

Business report

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Shareholder letter

As a specialized asset manager, Bellevue took advantage of the broadly positive market environment and achieved another significant increase in its net profit. This very good bottom-line result is further proof of Bellevue's ability to create lasting value for its clients and shareholders.



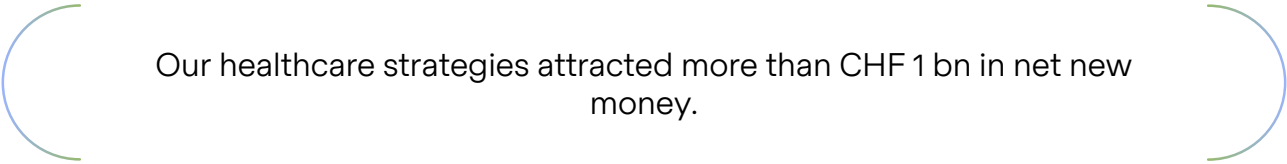
André Rüegg, Chief Executive Officer, and Veit de Maddalena, Chairman of the Board of Directors

Dear Shareholders,

Despite the ongoing pandemic, global economic activity remained buoyant in 2021, albeit with some regional differences. Stock markets were largely resilient as well and ended the year near record-high levels. Equities were the top-performing asset class for lack of a better alternative, making 2021 a positive investment year. Markets were supported by the sustained expansionary central bank policies, although the signs of a policy reversal did become more visible and that has already had an impact on market developments. Combined with worries about rising inflation, new virus variants and supply chain constraints around the world, this led to an increase in market volatility during the second half of the year and triggered a rotation from growth to value stocks. Meanwhile the global small and mid cap healthcare segment – a primary investment focus of Bellevue – experienced a sharp correction in the fourth quarter, slowing Bellevue's excellent momentum from the preceding months.

Net new money inflows of CHF 1 bn at healthcare strategies – growth of assets under management impacted by second-half market developments to 6.3%.

A recognized investment specialist with core competencies in healthcare, alternative and niche strategies, Bellevue profited from persisting strong demand for healthcare investments in 2021. After a stellar first half with net new money inflows and investment returns clearly exceeding multi-year averages, some of our healthcare strategies experienced sharp drops in momentum and demand in the wake of general market developments. Nevertheless, our healthcare strategies attracted more than CHF 1 bn in new client money. The private equity strategies attracted nearly CHF 90 mn in net new money, while regional and multi-asset strategies showed outflows of about CHF 370 mn. Thanks to the resulting net new money inflow of CHF 722 mn (excl. the wind-down of StarCapital products) and a solid investment performance, overall assets under management increased by 6.3% yoy to CHF 12.8 bn.



Our healthcare strategies attracted more than CHF 1 bn in net new money.

In the healthcare space, Bellevue is focused on small and mid-sized companies that offer stronger growth momentum and high levels of innovation. This has led to attractive investment opportunities that were clearly favored during the past two years until the final quarter of 2021 when a steep correction occurred. Bellevue Medtech & Services, Bellevue Digital Health and BB Healthcare Trust attracted strong demand from investors.

The relatively young private equity business was further expanded during the year under review. The launch of the BB Entrepreneur Private Fund met with strong investor interest, raising CHF 55 mn from family offices and institutional investors that will be used to finance the growth of unlisted small and mid-sized Swiss companies.

In the Group's third investment category of «selected niche strategies», the Bellevue Entrepreneur Europe Small and the Bellevue Entrepreneur Swiss Small & Mid funds welcomed new investors. Conversely, regional and multi-asset strategies showed renewed outflows. In addition, the systematic and now completed realignment of StarCapital's product range led to an outflow of CHF 655 mn, most of which was from low-margin investment strategies that lacked clear differentiation.

67% of all assets under management beat their benchmark

Thanks to the solid performance of our investment solutions, we again generated value for the client last year. More than two-thirds of all assets under management beat the benchmark performance during the period under review. An even greater three-quarters of our strategies have outperformed their benchmarks since inception. The Bellevue Medtech & Services (CH) and (Lux) funds delivered above-average absolute returns of 22.6% and 16.8% (in USD) respectively. Both beat their respective benchmarks by almost 2%. The Entrepreneur strategies also took advantage of the market situation and delivered double-digit returns. The Bellevue Entrepreneur Switzerland and Bellevue Entrepreneur Swiss Small & Mid funds ended the year with a performance of 26.7% and 25.2%, beating their benchmarks by 3.3% and 3% (in CHF) respectively.

Product highlights 2021

Stock markets showed little regard for the pandemic at times in 2021 and new record highs were set. Growing inflationary pressure, new virus variants and supply chain constraints around the world eventually led to greater volatility in financial markets. Despite these shifting market dynamics, Bellevue achieved attractive returns for its investors and pleasing results overall.



Consolidated net profit nearly doubles – sustained value for shareholders

We continued to improve our operating performance in 2021 thanks to the significant growth in assets under management from the first half. Fueled by the 27% increase in average assets under management, total operating income rose by approximately 28% to CHF 140.6 mn. Almost all of these revenues are asset-based and recurring (98%), and thus a promising platform for the Group's future growth.

Operating expenses rose by approximately 26% to CHF 80.4 mn. Our entrepreneurial, profit-sharing compensation model for our nearly 100 employees led to a 27% increase in personnel expenses. We achieved another pleasing improvement in the cost/income ratio to 57.2% in this record-breaking year. Due to the realignment of StarCapital's products, an impairment loss of CHF 2.9 mn was recognized. Resulting in a consolidated net profit of CHF 43.1 mn – almost twice the figure reported for the previous fiscal year.

Dividend 2022 (proposed)

CHF 2.70

In view of the Group's strong financials and very positive business development, we are maintaining our shareholder-friendly dividend policy, which is primarily based on consolidated net profit and designed to let shareholders also benefit from Bellevue's business success. The Board of Directors will propose a dividend of CHF 2.70 per share at the Annual General Meeting on March 22, 2022, an increase of 80% from the previous year. The proposed dividend yields 6.6%.

Bellevue's return on equity based on reported net profit and average outstanding equity capital after distribution of the proposed dividend is 38.6%.

Sustainability a central element of our culture – climate-neutral company

Our core values – independent, entrepreneurial and committed – are the cornerstones of our sustainable business practices and a precondition for generating lasting value for our clients and shareholders. We are committed to the UN Principles for Responsible Investment (UN PRI) and continuously adapt our ESG investment guidelines to meet the latest requirements. Our first ESG report based on the UN PRI reporting framework will be published in the summer. Last year we launched our second dedicated ESG strategy, the Bellevue Sustainable Entrepreneur Europe Fund, complementing the Bellevue Sustainable Healthcare Fund launched in 2018.

At the corporate level, we measured our carbon footprint for the first time in 2021. Bellevue offset its carbon emissions by supporting top-quality climate projects in Switzerland and was therefore certified as a climate-neutral organization last year. We aim to reduce our carbon emissions per employee by 30% by 2030.

Optimization of market position in Germany

After the realignment of StarCapital's products, Bellevue is simplifying the organizational structure in Germany and will integrate all of its operations in the country into one organization, Bellevue Asset Management Deutschland. This will entail a relocation to a new office in Frankfurt am Main. Only the Bellevue brand will be used in Bellevue's most important foreign market going forward, enabling the company to take full advantage of its investment expertise and accelerate its business development in Germany. This integration project is expected to be completed by mid-year.

