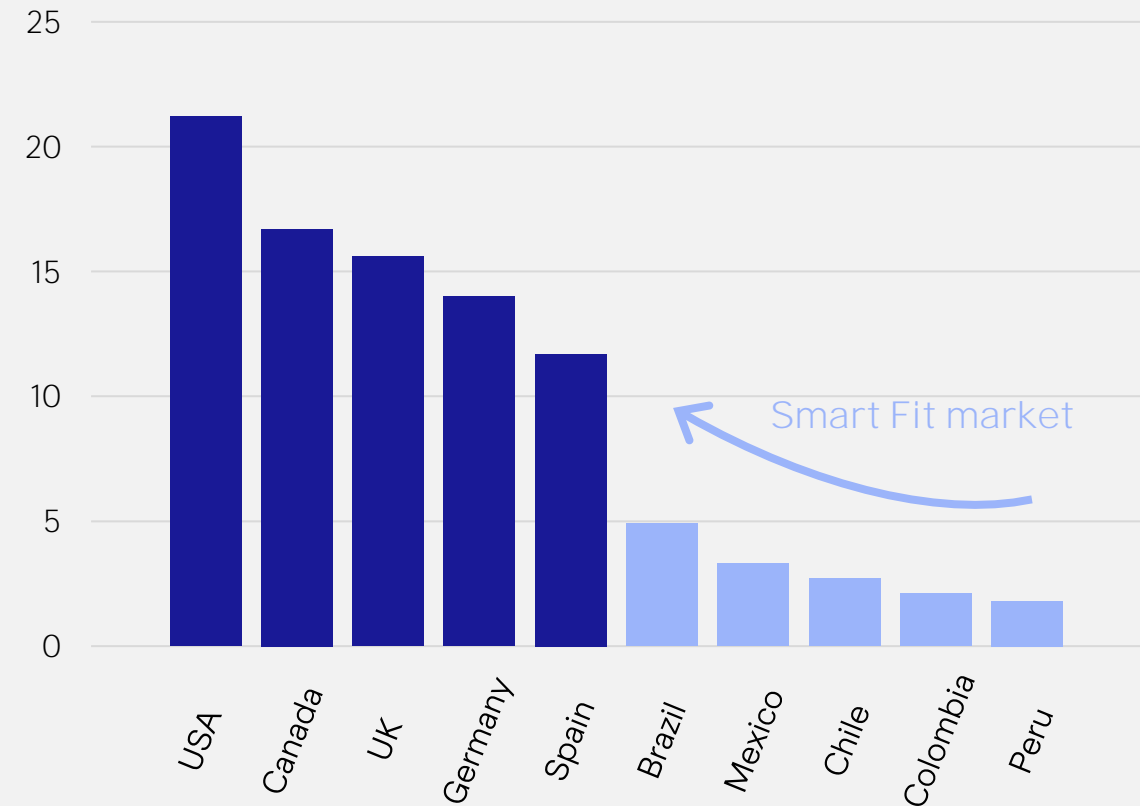
The winner takes it all – market leader in Latin America

- Active in 14 countries
- High quality-low price model
- 4.2 mn active members
- Average annual revenue growth is 37%
- Leader in the digital fitness segment in Latin America

Low market penetration: Sustained high membership growth potential

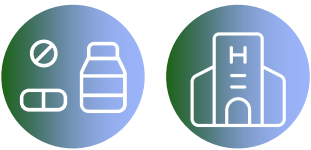
- Market penetration in Latin America is in the low single-digits (members as % of population)
- Developed markets have much higher penetration rates: USA, 21%
- Lots of room for further growth in Latin America

