

Business report

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Shareholder letter



Veit de Maddalena, Chairman of the Board and Gebhard Giselbrecht, Chief Executive Officer

Dear Shareholders,

Bellevue Group had to contend with stubborn market headwinds in 2024 stemming from the prolonged underperformance of the healthcare sector, Bellevue's primary investment universe. Those headwinds held back the performance of our healthcare strategies and the weaker performance of healthcare in general compared to the global stock market intensified the reallocation of client assets to other sectors. Strict cost management and the measures taken to streamline the Group's product portfolio and strengthen its investment processes were unable to completely offset the negative impact of these market developments.

The healthcare sector continues to offer attractive prospects. The positive market setting in the US and the widespread deployment of artificial intelligence systems that enable the huge amounts of data that are available across the healthcare landscape to be used even more efficiently in the pursuit of medical innovation are fertile grounds for promising investment opportunities. The currently low valuations also offer an interesting entry. The MSCI World Healthcare Index is trading at an 11% discount to the MSCI World Index (based on forward 1-year P/E ratios), whereas, historically, healthcare has traded at an average premium of 3% to the total market over the past 10 years.

Still no upturn in the healthcare sector – attractive upside potential

2024 was another positive year for most of the world's stock markets. Driven by declining rates of inflation, the pivot in monetary policy across the globe, and high investor expectations about the future potential of artificial intelligence systems, a number of stock markets climbed to new record highs, with Wall Street taking the lead.

The global healthcare sector ended 2024 with a gain of 1.6% in USD (+9.9% in CHF), which placed it near the bottom of the sector performance rankings. After a promising start,

healthcare stocks corrected during the latter half of 2024 although Donald Trump's second term as president is expected to provide positive impetus to the healthcare sector, as already seen during his first term.

Lower earnings base due to market-induced reallocation of client assets

After a stable period during the first six months of the year, assets under management at the end of 2024 were 17% lower yoy at CHF 5.8 bn. Investors shifted more of their assets from healthcare to other sectors such as IT and communication services. Total outflows amounted to almost CHF 1.5 bn and were only partially offset by new client assets of more than CHF 600 mn, most of which flowed into Bellevue's traditional healthcare strategies. Non-healthcare strategies also experienced a slight outflow.

The average level of assets under management for 2024 was 18% lower compared to the previous year, which resulted in a corresponding decline in management fees to CHF 65.4 mn. Thanks to an increase in other net fee and commission income and in financial income, total operating income declined by only 14% to CHF 70.2 mn. Operating expenses declined by 8% to CHF 53.5 mn. Additional expenses due to personnel changes and organizational optimization as well as the company's move back to its original location in the city of Zurich prevented a more significant reduction in the cost base. Consolidated net profit for 2024 came in at CHF 9.2 mn. The resulting cost-income ratio of 76% is clearly above our target range of 60–65%.

The reported results are not consistent with our ambitions. We want to generate value for clients and shareholders as a specialist asset manager but we managed to achieve that with only a few of our products last year. We have taken action to further optimize our organization and structure to ensure that we are well-positioned to take full advantage of a change in trend for the healthcare sector.

A sturdy financial foundation

Our strong balance sheet gives us the resilience we need to successfully navigate adverse market conditions such as today's while enabling us to continue to refine and develop our business activities and our product range. A strong financial foundation also enables us to maintain our shareholder-friendly dividend policy. The Board of Directors will propose a dividend of CHF 0.70 per share at the Annual General Meeting of Bellevue Group. This corresponds to a dividend yield of approximately 6.2% based on the stock's closing price on the final day of trading in 2024.

Pleasing returns from selected strategies

Despite the difficult market environment, Bellevue managed to create value with several of its healthcare investment strategies. The Bellevue Medtech & Services Lux Fund gained 8.8% in USD (+17.2% in CHF), for example, beating its benchmark. The Bellevue Digital Health Fund also showed a pleasing return of 4.7% in USD (+12.7% in CHF). Bellevue AI Health and Bellevue Obesity Solutions, two recently launched funds that invest in attractive long-term growth trends, had a successful start in 2024. After performing very well during the first half of the year, both funds came under pressure towards the end of the year, resulting in full-year returns, respectively, of 2.8% and 0.5% in USD (+10.7% and +8.3% in CHF).

Dividend 2025
(proposed)

CHF 0.70

The Bellevue Medtech & Services Lux gained 8.8% in USD (+17.2% in CHF)
and also exceeded its benchmark.

Our flagship product BB Biotech reported a 3% increase in the Net Asset Value (NAV) of its portfolio, but its share price declined by 13.5%. As a result the discount to NAV widened, especially towards the end of the year. Its new leadership is strongly committed to guiding the company back to its former growth trajectory. The new year began on a good note for BB Biotech with Johnson & Johnson's announcement in January 2025 of a USD 14.6 bn bid for Intra-Cellular Therapies, a core position in BB Biotech's portfolio.

Turning to Bellevue's traditional and alternative investment solutions, Bellevue Option Premium stood out with a positive return of 7.8% in EUR. The Bellevue Global Macro Fund also showed a solid investment performance of 6.5% in EUR. The Bellevue Entrepreneur Europe Small Fund returned 3.5% in EUR and outperformed its benchmark.

Thanks to a well-diversified and mature portfolio, our Private Markets business remains a source of attractive additional income flows that we intend to tap. Bellevue Private Markets focuses on proprietary growth equity investments in SMEs in the DACH region. Bellevue's exclusive group of investors enhances its prospective investment opportunities while giving it access to a deep pool of entrepreneurial know-how. This led to two new investments in 2024. In view of the currently still challenging environment for M&A, any exits in the near future are likely to be arranged in a very opportunistic manner. We offer a broader group of investors access to attractive direct equity opportunities through Bellevue Entrepreneur Private. There are plans to expand this product range as soon as the targeted exits from the first vintage have been successfully executed.