Profitable growth through product innovation and investments in expertise and new markets

Our business results for 2021 demonstrate quite impressively that Bellevue's income and earnings have reached a new level. Driven by our recognized core competencies and our distinctive product portfolio, we intend to accelerate the development of our company. As a House of Investment Ideas, we will steadfastly pursue our claim of "Excellence in Specialty Investments" with innovative concepts that offer current and future clients exclusive access to attractive investment opportunities. Our product pipeline for the current year is already well-filled. At the same time, we continue to invest in the expansion of our international distribution channels and markets and strengthen our investment and sales teams by hiring promising talents, most recently in the Asia-Pacific region. We have bolstered our presence in this growth region. We have also made initial inroads into selected Latin American markets such as Chile and Peru.

Distribution highlights 2021

Bellevue has a strong and steadily growing client base in its domestic Swiss market and its core European markets of Germany and the UK. Its strategic secondary target markets of Austria, Spain, the Benelux and Italy, the most recently established secondary market, are showing dynamic growth. Recently, the market presence in Asia was strengthened.



We look to the future with confidence knowing that our Group is well-positioned as a focused asset manager. However, we are also aware that our business model thrives best when markets are constructive and that there could be some speed bumps going forward, especially in view of the likely phase-out of expansionary monetary policies and today's geopolitical tensions.

Our optimism is underpinned by our employees' unwavering commitment as they strive to create value for clients and shareholders alike. They give the Bellevue brand its unique profile. On behalf of the Board of Directors and the Group Executive Board, we thank them for their hard work and dedication. We also thank our clients and shareholders, whose trust and loyalty are vital to our success.



Veit de Maddalena
Chairman of the Board of Directors



André Rüegg
Chief Executive Officer

Financial highlights

Bellevue Group performed well as pure play asset manager in an exceptional market environment in 2021. André Rüegg, CEO, and Michael Hutter, CFO, comment on the 2021 annual results in the video below. Furthermore, you will find the financial highlights as well as the detailed presentation.

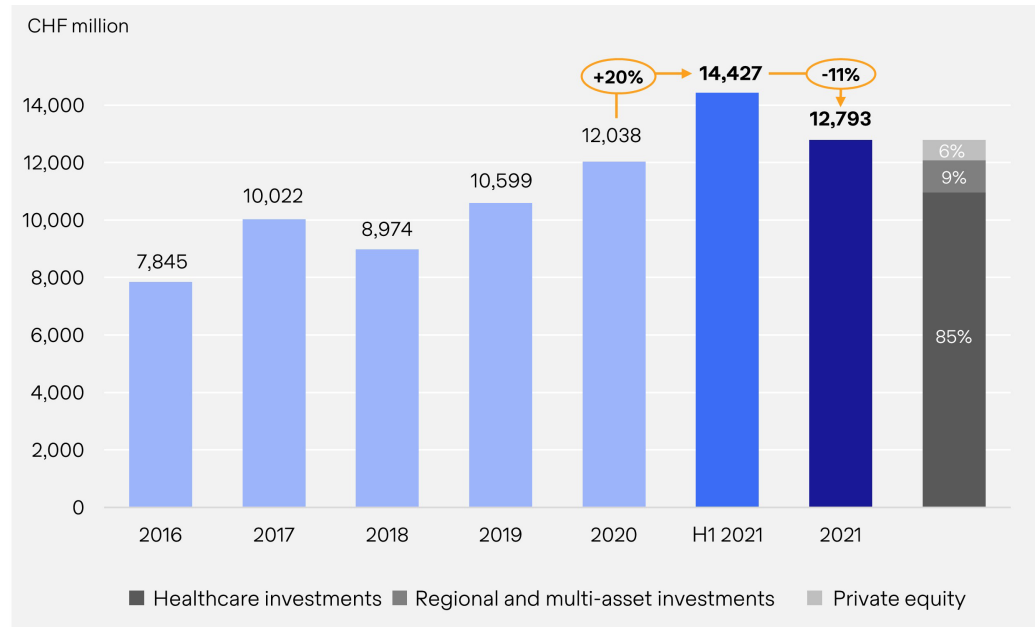


Investor presentation



Continued growth in client assets – dented by market correction in H2 2021

Change in AuM 2016 – 2021



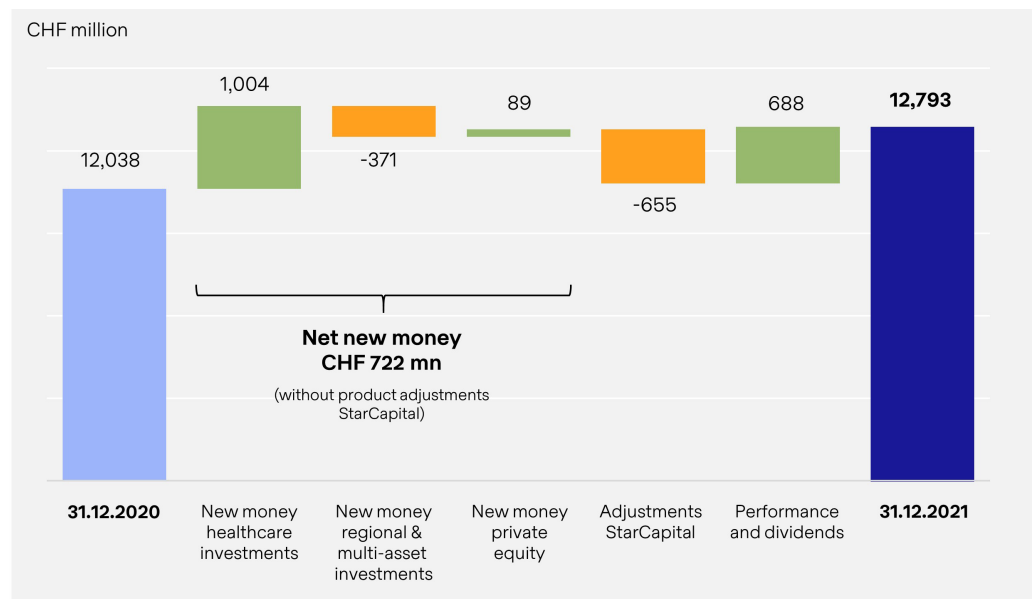
Source: Bellevue Group, as at December 31, 2021

Change in AuM 2016 – 2021

- An only slight year-on-year increase in AUM of about CHF 750 mn or 6.3% to CHF 12.8 bn
- After surging in H1, growth slowed in H2 2021 due to the overall market situation
- Long-term growth ambitions backed by tried and tested investment skills and product range
- Realignment of StarCapital's product portfolio concluded
- Alternative investment strategies (esp. direct equity investments) and production innovation our focus in 2022