Smart Fit members as % of total population 



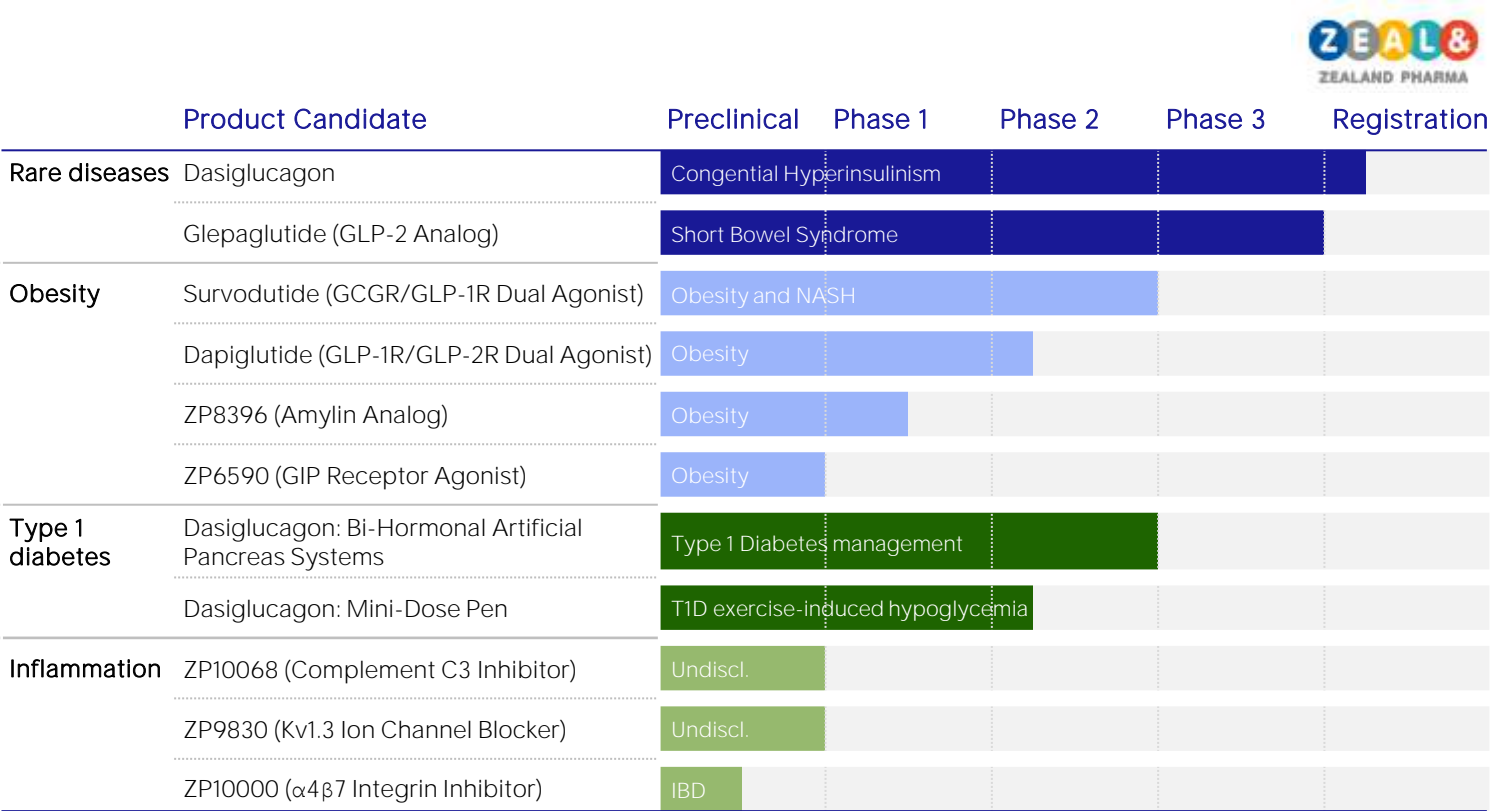
Zealand Pharma

Developing a rich pipeline of next-generation peptide therapeutics



Obesity as a central indication

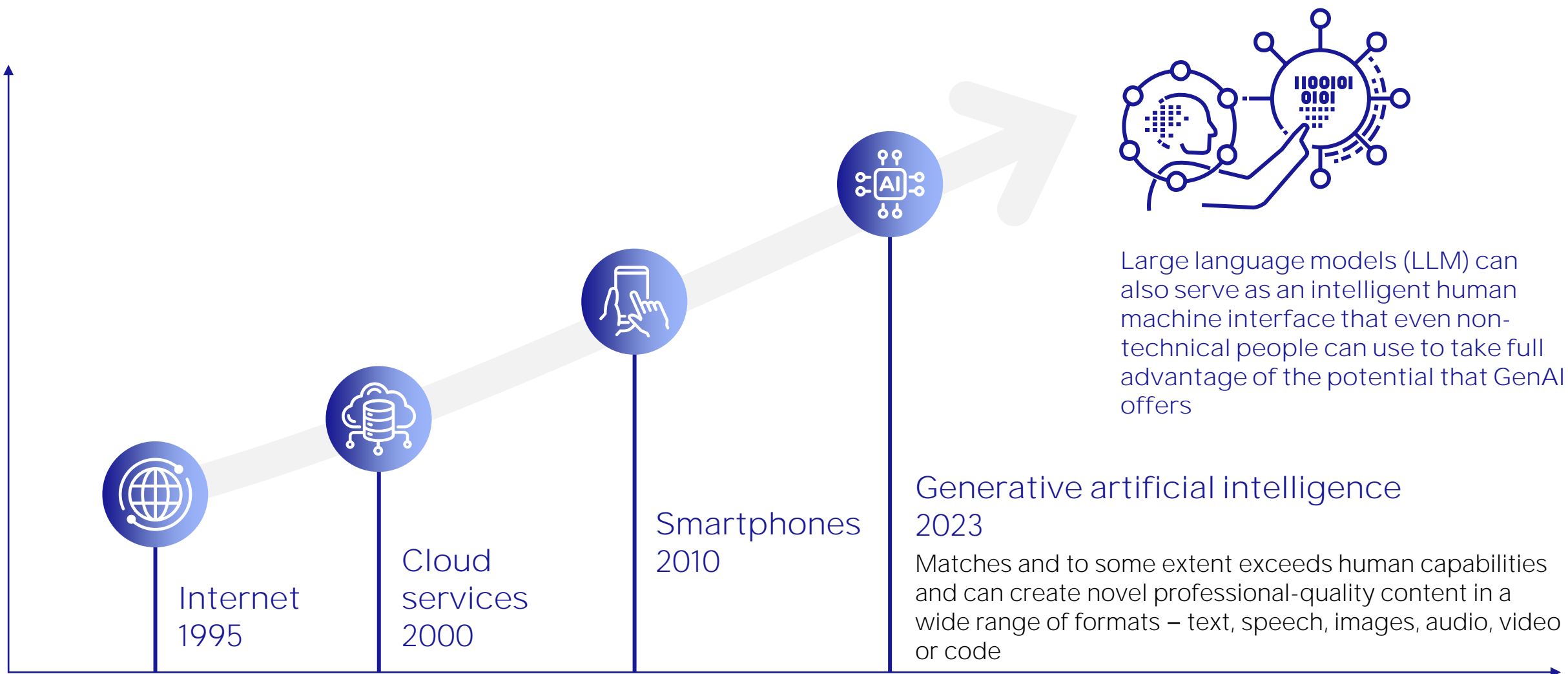
- Pursues novel GLP-1 combinations and monotherapies
- Expected to be the third on the market after Eli Lilly and Novo Nordisk
- Improved tolerability during weight loss and maintenance
- Validated peptide platform



For illustrative purposes only. Portfolio positions and allocations are subject to change without notice. Any reference to a specific company or security does not constitute a recommendation to buy, sell, hold or directly invest in the company or security.
Note: GCGR = Glucagon receptor, GIP = glucose-dependent insulinotropic polypeptide, NASH = non-alcoholic steatohepatitis
Source: Zealand Pharma; Bellevue Asset Management

On the cusp of a new technological revolution

The release of ChatGPT in late November 2022 made generative AI (GenAI) available to the general public



GenAI is a major success factor for companies and investors

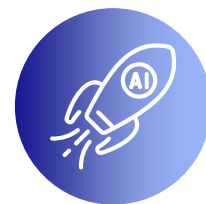
Accelerating the pace of digital transformation in the world of healthcare



Healthcare companies
stand to benefit the most
from GenAI



Huge
improvement
potential



Long-term competitive
advantage



GenAI an integral part of
the investment process

Mountains of unstructured
data

High demand for data-based
creative problem-solving tools

A regulated market

Faster drug discovery &
development

New and better treatment
methods

Significantly lower
administrative costs across
the healthcare system

GenAI-optimized business
processes increase
productivity and quality

GenAI speeds up R&D process
for competitive, distinctive
drugs, devices and services

GenAI instrumental for
shareholder value creation

«Bellevue AI Affinity Score» –
a proprietary AI screening tool

GenAI solutions will be quickly adopted across the healthcare system

Personal use of GenAI is accelerating the acceptance of AI technology in healthcare