Development of investment solutions

Inflation did come down in key areas of the global economy, the US and the eurozone for example, during the course of 2024, but it was not yet completely tamed. The US Federal Reserve, the ECB and the SNB were nevertheless able to reverse course on monetary policy and have already lowered their benchmark lending rates several times. Against this backdrop, several major stock indices set new all-time highs. Healthcare was not very high on investor buy lists, but several Bellevue healthcare investment strategies still delivered a very pleasing performance.



Various measures taken to increase efficiency – improving environment for healthcare

We continued to optimize the Group's organizational structure last year in order to further improve operating efficiency. The Group Executive Board was strengthened through the appointment of Fabian Stähler as Chief Operating Officer. Client activity picked up after the sales team for our domestic Swiss market was enlarged. Our move back to the Group's original location in the city of Zurich should help boost client activity as well. The establishment of our own office in Singapore marks another milestone in the Group's development. A greater local presence enables us to build on our existing client base and

assets under management and to take better advantage of the growth opportunities that Asia offers. As for our product portfolio, some minor adjustments were made and we merged or closed smaller funds. Changes were also made to the organizational and management structures of our fixed income and multi-asset strategies. Initial, encouraging signs were observed during the course of 2024.

Returning to a growth path in small steps

Bellevue Group has had to contend with a very challenging market environment and, consequently, a slower-than-expected business development for the past few years. In 2024 we continued to focus on the optimization of our Group to ensure that we are optimally prepared for a sustained recovery in our investment universe. We are convinced that the healthcare sector remains an enticing investment proposition. In the US, the most important market for the healthcare industry, the Republican Party has traditionally stood for private-sector innovation and a strong economy. Tax breaks and fewer regulatory constraints represent clearly positive factors for companies active in the fields of biopharmaceuticals and medical technology. There are also expectations that the regulatory approval process for new drugs and medical devices will be shortened. These considerations are another reason why we view the current valuations in the healthcare sector as attractive, especially for the small and mid-sized companies that we focus on.

The various measures we have taken represent stepping stones that will bring Bellevue back to its former growth path in small steps. We strive to create value for our clients and shareholders as a specialist asset manager, even in difficult markets. A more constructive market environment is also needed for us to resume our former growth dynamics. Bellevue employees are working diligently every day to optimally meet the needs and expectations of our clients. We thank them for their dedication and can-do spirit. We thank our valued clients and shareholders for their enduring trust and loyalty, which is clearly appreciated in the current situation.



Veit de Maddalena
Chairman of the Board



Gebhard Giselbrecht
Chief Executive Officer

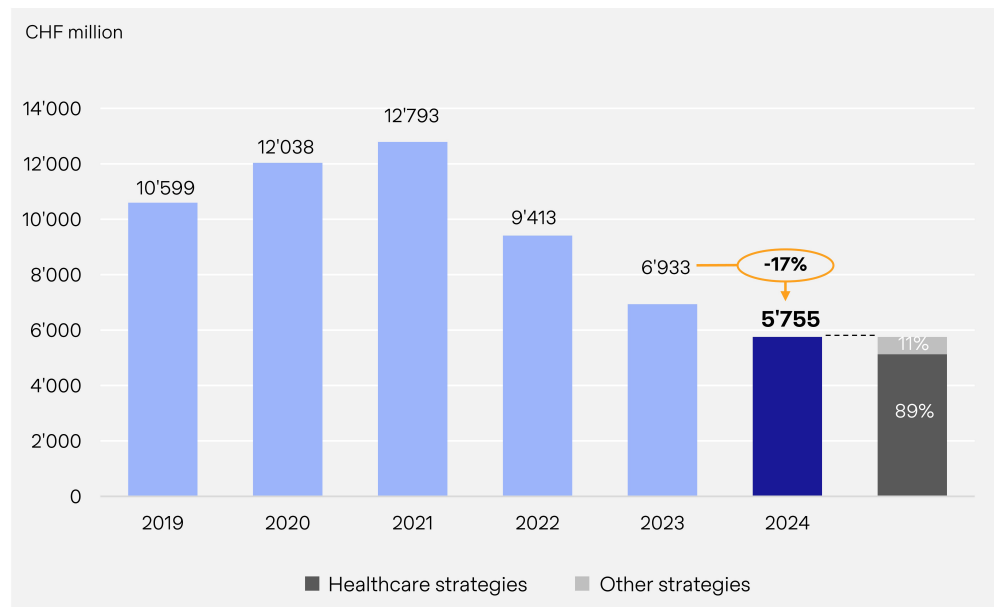
Summary of fiscal 2024

Investor presentation



AuM reduced by around 17% compared to the previous year...