Growth in 2021 by product group

Development of AuM in 2021



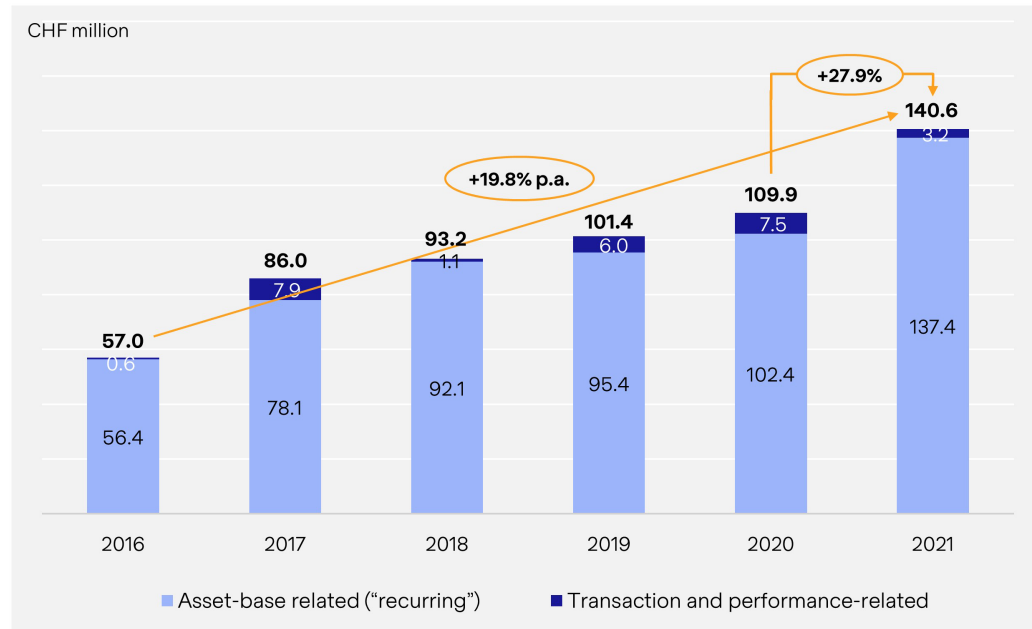
Source: Bellevue Group, as at December 31, 2021

Continued solid new money inflows in core business with attractive margins

- Net new money of CHF 722 mn (excl. SCAG product adjustments), mostly in H1 2021
- Promising developments in private market investments with further growth potential
- Discontinuation of undifferentiated investment strategies with low margins concluded with integration of StarCapital
- Overall well-balanced asset base, renewed margin improvement

Further improvement in operating income, continued momentum

Breakdown of operating income, 2016 – 2021



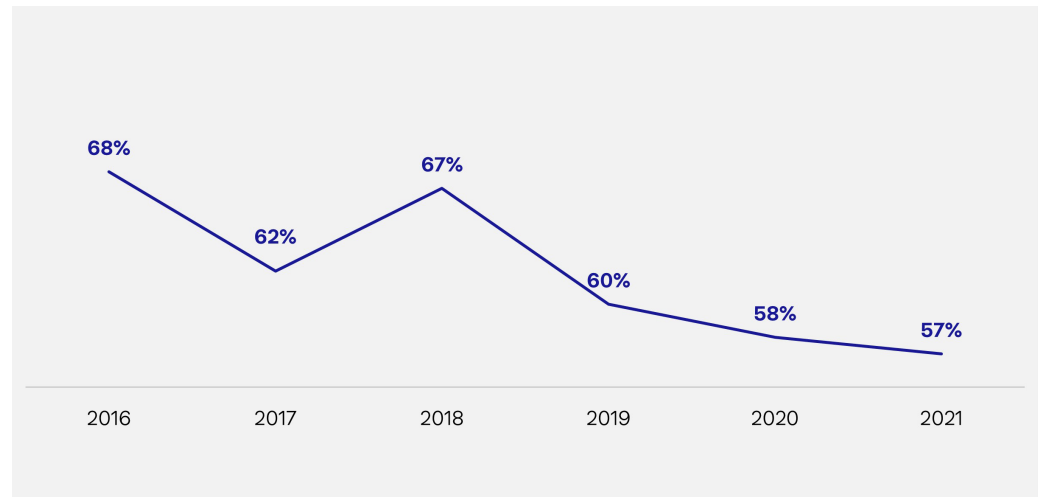
Source: Bellevue Group, as at December 31, 2021

Operating income increases almost 28% to CHF 140 mn

- Above-average growth in asset-based income (+34%) thanks to high AuM growth in H1 2021
- Sustained earnings growth (almost 98% of earnings are recurring) reflected continuous increase in the AuM base with high quality
- Income from transaction and performance fees was a low CHF 3.2 mn, which leaves scope for future growth

Improvement of the cost-income ratio to 57%

Cost-income ratio (CIR)
(based on operating profit)



Source: Bellevue Group, as at December 31, 2021

- Further improvement of the cost-income ratio to 57% due to significant improvement in profitability and proportionally slower cost growth
- CIR based on operating profit confirms the positive long-term decline
- Steady efficiency gains possible thanks to scalable business model

Steady value creation for shareholders over the long term

Comparison of key figures 2016 – 2021

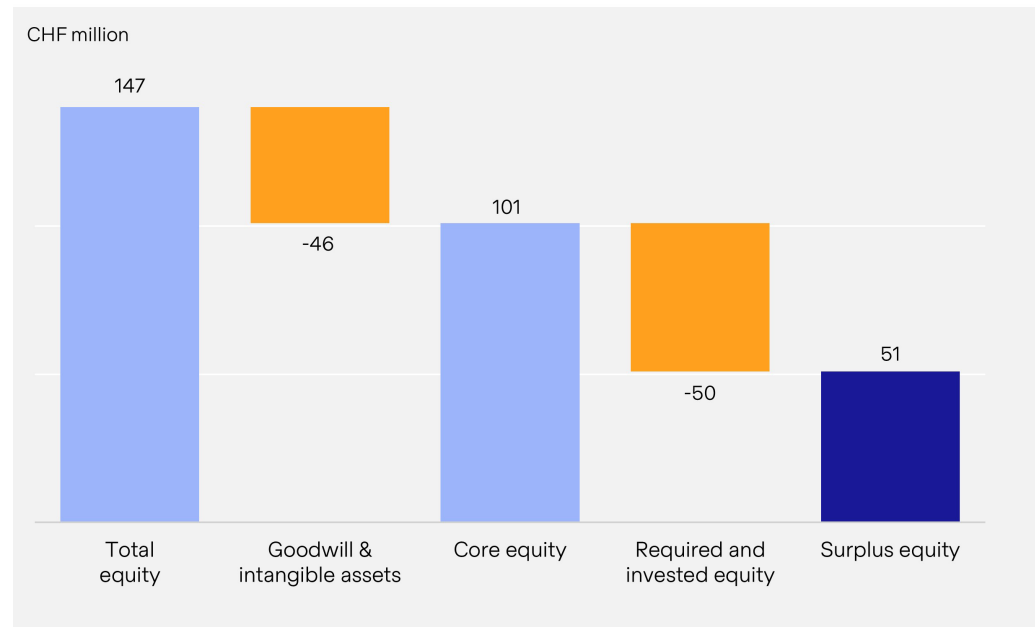
	2016*		△		2021
Client assets	CHF 10.6 bn	+	21% (3.8% p.a.)	=	CHF 12.8 bn
Total operating income	CHF 72.0 mn	+	95% (14.3% p.a.)	=	CHF 140.6 mn
Operating profit	CHF 14.3 mn	+	321% (33.3% p.a.)	=	CHF 60.2 mn
Scale effects & efficiency	<ul style="list-style-type: none"> - FTE - AUM/FTE - EBTDA/FTE - CIR 				
	111 CHF 95.2 mn CHF 128,500 79.9%		-17.9% +47.0% +412.6% -22.7 pt.		91 CHF 140.0 mn CHF 658,600 57.2%