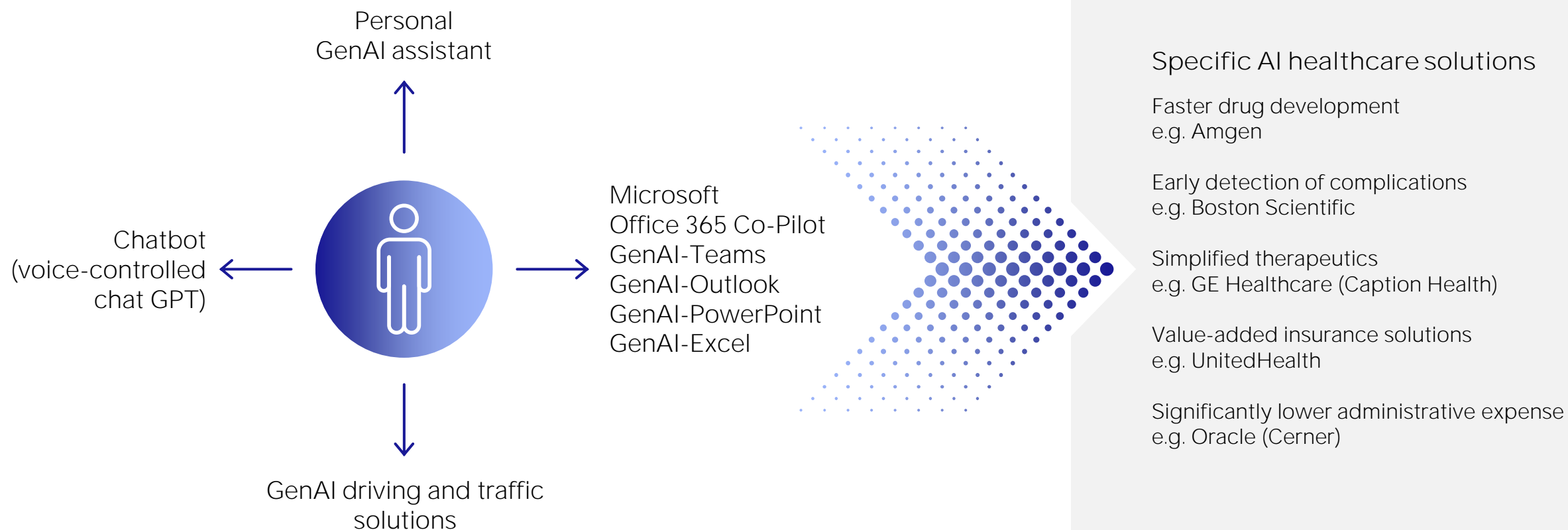
Personal use



Company-wide



Healthcare system



Amgen has become twice as fast and doubled its hit rate with “GenBiology”

Instead of looking for the proverbial "needle in a haystack", GenAI can be used to train computer models to “make a needle from scratch” that works the way researchers want it to