Change in AuM 2019 – 2024



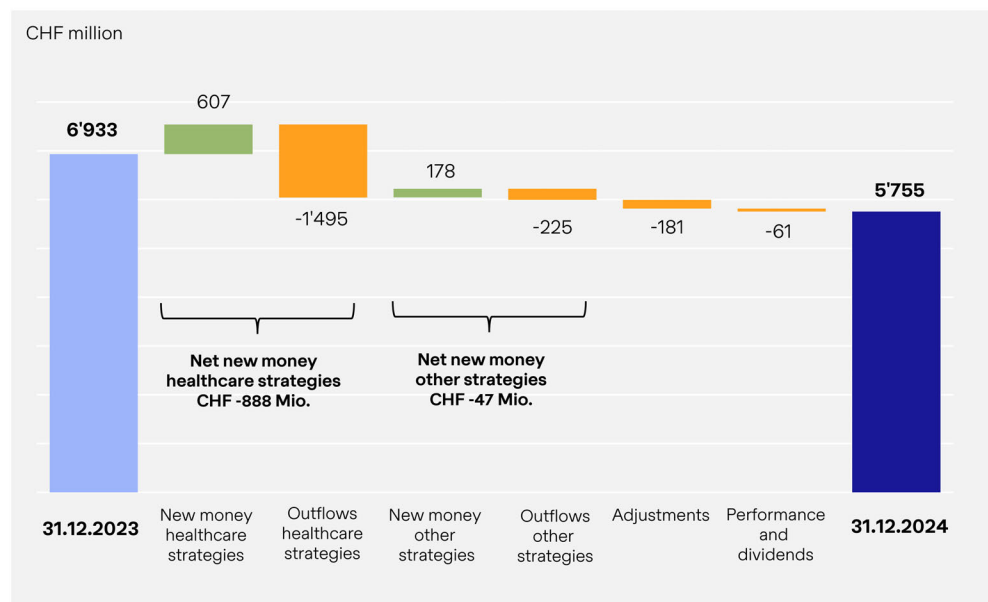
Source: Bellevue Group, as at Decemeber 31, 2024

Development of assets under management

- Assets under management down 17% or around CHF 1.2 bn compared to the previous year
- Healthcare strategies represent around 89% of assets under management

...with customer reallocations as the main drivers

Development of AuM base in 2024



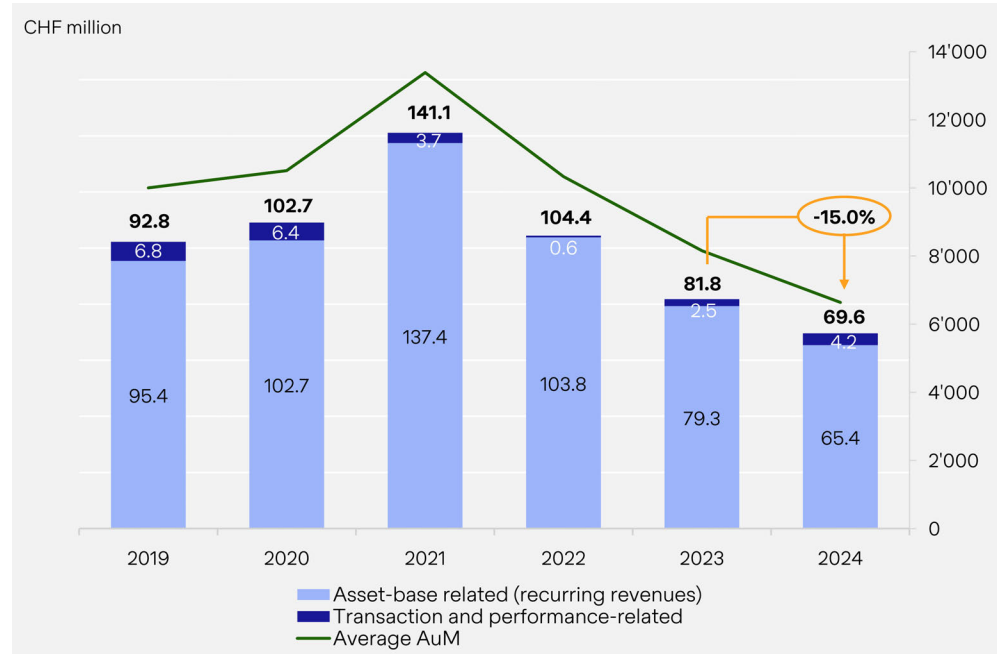
Source: Bellevue Group, as at December 31, 2024

Development of assets under management

- Reduction due to client reallocations
- Gross new money won of around CHF 785 mn shows that our investment expertise continues to be sought after and appreciated
- Adjustment of investment strategies with lower net income

Asset Management service income declines with assets under management

Operating income from asset management activities, 2019 – 2024



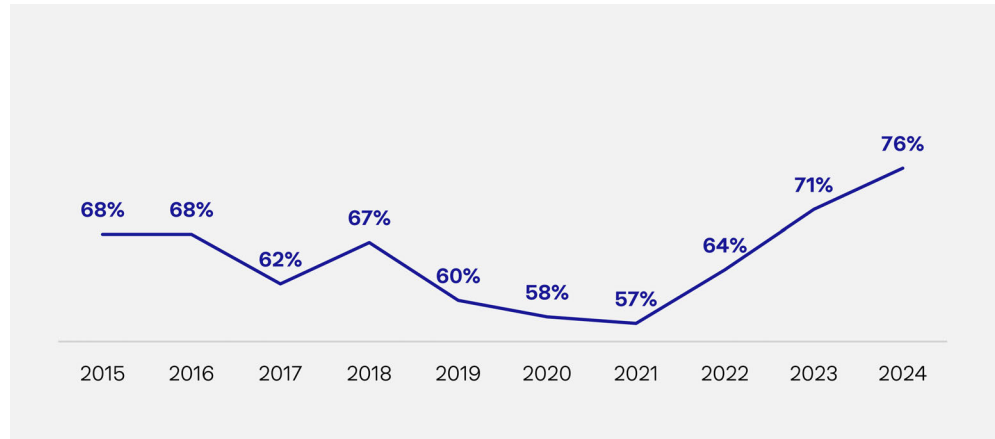
Source: Bellevue Group, as at December 31, 2024

Development of income from asset management services

- Decline in revenues from asset management services of around 15% due to the lower average AuM base
- Average AuM base of around CHF 6.7 bn (prior year 8.2 bn)
- High proportion of recurring income (management fees)
- Only a small contribution from transaction-based fees and performance fees

Cost-income-ratio (CIR)

Development of cost-income ratio (CIR)
(based on operating profit)