* Figures incl. Bank am Bellevue

Source: Bellevue Group, as at December 31, 2021

Strong equity base

Capital structure and management
As at December 31, 2021 (consolidated)



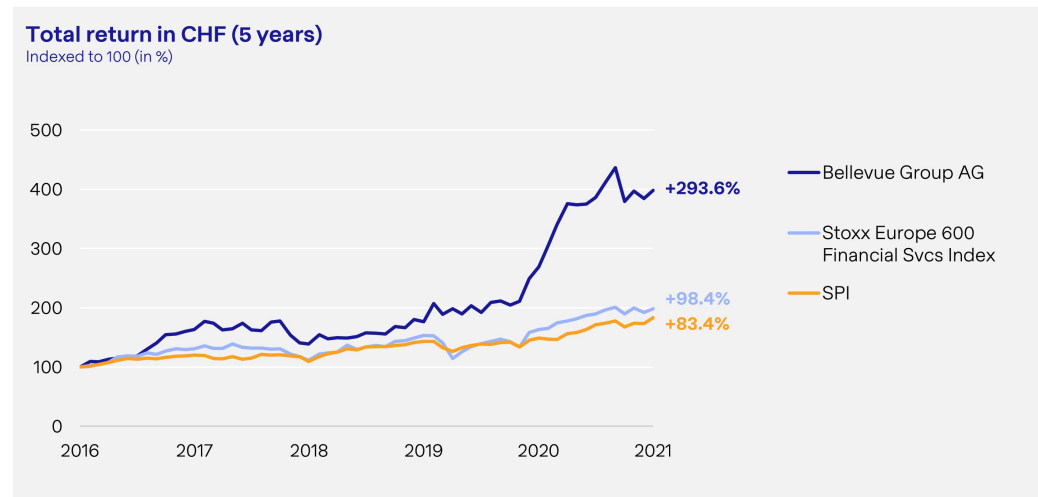
Source: Bellevue Group, as at December 31, 2021

- Equity capital remains solid thanks to sustained earnings power
- Reduction in goodwill & intangibles (prior year: CHF 51 mn), which reflects ordinary depreciation and valuation adjustments at StarCapital
- Required level of regulatory minimum capital as a pure asset manager is lower, enabling a very attractive return on equity
- Surplus equity of CHF 51 mn provide a sound cushion, ensuring attractive payouts and further growth
- Simple and debt-free balance sheet

Share performance

Bellevue Group shares (BBN SW)

Pleasing performance compared to relevant indexes



Source: Bloomberg, Bellevue Group, as at December 31, 2021

Market capitalization
(in mn CHF)

555

as of 31.12.2021

Dividend for 2021
(in CHF)

2.70

Dividend yield
(in %)

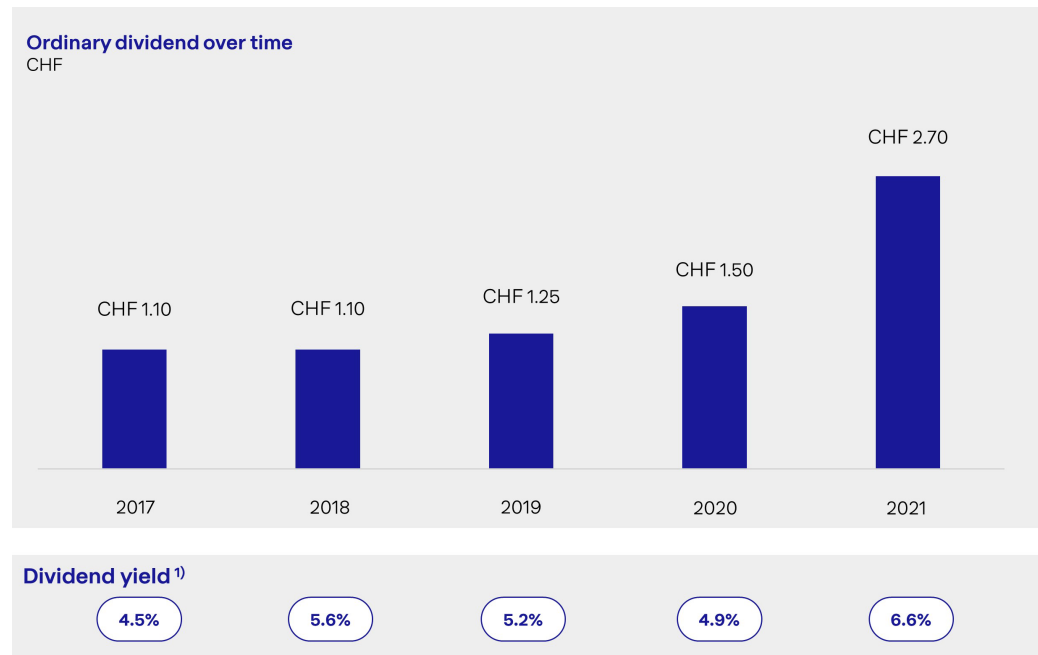
6.6¹⁾

as of 31.12.2021

¹⁾Based on ordinary dividend of CHF 2.70 and share price on December 31, 2021

Attractive value creation for shareholders

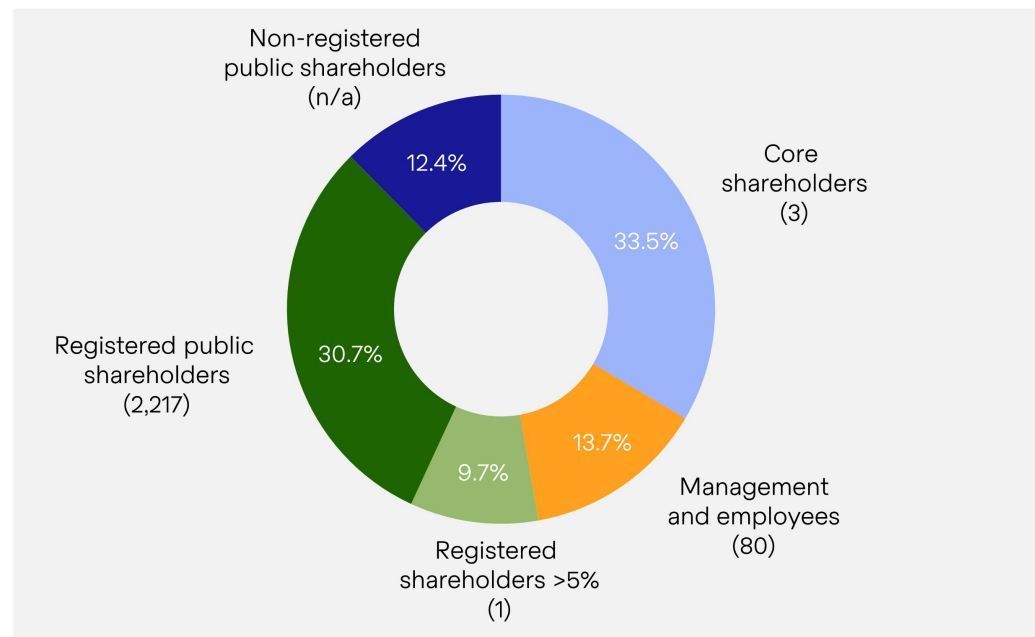
Confidence in the business model is reflected in the dividend policy