The challenge

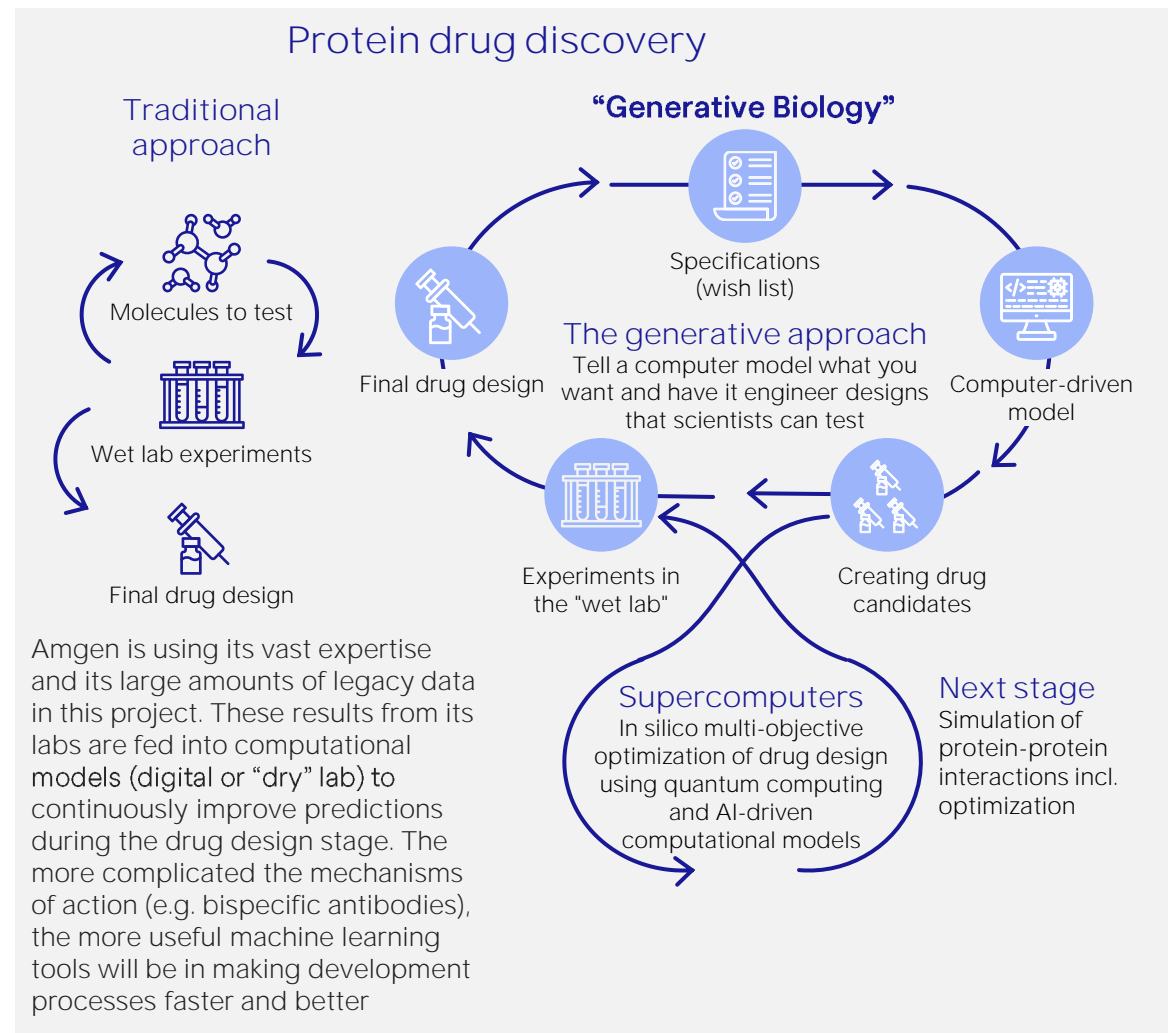
- Amgen, one of the world's largest biotech companies, invests over 4.5 billion dollars annually in new drug discovery and development
- Drug development is an expensive, long and very risky process
- Shorter development timelines and/or lower development risks give Amgen a significant competitive advantage



The advantages

Amgen R&D Head David Reese says generative biology has already cut antibody discovery timelines in half and doubled the success rate

- Amgen is the leader in generative biology. It first partnered with Google on generative AI back in 2018.
- Amgen uses generative AI to improve protein structure generation and prediction in lead discovery and NME development processes and to optimize clinical trial design, management and outcomes
- Amgen is already working on a generative AI platform that will use a proprietary supercomputer to simulate molecular dynamics in atomic detail



Early detection of heart failure with Boston Scientific's HeartLogic solution



The challenge

- Signs of worsening heart failure are often detected too late, with potentially fatal consequences for the patient
- If worsening heart failure could be detected earlier, action could be taken and the worst-case scenario prevented
- Better clinical outcomes at significantly lower cost



The benefits

Boston Scientific's HeartLogic is a multisensor algorithm that measures five physiological parameters (heart sounds, thoracic impedance, respiration rate, heart rate, and activity levels) and AI/ML-based software processes the data, delivering the following benefits:

- 34 days advance notice of worsening heart failure (median)
- Worsening heart failure events effectively detected in 70% of cases
- Fewer than 2 false-positive alarms per patient per year, i.e. no excessive stress or uncertainty due to false alarms
- Patient lives can be saved and the additional costs arising from acute heart failure episodes can be prevented