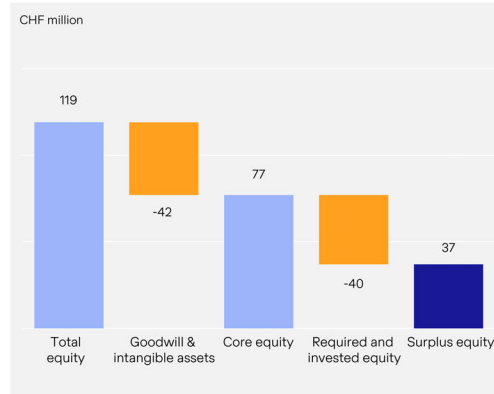


Source: Bellevue Group, as at December 31, 2024

- Increase in cost-income ratio (CIR) to 76% due to lower earnings base

Continued solid capitalised and equity-financed balance sheet

As at December 31, 2024 (consolidated)



Balance sheet (as of December 31, 2024)

26.8
CHF mn cash

118.5
CHF mn
Shareholders' equity

73.0%
Equity ratio*

8.5%
Return on equity

Source: Bellevue Group, as at December 31, 2024

* Balance sheet without leverage, debt relates to operating liabilities, accruals and deferrals

- Strong balance sheet creates resilience for difficult market phases, enables the launch of innovative products and allows for an attractive dividend policy

Development of investment solutions

Inflation did come down in key areas of the global economy, the US and the eurozone for example, during the course of 2024, but it was not yet completely tamed. The US Federal Reserve, the ECB and the SNB were nevertheless able to reverse course on monetary policy and have already lowered their benchmark lending rates several times. Against this backdrop, several major stock indices set new all-time highs. Healthcare was not very high on investor buy lists, but several Bellevue healthcare investment strategies still delivered a very pleasing performance.

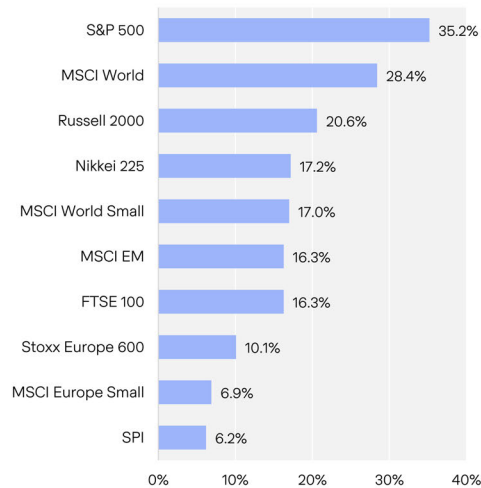
Despite the ongoing war in Ukraine and a further escalation of hostilities in the Middle East that led to a period of heightened volatility in financial markets, a number of major stock indices rose to new record highs last year. The S&P 500 closed above 6000 points for the first time ever in 2024 and the Dax also marched past its previous record high. Once again, tech stocks couldn't be stopped and the Nasdaq 100 rose to new heights, briefly trading above the 22 000 threshold. Falling interest rates and geopolitical crisis also made gold shine, which likewise rose to a new high of USD 2790 per troy ounce.

The outcome of the closely followed 2024 US elections was quickly clear. Donald Trump beat Kamala Harris and the Republican Party also won a majority in both the Senate and the House of Representatives. Donald Trump's second term as president could bring some positive momentum into the healthcare sector, but his nomination of Robert F. Kennedy Jr. as the new head of the Department of Health and Human Services injected a dose of extra uncertainty into the industry.

The US central bank's federal funds rate, which had stood at 5.5% early in the year, was reduced for the third time in a row at the Fed's December meeting, bringing the target range to 4.25% to 4.5%. At the same time the Fed projected a more cautious monetary outlook for 2025 and mentioned that its future rate policy decisions would also have to take into consideration the impact of any new tariffs or tax cuts introduced by the Trump administration, in addition to job and inflation data. In Switzerland, the new SNB Chairman Martin Schlegel caused a stir in December when the SNB announced an unexpectedly large rate cut. The Swiss central bank reduced its key lending rate by half a percentage point to 0.5%, citing a significant decrease in inflationary pressure. The European Central Bank reduced its key interest rate, too, and also lowered its growth and inflation forecasts. The election of Donald Trump and the political vacuum in France and Germany are negative factors for Europe's economy, which clearly weakened over the course of the year.

Performance of selected equity indices

Absolute performance (Total return) 2024, in CHF

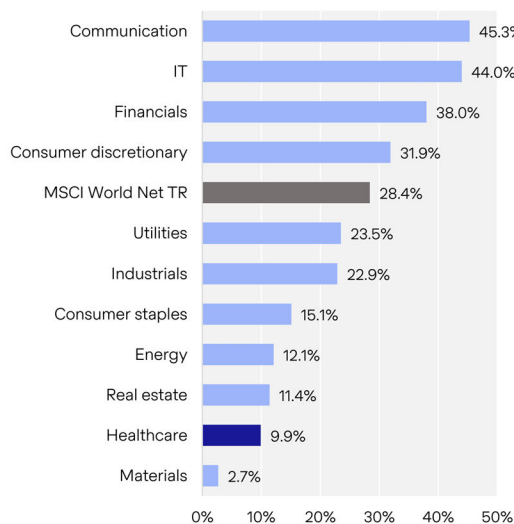


Source: Bellevue Group, as of December 31, 2024

Investors were able to achieve positive returns in most of the major stock exchanges last year. US stocks performed particularly well. They were led higher by the very resilient US economy, Fed rate cuts, enduring high expectations regarding the potential of artificial intelligence (AI), and by the outcome of the US November elections. The European Stoxx Europe 600 Index (+10.1%) and the SPI (+6.2%) also closed higher last year but were again unable to match the strong gains of the S&P 500 (+35.2%). Small caps advanced as well but were unable to keep pace with the broader market, at both the global and regional level. As for sector performance, communication services (+45.3%), IT (+44.0%) and financials (+38.0%) were the best performers, while basic materials (+2.7%), healthcare (+9.9%) and real estate (+11.4%) brought up the rear. All performance data is in CHF.