¹⁾ Based on the ordinary dividend and closing share price at year-end
Source: Bellevue Group, as at December 31, 2021

- Ordinary dividend proposal of CHF 2.70, an increase of 80% reflects a significant boost in operating profits
- Steady earnings ensures stable funding of an attractive dividend policy over the long term
- Future dividends will continue to reflect consolidated bottom-line profit

Structure of the shareholder base

Structure of the shareholder base as of December 31, 2021

Source: Bellevue Group, as at December 31, 2021

Attractive value creation leads to stable shareholder base

- Strong commitment of core shareholders
- Substantial increase in management/employee shareholders (31.12.2020: 12.6%)
- Hansjörg Wyss, a long-term oriented shareholder (9.7%) won in 2020
- Very transparent shareholder base: >87% registered (2,301 shareholders)
- Shareholder-friendly dividend policy unchanged, strengthening sense of continuity

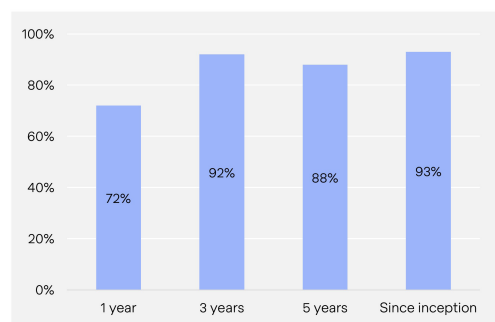
Product highlights

Stock markets showed little regard for the pandemic at times in 2021 and new record highs were set. Growing inflationary pressure, new virus variants and supply chain constraints around the world eventually led to greater volatility in financial markets. Despite these shifting market dynamics, Bellevue achieved attractive returns for its investors and pleasing results overall.

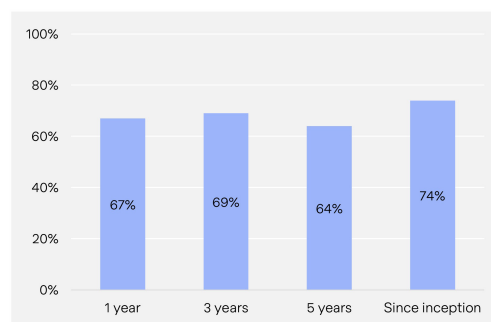
The primary driver of these results was the healthcare sector, which has evolved into a major long-term investment theme. Many existing clients increased their exposure to the healthcare sector last year while first-time clients became convinced of the importance of healthcare investments. 67% of Bellevue's assets under management beat their respective benchmark in 2021 and, in a direct comparison with peers, 72% of its assets under management ranked in the first or second performance quartiles. Bellevue continued to maintain high levels of management continuity while also selectively expanding the competencies of individual investment teams with new talents representing a variety of different backgrounds.

A range of distinctive investment skills for an attractive range of products

Competitive performance of investment strategies
Percentage share of AuM¹⁾ in 1st and 2nd Lipper quartiles



Value created for investors ("alpha")
Percentage share of AuM that has outperformed²⁾ the benchmark



Source: Bellevue Group, Lipper/Refinitiv as at December 31, 2021

¹⁾ AuM comprises all Lux and CH funds, as well as BB Biotech AG and BB Healthcare Trust plc.

²⁾ Strategies without a benchmark were excluded from this analysis; outperformance net of fees.

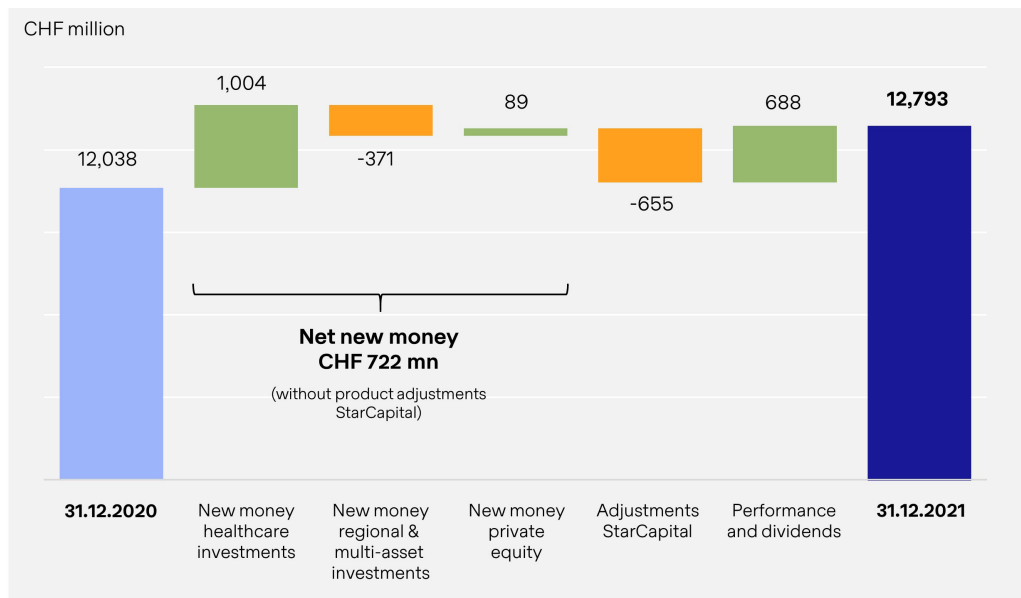
Core healthcare strategies attract more than CHF 1 bn for the first time

Assets under management increased by 6.3% to CHF 12.8 bn in 2021 thanks to new money inflows and performance-driven growth. Greater investor interest in healthcare themes led to a renewed inflow of more than CHF 1 bn in new money for the Group's core healthcare investment business, although some healthcare strategies experienced weaker momentum

and demand during the second half due to broader market movements. Inflows were strongest at Bellevue Medtech & Services, Bellevue Digital Health and BB Healthcare Trust.

Strong net new money inflows in the areas of healthcare and private equity were diminished by outflows from Bellevue Global Macro. The wind-down of undifferentiated investment strategies with low margins was completed in preparation for the full integration of StarCapital.

Net new money of CHF 722 mn (excl. product streamlining) was mostly acquired during the first half of the year.