Heart sounds

Reveals signs of elevated filling pressure and weakened ventricular contraction



Thoracic impedance

Measures fluid accumulation such as pulmonary edema



Respiration

Monitors rapid shallow breathing pattern associated with shortness of breath



Heart rate

Indicates cardiac status and arrhythmias



Activity

Shows activity levels and reflects the patient's overall status and fatigue



70% sensitivity*
in detecting heart failure events



Median of 34 days*
Advance notice of worsening heart failure



<2 total alerts*
per patient per year

GE Healthcare makes ultrasound examinations easier to perform

GE HealthCare is the leading manufacturer of ultrasound systems



The challenge

- Ultrasound is a safe and highly effective diagnostic tool
- It takes years of specialized training to master the technique, but image quality remains notoriously inconsistent
- As a result, the benefits of ultrasound are not fully recognized and utilized



The benefits

Generative AI enables real-time image recognition to locate the position of the ultrasound handset and to guide it to precisely the right place. AI-guided ultrasound systems:

- enhance the accuracy and reliability of ultrasound images
- enable a broader group of healthcare professionals to conduct ultrasound scans
- expand the use of ultrasound technology beyond the hospital to point-of-care settings or even to the home.
- Better early detection at lower cost
- The AI platform can be used in other areas too



Any healthcare provider can capture diagnostic-quality ultrasound images with GE's AI-enhanced systems, because the system walks them through each step of the scan and image acquisition process in real time. The software also automatically evaluates image quality and calculates ejection fraction, an important measure of cardiac health in cardiac diagnostics.

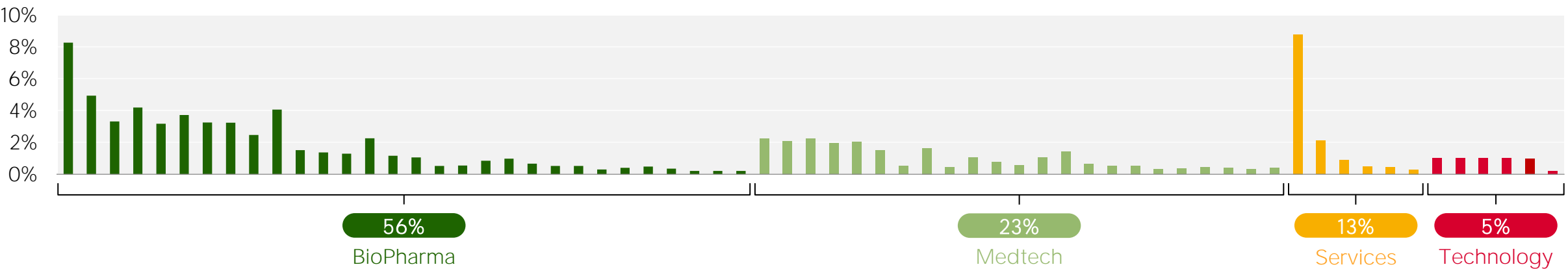
Future-ready healthcare investment solution

Focus on liquid mega and large caps, rounded out with selected mid caps

Portfolio characteristics



Portfolio weightings



Large cap (>= USD 10 bn), CAGR (compound annual growth rate), EBITDA (earnings before interest, taxes, depreciation and amortization), EPS (earnings per share)
Sales growth, EBITDA margin and EPS are weighted averages. EBITDA and EPS are adjusted. Technology includes Healthcare Technology and Information Technology
Source: Bellevue Asset Management, December 2023

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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 Obesity Solutions is a subfund of Bellevue Funds (Lux).

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

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.

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For potential investors in Singapore
Investment returns may increase or decrease due to exchange rate fluctuations.

The offer or invitation of the shares of the fund(s), which is the subject of this document, does not relate to a collective investment scheme which is authorised under section 286 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”) or recognised under section 287 of the SFA. The fund(s) is not authorised or recognised by the Monetary Authority of Singapore (the “MAS”) and its shares are not allowed to be offered to the retail public. This document and any other document or material issued in connection with the offer or sale is not a prospectus as defined in the SFA. Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. You should consider carefully whether the investment is suitable for you.

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Where shares are subscribed or purchased under Section 305 by a relevant person which is:

- a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities (as defined in Section 239(1) of the SFA) of that corporation or the **beneficiaries**’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the shares pursuant to an offer made under Section 305 except: to an institutional investor or to a relevant person defined in Section 305(5) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 305A(3) (i) (B) of the SFA; where no consideration is or will be given for the transfer; where the transfer is by operation of law; as specified in Section 305A(5) of the SFA; or as specified in Regulation 36 of the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2005 of Singapore.