Performance of GICS sectors (global)

Absolute performance (Total return) 2024, in CHF



Source: Bellevue Group, as at December 31, 2024

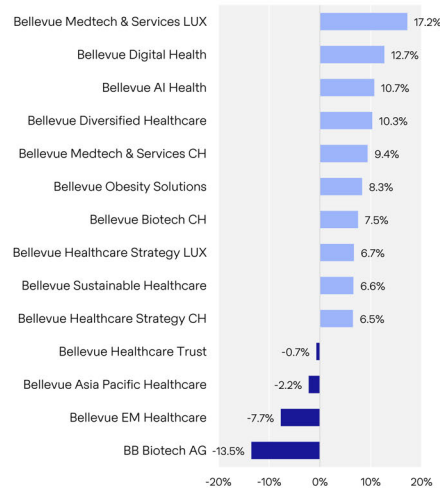
Healthcare – several highlights in 2024, no broad upturn

Shares of pharmaceutical heavyweights such as Eli Lilly and AbbVie delivered double-digit returns last year. Innovative large-cap medtech companies led by excellent management teams, Intuitive Surgical, Boston Scientific and Stryker, for example, also achieved significant gains and continued to build on their successful business strategy. In the biotech sector, positive clinical trial data and good operating results lifted the stock prices of companies such as Argenx. The global healthcare sector as measured by the MSCI World Healthcare Index (+9.9% in CHF) ended 2024 in positive territory but underwent a correction during the second half of the year.

Donald Trump’s second term as president will very likely build on the key cornerstones of his first term and could provide an overall favorable setting for the healthcare sector. Republican policies have traditionally promoted innovation and a strong economy. Tax breaks and fewer regulatory constraints are clearly positive factors for companies active in the fields of biopharmaceuticals and medical technology. The new administration is also expected to embrace policies that would speed up approval processes for new drugs and medical devices, further sharpening the country’s competitive edge. What’s more, the anticipated more business-friendly stance at the Federal Trade Commission (FTC) could lead to an increase in M&A activity, and that has often led to higher valuations, especially for small- and mid-cap stocks. The new political agenda in Washington and the ongoing implementation of the Inflation Reduction Act are not without risks though. Issues such as lower drug prices and changes to the general framework for government health insurance programs in the US must be carefully considered when making investment decisions in 2025.

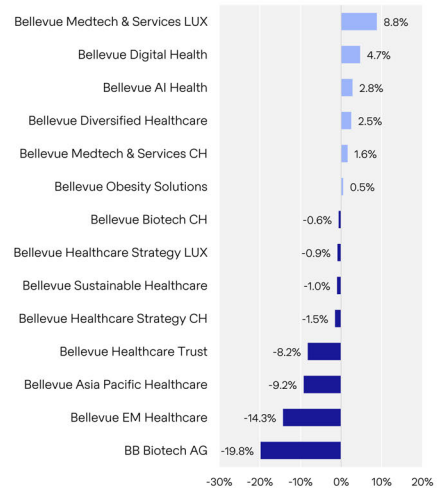
Specialized healthcare strategies (in CHF)

Absolute performance 2024



Specialized healthcare strategies (in USD)

Absolute performance 2024



Source: Bellevue Group, as at December 31, 2024

BB Biotech AG’s Net Asset Value (NAV) increased by 3.0% in CHF in 2024 (NBI +6.7%) while its share price declined by 13.5%. The stock began the year with a slight premium of 0.9% to NAV and ended the year with a discount of 14.6% to NAV. Winning stocks in the portfolio were led by Argenx, Revolution Medicines and Scholar Rock, while Ionis, Moderna and Sage were performance detractors. Shares of Bellevue Healthcare Trust ended the year with a negative return of 0.7% in CHF.

With a return of 17.2% in CHF, Bellevue Medtech & Services clearly outperformed the broad healthcare sector. Generally positive earnings reports from medical technology companies were attributed to high growth rates in surgical procedure volumes, which also benefited hospital stocks. The approval and market launch of major new products also contributed to the medtech sector's good sales growth. Individual subsegments of the medtech and services sector, such as health insurers that are focused on Medicaid health insurance programs for low-income households, traded lower after the Republican sweep of the November elections because the party wants to cut federal spending on Medicaid. However, this correction had only a marginal impact on the fund's performance due to the low portfolio weighting of this particular subsegment.

The Bellevue Digital Health Fund (+12.7% in CHF) recovered over the course of the year. From a fundamentals standpoint, digital health companies active in a highly diverse range of areas are displaying a stable path of above-average growth. The IPO window reopened in 2024 and the fund's portfolio managers participated in three IPO transactions. The prospect of more rate cuts from the US central bank and an acceleration in M&A activity are additional arguments in favor of this investment solution.

Bellevue's two newest products, Bellevue AI Health (+10.7% in CHF) and Bellevue Obesity Solutions (+8.3% in CHF), which were launched at the end of November 2023, also closed 2024 with a positive return. The healthcare industry, more than almost any other industry, is predestined for the application of artificial intelligence. The huge amount of data that is generated within the industry every day creates virtually unlimited possibilities for AI applications. Procept BioRobotics, for example, has taken a decisive step with its Hydros Robotic System for the resection of prostate tissue. Hydros is an AI-powered platform that surgeons use to define and plan surgical prostate treatment, which is then performed in a robot-assisted operation using a disposable endoscope. This translates into faster and safer treatment, and more consistent treatment outcomes. Solutions for obesity prevention and treatment are also in greater demand than ever before and the major clinical milestones on the horizon in 2025 will advance the development of what could become the largest class of drugs ever created. A number of companies active in this field have already performed very well and made positive contributions to the fund's overall performance. Zealand Pharma, for example, released positive Phase Ib data from its trial of petrelintide, an amylin analog. Negative price movements, as witnessed towards the end of the year in Novo Nordisk, underscore the advantages of portfolio diversification in this rapidly growing market.