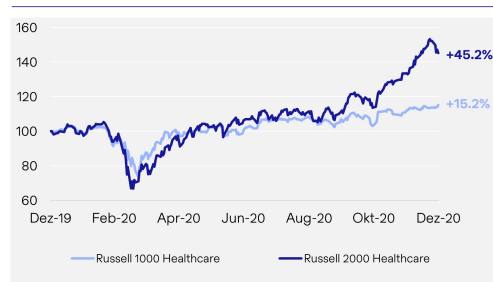
Source: Bellevue Group, as at December 31, 2021

Healthcare – strong performance in the first half, declining momentum in the second half

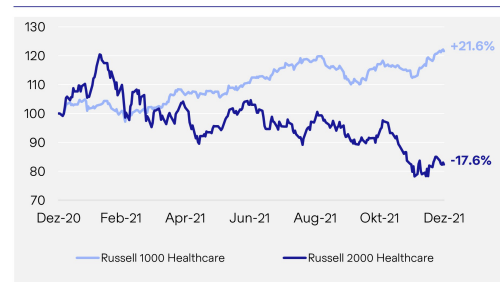
Global stock markets tacked on more strong gains in 2021. The upward trend was fueled by the continued ultra-expansive monetary policy of major central banks, massive government spending programs, and the rapid progress of vaccination campaigns in the US and Europe. In this setting, the global healthcare sector was no longer able to keep up with the performance of the broader market, especially during the second half of the year. This situation must also be seen in the context of the healthcare sector's significant outperformance in 2020, so this reflects to some extent the gradual normalization of economic activity after the pandemic-induced contraction in the spring of 2020.

In 2021 healthcare investors focused on the two vaccine producers Moderna and Pfizer/ Biontech as well as large and mega cap healthcare stocks, particularly in the pharma subsector. This situation is illustrated quite well by the following charts:

Russell 1000 Healthcare vs Russell 2000 Healthcare – 2020



Russell 1000 Healthcare vs Russell 2000 Healthcare – 2021



Source: Bloomberg, Bellevue Group, as at December 31, 2021

The large/mega cap Russell 1000 Healthcare Index clearly outperformed the small and mid cap Russell 2000 Healthcare Index in 2021. That contrasts sharply with the performance of these indexes in 2020, when small/mid cap healthcare companies outperformed large cap healthcare companies by a wide margin. Bellevue Asset Management has concentrated its investments on small and mid cap companies due to their strong growth momentum and superior innovative power and this hurt its portfolio returns during the year under review.

After performing very well in 2020, BB Biotech AG's performance in 2021 was subpar. mRNA vaccine manufacturer Moderna, in which BB Biotech first invested in 2018, made significant gains again, driven by the effectiveness of its COVID-19 vaccine, but many of the small/mid cap positions in the portfolio had a negative impact on performance, particularly during the second half of the year. BB Biotech's NAV declined by 14.2% in USD. Its stock price was up 5% (NBI +0.0%), however, which led to an increase in the share premium. At year-end, Moderna was the largest position in BB Biotech AG's portfolio.

Despite its overweighting of mid caps, London-listed BB Healthcare Trust closed the year with a return of 15.6% (in USD), only slightly behind the MSCI World Healthcare Index. Its portfolio is focused on companies that are benefiting from the rapid change sweeping through healthcare systems. Currently overweighted subsectors include the biotech, diagnostics, and health insurance (managed care) subsectors. Two portfolio positions that drove performance last year were GW Pharmaceuticals and Hill-Rom Holdings, two companies that were acquired by Baxter and Jazz Pharmaceuticals, respectively, in 2021.

Among Bellevue's healthcare funds, the Bellevue Medtech & Services Fund delivered the strongest absolute performance (+16.8%, in USD), and also beat its benchmark, the MSCI IMI Healthcare Equipment & Supplies Index. Many hospital beds were filled with COVID-19 patients in 2020, resulting in the postponement of elective and non-emergency surgical procedures. As the capacity situation gradually normalized, many of these procedures have since been rescheduled. The fund's performance was also fueled by US health insurers such as UnitedHealth, Anthem and Centene. As the year progressed, the «double whammy» of higher pandemic-related costs and the resumption of previously postponed medical treatments had less of a negative impact on health insurance companies than the market had expected, which triggered a strong relief rally, especially in the fourth quarter.

The Bellevue Biotech Fund ended the year with a performance of (+1.6% in USD) and also beat its benchmark, the Nasdaq Biotech Index (NBI). Moderna and Biontech, the two mRNA vaccine producers, made positive contributions to this fund's absolute performance, while investments in small and mid cap biotech companies detracted.

After delivering the best return of all the Group's healthcare products in 2020 (+68.4%, in USD), the Bellevue Digital Health Fund consolidated in 2021 and ended the year with a negative performance of 10.1%. This can be traced to renewed pandemic-related worries about growth and to the US Federal Reserve's decision to taper its QE program and slowly

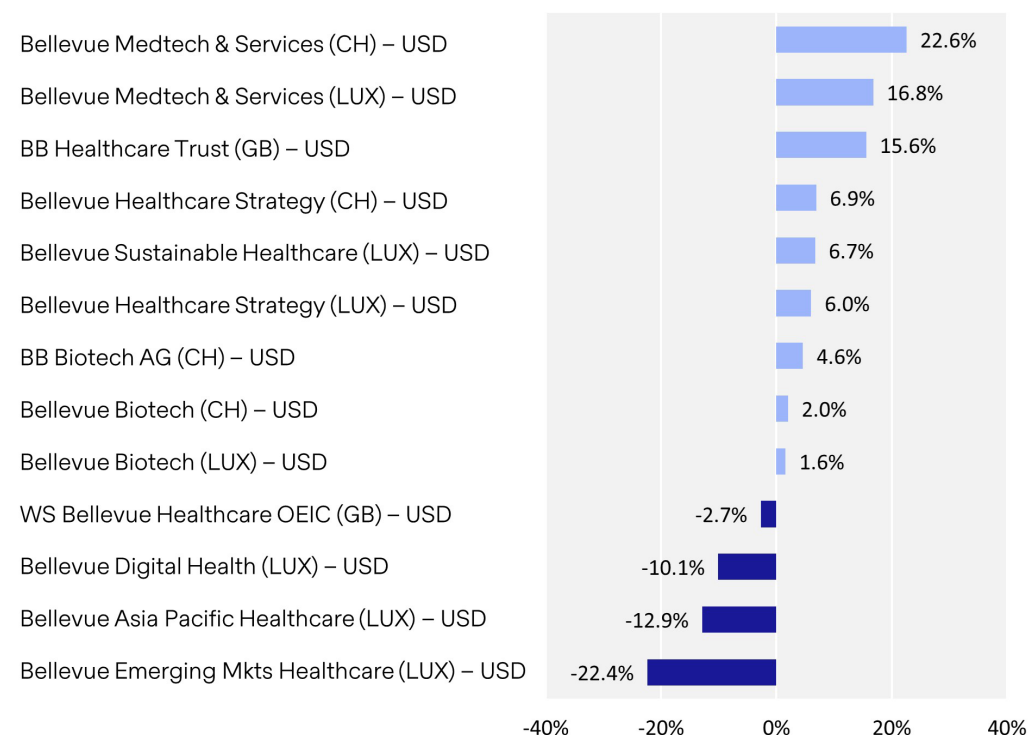
tighten its monetary policy, which weighed on investor sentiment. Small and mid cap growth stocks, which represent most of the Bellevue Digital Health Fund's portfolio, were affected most by this situation, despite reporting generally excellent company results.

The two regional healthcare funds Bellevue Asia Pacific Healthcare (-12.9% in USD) and Bellevue Emerging Markets Healthcare (-22.4% in USD) also ended the year with negative returns. Both showed a positive performance at the mid-year mark, but their exposure to Chinese healthcare stocks hurt their performance in the second half. Government intervention in China caused some turmoil in the country's stock market. Selling was not just limited to the industries directly affected by government meddling (education, IT, etc.). Other sectors known for their stability witnessed some profit-taking and risk premiums for Chinese investments generally increased.

The global healthcare investment solutions Bellevue Healthcare Strategy and its sustainable sister fund Bellevue Sustainable Healthcare returned 6.0% and 6.7% (in USD) year-on-year, which placed them behind the full-year performance of the broad healthcare sector. This is attributed to the two fund's considerable mid cap exposure and their approximately 25% allocation to emerging market stocks. Those two factors are what drove the funds' significant outperformance in the previous year.

Specialized healthcare strategies

Absolute performance 2021



Source: Bellevue Group, as at December 31, 2021

Alternative strategies – momentum in private equity

Considerable progress was made during the year under review in expanding the private markets business. In February, BB Entrepreneur Private KmGK, an investment company that

provides growth financing to SMEs, was successfully launched. At the end of the year the Bellevue Entrepreneur Private Fund, which invests alongside Bellevue adbodmer's group of investors, received CHF 55 mn in capital commitments from more than 60 investors.

Brisk investment activity has already led to the investment of 30% of the capital commitments, in five Swiss SMEs from a variety of industries. The companies in the portfolio are thriving despite the repercussions of the pandemic. The fund also participated in a capital increase by one of the companies, which used the proceeds to expand its production capacity. This opportunity was preceded by a strong inflow of new orders and the pleasing development of medium-term projects. A partial sale of shares held by the majority shareholder of another portfolio firm was also arranged with third parties in a transaction conducted at a significantly higher valuation.

The long-standing, extensive network of Bellevue adbodmer is producing a steady stream of new and exclusive investment opportunities throughout the so-called DACH region, which refers to the German-speaking parts of Europe. Fundraising for the Bellevue Entrepreneur Private Fund is scheduled to close in Q1 2022.

The absolute return strategy Bellevue Global Macro fell short of expectations in 2021, having ended the year with a negative return of (2.9% in EUR). This underperformance is partially attributed to the neutral portfolio allocation, 75% of which was in government bonds (10y US Treasury yields rose from 0.9% to 1.5%), and the portfolio was 100% hedged against the USD (which appreciated by about 7% versus the EUR in 2021). In the fund's equity allocation, positions in Asian or Japanese stocks and in the biotech sector generated clearly weaker returns compared to the broader equity market.

Traditional strategies – Swiss vehicles surge ahead

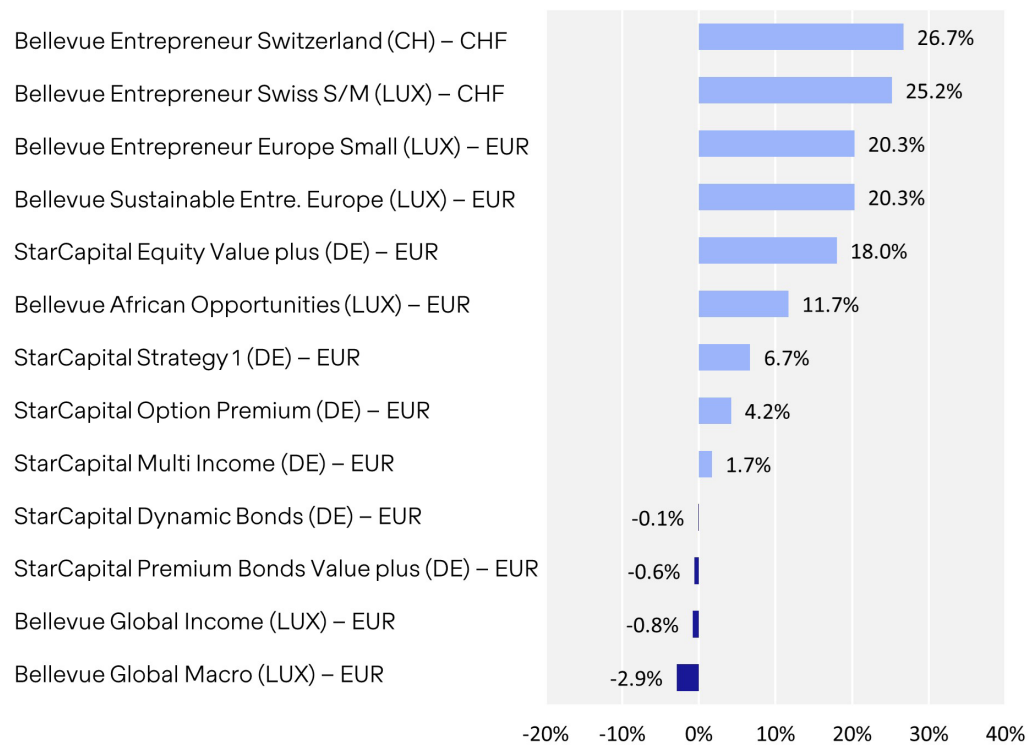
In Bellevue's traditional strategies, its Entrepreneur funds delivered double-digit returns in 2021. Bellevue Entrepreneur Switzerland (+26.7%) and Bellevue Entrepreneur Swiss Small & Mid (+25.2%), the two funds focused on the Swiss stock market, were excellent performers. Thanks to their active investment strategy, they even beat the strong performance of the benchmark indexes SPI and SPI Extra by 3.3% and 3.0% (in CHF) respectively. The Bellevue Entrepreneur Europe Small Fund and Bellevue Sustainable Europe Fund did not quite match the performance of their benchmarks, but with annual returns of 20.3% in EUR, they likewise produced stellar absolute returns. The Bellevue Sustainable Entrepreneur Europe Fund (formerly BB Entrepreneur Europe Fund) was converted into a sustainability-oriented fund and, after successfully completing a stringent ESG due diligence process, subsequently certified with the internationally recognized FNG label in November.

Last year was a difficult year for emerging markets, but the Bellevue African Opportunities Fund (11.7%, in EUR) delivered an attractive return and once again demonstrated its excellent portfolio diversification qualities. Portfolio positions in Morocco, Egypt and Kenya made positive contributions to performance.

At StarCapital, its crossover corporate bond strategy (BB- to BBB+) StarCapital Dynamic Bonds ended the year with an only slightly negative performance (-0.1%). The StarCapital Equity Value plus Fund (+18.0%) profited from the market's greater interest in value stocks. The recently launched StarCapital Option Premium Fund also deserves special mention. This new product specializes in pair trades, combining put options on US equity indexes with call options on volatility indexes. This strategy aims to generate a stable flow of income with this options concept and it has achieved a return of 4.2% since launch.

Traditional and alternative investment strategies*

Absolute performance H1 2021, in base currency



Source: Bellevue Group, as at December 31, 2021

* Only related to liquid investment strategies (excl. Private Equity)

Distribution highlights

Bellevue has a strong and steadily growing client base in its domestic Swiss market and its core European markets of Germany and the UK. Its strategic secondary target markets of Austria, Spain, the Benelux and Italy, the most recently established secondary market, are showing dynamic growth. Recently, the market presence in Asia was strengthened.