The global healthcare funds Bellevue Diversified Healthcare (+10.3%), Bellevue Healthcare Strategy (+6.7%) and its sustainable counterpart Bellevue Sustainable Healthcare (+6.6%) achieved positive returns. The two regional healthcare strategies Bellevue Asia Pacific Healthcare (-2.2%) and Bellevue Emerging Markets Healthcare (-7.7%) were unable to stage a recovery in 2024. Positive R&D news flow from numerous Chinese biotech companies has been overshadowed by the passage of the Biosecure Act in Washington as well as other factors, and the positive performance of other local healthcare markets such as India was not enough to turn around the general trend. All performance data is in CHF.

Broadly speaking, the long-term outlook for the healthcare sector remains positive. Demographic challenges, unhealthy lifestyle habits (keyword obesity) and the rising cost of healthcare act as an incubator for medical innovation. Not only that, thanks to the huge amount of available data, the healthcare system has a decisive advantage when it comes to AI, which is still at an early stage of deployment.

Regional strategies and multi-asset solutions – positive amid the volatile environment

Unlike in the US (Magnificent 7 stocks), European index heavyweights as tracked by GRANOLAS (+3.2%) lost momentum during the period under review. European stocks generally ended 2024 in positive territory, but investors became more worried about new

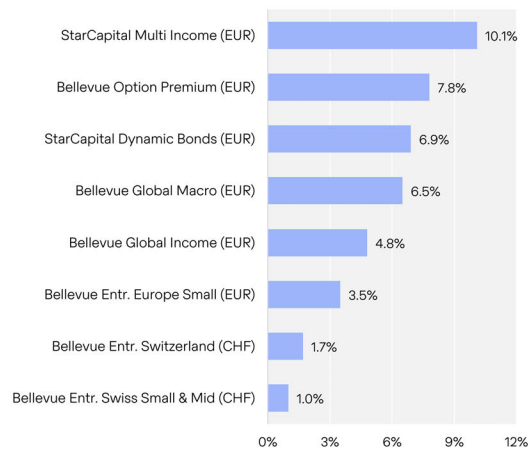
punitive US tariffs and the impact they could have on growth in the eurozone, and political uncertainty in France and Germany also weighed on sentiment. The ECB cut its key lending rate four times in 2024 in response to growing concern about the eurozone economy.

Against this market backdrop, the Bellevue Entrepreneur Europe Small Fund delivered a positive return of 3.5% and outperformed its benchmark. The Switzerland-focused equity strategies Bellevue Entrepreneur Switzerland (+1.7%) and Bellevue Entrepreneur Swiss Small & Mid (+1.0%) also generated positive returns, slightly below that of their European sister fund. The SPI Extra Index closed the year 3.8% higher yoy.

The sub-par performance of European small- and mid-cap stocks in 2024 is the latest chapter of a prolonged period of underperformance that began in 2021. The EU is displaying modest economic growth and PMI readings for the manufacturing sector have been below the growth threshold of 50 since the summer of 2022. Meanwhile many US investors are keeping away from European equities, sending the relative overweight of US equities to its highest level in 24 years. As stock pickers, we like to be contrarian and are maintaining our focus on promising, attractively valued companies. We believe an excessive amount of pessimism has been priced into our targeted market segments, and that alone could lead to a more constructive performance in 2025.

Traditional and alternative investment strategies

Absolute performance 2024, in base currency



Source: Bellevue Group, as at December 31, 2024

The positive performance of the Bellevue Global Macro Fund (+6.5% in EUR) was well supported, its multi-asset portfolio having benefited from investments in precious metals as well as in equities and bonds. The StarCapital Multi Income Fund generated a positive return of 10.1% in 2024. The bond strategies Bellevue Global Income (+4.8%) and StarCapital Dynamic Bonds (+6.9%) also gained in value last year and clearly outperformed the Bloomberg Global Aggregate Bond EUR Hedged Index (+1.7%). Within the fixed income allocation, corporate bonds performed the best, while government bonds yielded very slim returns. After gaining 11.4% in 2023, the volatility strategy Bellevue Option Premium once again proved its worth in 2024 and generated a return of 7.8% in EUR.

Private Markets – focus on growth investments in SMEs

Bellevue Private Markets focuses on proprietary growth equity investments in SMEs in the DACH region. While 2024 was distinguished by a highly dynamic market and a well-filled deal pipeline, portfolio management activity was primarily engaged in operational value creation and growth initiatives. The timing of the planned exits turned out to be unfavorable: The average valuation of M&A transactions in Europe in terms of EV/EBITDA dropped by about 30% from the previous peak seen in 2021 and now stands at a 10-year low. This consolidation was even more pronounced in the lower market segment (deal volumes of less than EUR 100 mn).

However, declining bond yields and an obvious normalization on the inflation front in developed countries are overall positive factors for private market transactions and valuations. Even Trump's trade tariff threats have not dampened investor enthusiasm in the stock market, and key leading indicators such as the ISM Services PMI (purchasing managers' index for the US services sector), which is currently well above the 50 threshold and higher than it has been in the past two years, are pointing up.