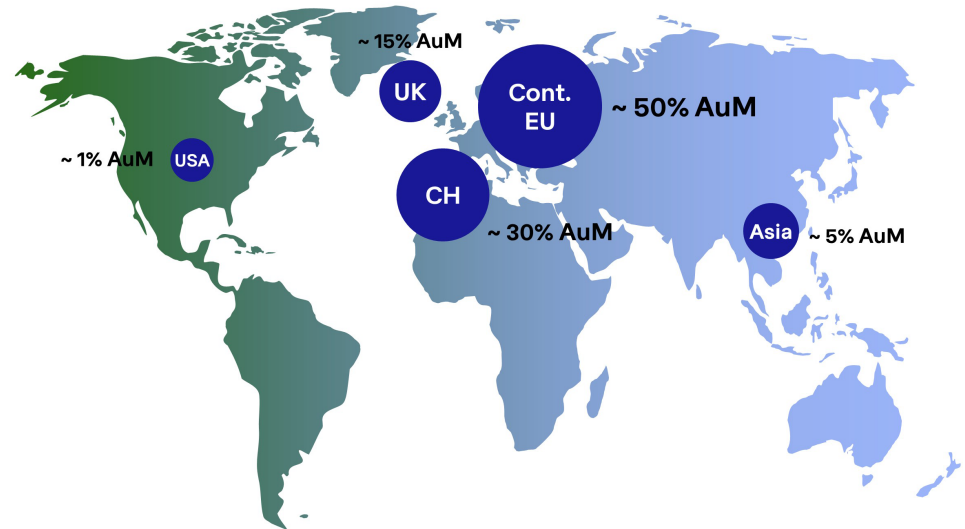
Steady expansion in international markets

Switzerland, Germany and the United Kingdom are Bellevue Group's core markets. Spain is now its fourth-largest market with some CHF 800 mn in assets under management. Collaboration with the local Spanish partner atl Capital continues to be very rewarding. The Group's core product in the UK remains BB Healthcare Trust and a healthcare investment fund under UK law was recently launched to address a wider range of investors in this market. In Germany, closer collaboration with StarCapital's distribution team under the aegis of Bellevue continues to deliver positive results. In addition to large banks and funds of funds, inroads have been made into the family office segment. Bellevue also has a solid client network in Austria, and it is intensifying its presence in the Benelux. Several product strategies were recently introduced to the Dutch and Danish markets. Asia, led by Singapore and Hong Kong, both major hubs of international private banks, is becoming an increasingly prominent wealth management center. Bellevue has established a local Asian team that is responsible for sales in the region and for providing research inputs for the Group's healthcare products. Bellevue's oldest product, BB Biotech AG, continues to enjoy strong demand from clients in Switzerland, Germany, the UK and Italy. Growing interest in healthcare sector investments led to high new money inflows, particularly during the first half of 2021.

Breakdown of assets under management by region

AuM base = CHF 12.8 bn

Number of intermediary and institutional clients > 1'000



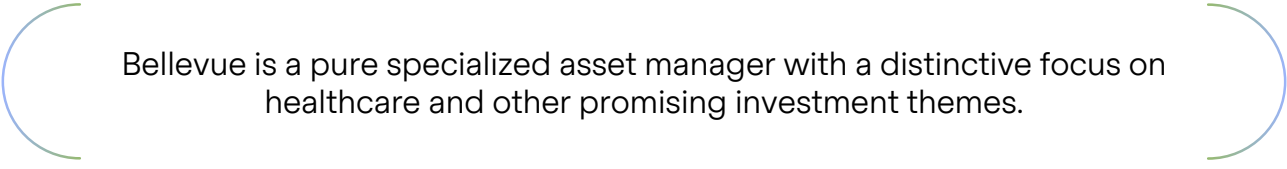
Source: Bellevue Group, December 31, 2021

Efforts to establish the Luxembourg-based funds in the new secondary target markets of Italy and Israel were impeded by pandemic-related travel restrictions. In the illiquid product segment, a private equity strategy was launched for the Swiss market. The BB Entrepreneur Private Fund provides growth financing to unlisted small and mid-sized Swiss companies and has attracted strong demand from prominent investors.

Within the scope of its growth strategy, Bellevue is planning to selectively develop new markets and target groups, strengthen its operating performance and grow its international presence. It is in the process of establishing a foothold in selected Latin American markets such as Chile and Peru, for example, through the recruitment of new talents for its sales team and through selective distribution agreements with local firms.

Business model and strategy

A proudly independent company founded in 1993, Bellevue Group and its approximately 100 employees offer access to attractive and innovative investment ideas that generate value for investors and the company's shareholders. We employ highly qualified investment specialists with many years of experience in the areas that are relevant to us – with a particular focus on healthcare and other growth strategies. As a «House of Investment Ideas», we know that quality and innovation are vital for creating value. We are constantly exploring and exploiting promising opportunities for value growth. Our teams are guided by an entrepreneurial mindset distinguished by mutual trust and creative autonomy at all points of interaction. Our strong convictions in the investment decisions we make is why we also have an active stake in our investments – and thus in the success of the clients we serve.



Bellevue is a pure specialized asset manager with a distinctive focus on healthcare and other promising investment themes.

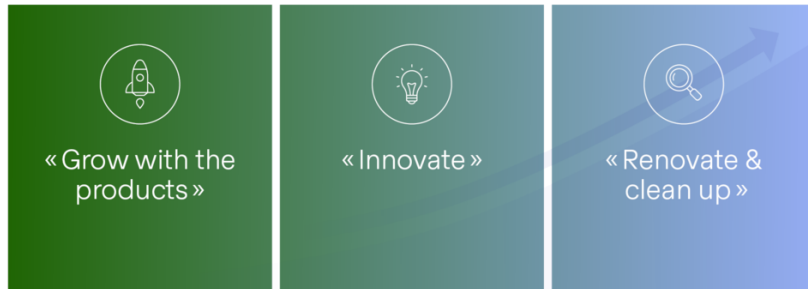
At a glance

- Bellevue is a pure play, highly specialized asset manager with a distinctive focus on healthcare and other attractive growth strategies
- Expertise and innovation are what make us unique
- Creating value for clients and shareholders is our mission
- Our business model is straightforward, transparent and highly scalable
- Our financial profile is robust and low on risk
- Responsibility towards all employees, business partners and the environment is non-negotiable



A forward- and growth-oriented strategy focused on profitability

Future growth will primarily be fueled by the investment performance of existing products, the development of interesting new products and the acquisition of new clients. We have a sound platform and clear strategy to grow on all three fronts.



Growing with our established products is a priority. Our existing products offer us substantial growth potential and the best returns. «Grow with the products» is only possible by maintaining and innovating top-quality products. Continuous investment in modern platforms and infrastructure ensures our ability to meet that goal.

A steady expansion of the underlying client base is also needed to grow with the products. Here we are pursuing various strategies to expand already strong positions in existing markets and to establish new positions in strategic secondary markets.

Reliable quality and strong innovation are the basic prerequisites for generating high value for our stakeholders.

Besides quality, innovation is another key growth driver. The development of innovative concepts for non-traditional and traditional products enables us to take full advantage of our business model's growth potential. We therefore strive to expand «Bellevue Private Markets» in the area of Entrepreneur Investments and in other specialized areas.

The pipeline of ideas and products for the coming years is well-filled. At the same time, existing products or services that no longer have a truly distinctive or sharp competitive edge will be re-positioned or discontinued. We are not seeking growth in and of itself, but rather sustained, quality earnings potential with an attractive cost/income ratio.