However, the «special situation» in Germany is also a significant factor for the LPCI, given its focus on the DACH region. In 2024, Germany's economy shrank 0.2%, which marked the second consecutive year of a negative GDP reading. A significant improvement is not expected in 2025 either. The current political paralysis after the break-up of Germany's so-called traffic light coalition government is not exactly good news either. Germany's biggest political parties reached an agreement to hold early elections on February 23, 2025. Although forming a new coalition after the elections could be a difficult exercise, Berlin is then expected to wield more political power again and will hopefully be better at making and following through on decisions. Germany's economy is in urgent need of some stimulus because the typical business model of entire industries (especially the auto industry) is currently feeling the heat from foreign competition and other challenges at a time of fundamental upheaval.

With adbodmer AG's exclusive group of investors and Bellevue Entrepreneur Private LPCI («LPCI») – our specialist investment company – Bellevue can raise significant amounts of capital and also has access to an extensive pool of entrepreneurial experience and collective know-how as well as a vast and valuable business network. These qualities are appreciated and valued by existing portfolio companies as well as potential investment targets.

Two new investments were made for the LPCI in 2024. In January, acting as co-investor, we invested in a company that offers highly specialized B2B customer retention services for the global luxury goods industry. Its business activities are grouped under three subsegments with significant cross-selling potential: product visualization (point-of-sale displays for branded luxury products), product packaging and creative interior solutions. An investment in a second company, a holding company that owns several ambulatory healthcare centers, was made towards the end of the year. The healthcare centers mostly provide outpatient procedures and integrative cancer care.

The operational performance of the existing portfolio companies of the LPCI was mixed due to the challenging economic environment. Cyclical companies had to contend with

economic headwinds. Continued subdued consumer sentiment and greater competitive pressure from Asia had an impact on the sales of several companies. But there were also companies in the portfolio that celebrated major operational achievements, successfully executed key projects and reached strategic milestones, extending their growth trajectories. In the absence of strong economic tailwinds – especially in Europe – attention will remain focused on efficiency gains, the optimization of business operations, core business activities and on profitability. Although interest rates have moved lower, prudent and selective use of leverage is still called for; global economic growth currently seems too shaky for overly ambitious investment proposals riding on a lot of optimism. Instead, targeted investment programs must contribute to profitable growth in as short a time frame as possible. After years of growth-at-all-cost strategies, the market is now clearly acknowledging the value of this approach.

One private equity transaction took place in the fourth quarter that was financed exclusively by members of the investor group due to the more distant exit horizon. It involved a Swiss company that specializes in the development and production of small and micro-sized rechargeable lithium-ion batteries that are primarily sold to the medical technology sector.

Once again, Bellevue adbodmer's strategic focus on companies with a very clear USP, solid financials and low levels of debt served the company well given the volatile environment.

Sales and distribution highlights

Bellevue has an established client network in its three core markets of Switzerland, Germany and the United Kingdom, augmented by operations in its strategic secondary markets of Austria, the Benelux, Spain and, most recently, with the new subsidiary in Singapore. Investor demand in the targeted European markets was weak in 2024, especially for specialized healthcare investment vehicles. This is attributed to a challenging market environment as well as persisting political and economic uncertainty.

Expansion of Bellevue's distribution power

We continued to strengthen our sales team in Switzerland so we can address the specific needs of our domestic clientele even better.

A new key client coverage function was introduced to further enhance Bellevue's key account management, helping clients to take full advantage of the entire range of Bellevue's services. This new function serves as a single point of contact that pools our company-wide expertise and enables us to offer exclusive solutions of the utmost quality.

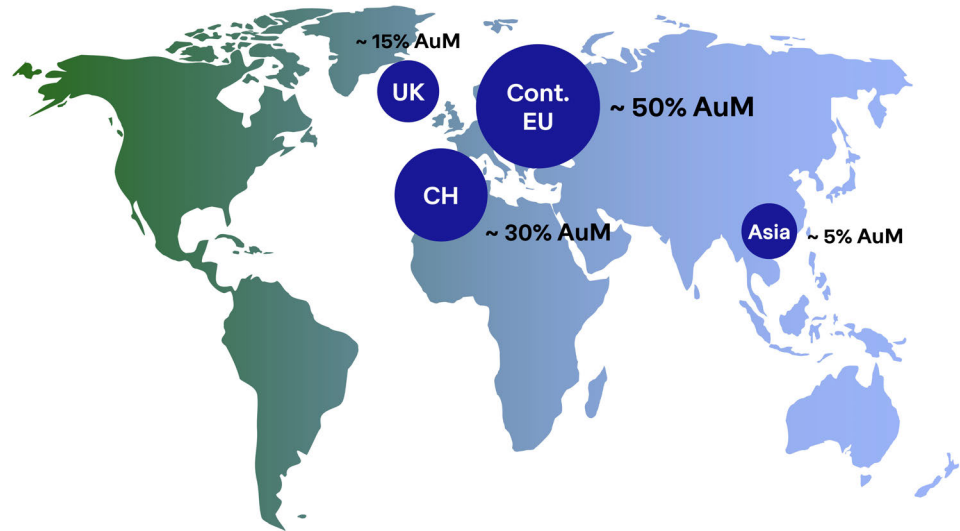
The ongoing refinement of our CRM capabilities and the integration of a marketing tool are strategic investments in our digital infrastructure. The ultimate aim – optimal client engagement – will increase the efficiency of our marketing and sales processes, improve one-on-one communications and lead to better data-driven decisions.

International expansion and diversification

A core element of Bellevue's business strategy is the steady expansion of its international presence. Switzerland, Germany and the United Kingdom are Bellevue's core markets and are covered by dedicated country teams. These three markets account for the bulk of Bellevue's total assets under management. The importance of Spain has grown in recent years thanks to successful collaboration with a local partner and the country is now Bellevue's fourth-largest market.

Bellevue's sales and distribution activities in its domestic market were intensified, especially in the French- and Italian-speaking parts of the country. The organizational structure of the sales and distribution team for Germany was modified, allowing it to engage more closely with all relevant client segments. In 2024 the team shifted its focus towards local savings and cooperative banks. Bellevue has a stable client base in Austria with growth potential and continues to build up its market presence in the Benelux. The United Kingdom was an attractive market for the investment companies BB Biotech AG and Bellevue Healthcare Trust in past years, but this was not the case in 2024, especially for Bellevue Healthcare Trust. However, signs of a change for the better in the healthcare sector have been observed early in 2025 and this could benefit BB Biotech AG in particular.

Regional breakdown



Source: Bellevue Group, as at December 31, 2024

Local subsidiary established in Singapore

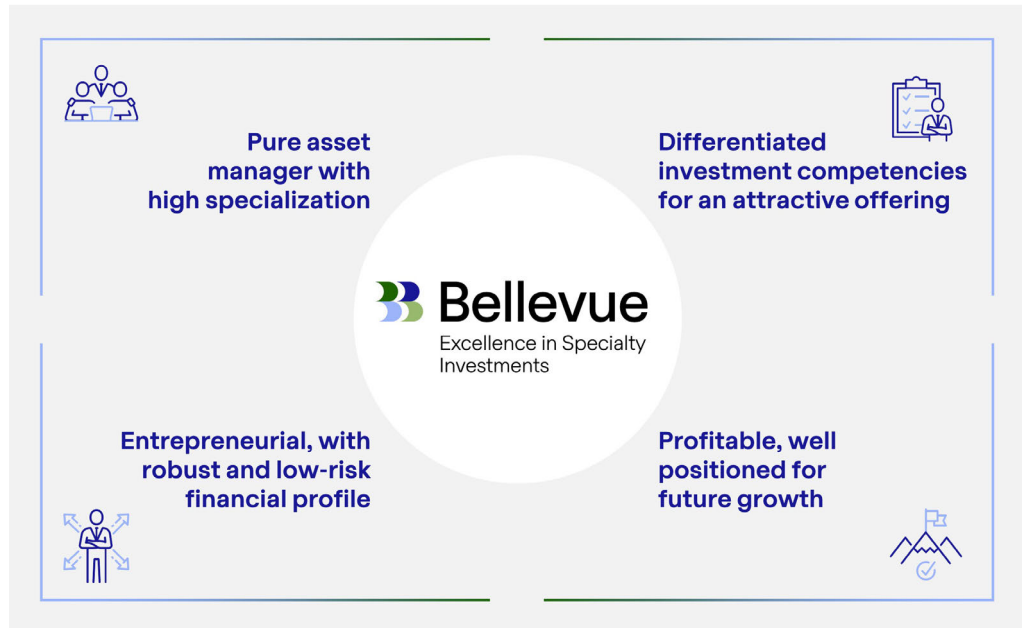
In keeping with its growth strategy, Bellevue is selectively developing new markets and client groups to enhance its operating efficiency and expand its international reach. In this context, a new sales and distribution company was established in Singapore to cover local markets, with a focus on Singapore and Hong Kong. Bellevue's Singapore office is primarily targeting professional investors such as banks, asset managers and family offices. This local presence attests to the region's strategic importance and growth potential. Management plans to gradually expand its existing Asia team.

Business model and strategy

A proudly independent company founded in 1993, Bellevue Group – based in Kusnacht/Switzerland – and its approximately 90 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.

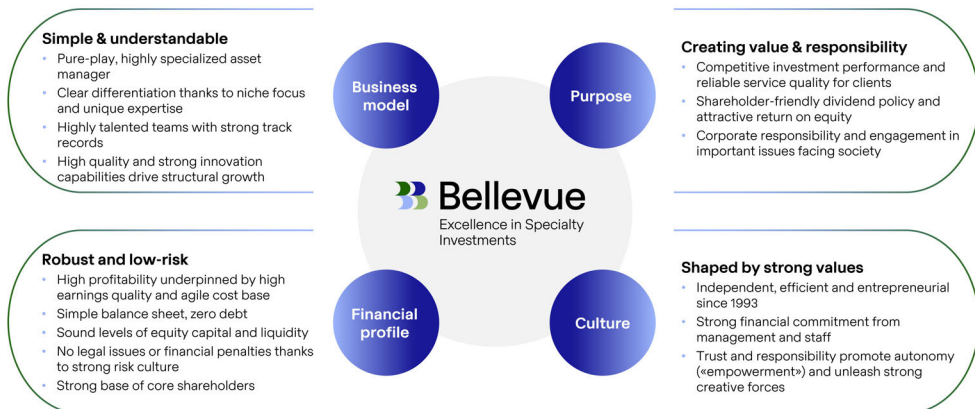
At a glance

- 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



Clear-cut strategy and distinctive business profile

Robust, time-tested foundation engenders trust and confidence during uncertain times

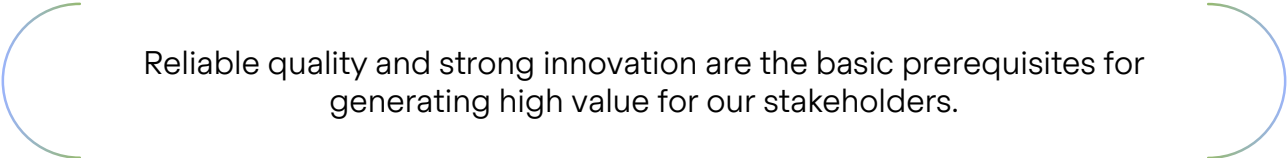


A forward- and growth-oriented strategy focused on profitability

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» 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.