

Investment focus

The fund's aim is to achieve capital growth in the long term. The Fund invests worldwide in companies active in the medical technology and healthcare services sector. Aim is to provide investors an attractive Healthcare Fund solution by investing in the entire healthcare universe with the exclusion of drug makers. Experienced sector specialists focus on profitable, liquid mid and large cap companies with an established product portfolio as well as fast growing small cap companies with leading-edge technology offering. Stock selection is based on fundamental company analysis, focusing in particular on the medical benefits and the potential savings for the healthcare system as well as the expected market potential of a company's products and services. The selection of the portfolio companies is entirely bottom up, independent of benchmark weightings.

Fund facts

NAV	433.78
Volume	USD 1'367.8 million
NAV-calculation	Daily "Forward Pricing"
Cut off time	15:00 CET
Distribution policy	Accumulating
Investment manager	Bellevue Asset Management AG
Custodian	RBC Investor Services, Luxembourg
Launch date	30.09.2009
Fiscal year end	30.06.
Benchmark (M)	MSCI World IMI HC Equip. & Supp.
Benchmark (HC)	MSCI World HC Net Return

ISIN code	LU0453818899
Valor	10553544
Bloomberg	BFLBBDU LX
WKN	AOYC2C

Management fee	1.60%
Performance fee	none
Subscription fee	up to 5%
Min. investor	n.a.

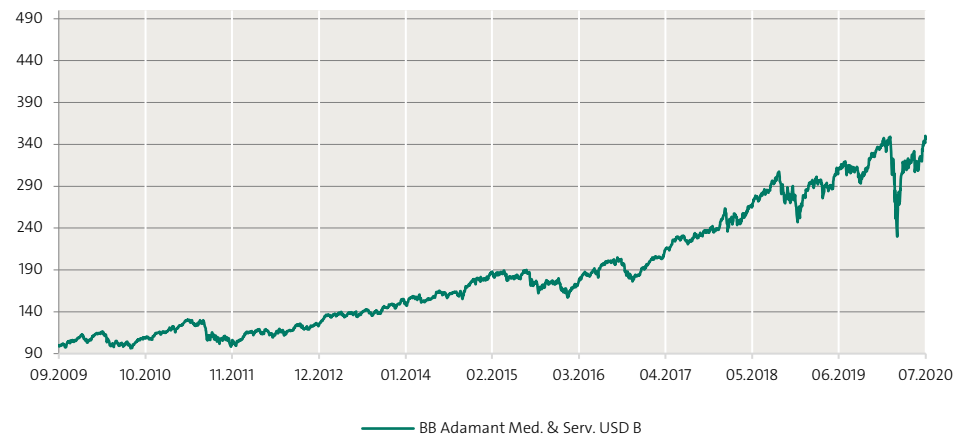
Legal entity	Luxembourg UCITS V SICAV
Countries of distribution	AT, CH, DE, ES, LU, SG (Res), UK
EU tax status	Out of scope

Key figures

Beta	1.01
Correlation	0.93
Volatility	22.8%
Tracking Error	8.67
Active Share	34.7
Sharpe Ratio	0.82
Information Ratio	-0.37
Jensen's Alpha	-4.24

Source: Bellevue Asset Management, 31.07.2020;
Calculation over 3 years.

Indexed performance since launch



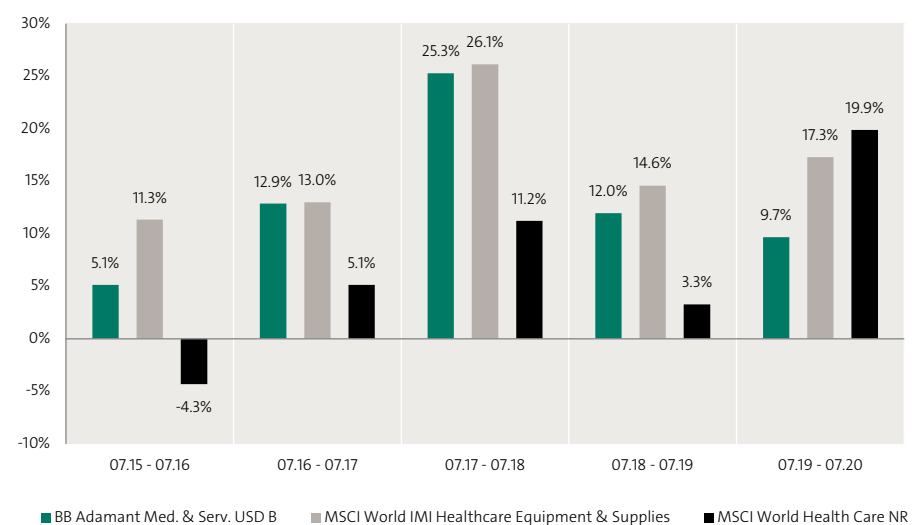
Cumulated & annualized performance

	Cumulated					Annualized				
	1 month	YTD	1 year	3 years	5 years	since launch	1 year	3 years	5 years	since launch
B USD	9.0%	3.2%	9.7%	53.8%	82.6%	246.3%	9.7%	15.4%	12.8%	12.1%
Medtech	9.5%	9.4%	17.3%	69.6%	113.4%	378.6%	17.3%	19.3%	16.4%	15.5%
H'care	4.1%	5.6%	19.9%	37.7%	38.5%	261.4%	19.9%	11.3%	6.7%	8.7%

Annual performance

	2015	2016	2017	2018	2019	YTD
B USD	-0.5%	3.4%	29.6%	11.8%	26.1%	3.2%
Medtech	8.0%	5.1%	30.3%	10.8%	31.7%	9.4%
H'care	6.6%	-6.8%	19.8%	2.5%	23.2%	5.6%

Rolling 12-month-performance



Source: Bellevue Asset Management, 31.07.2020; all figures in USD %, total return / BVI-methodology
Past performance is not a reliable indicator of future results and can be misleading. As the subfund is denominated in a currency that may differ than an investor's base currency, changes in the rate of exchange may have an adverse effect on prices and incomes. Performance is shown net of fees and expenses for the relevant share class over the reference period. All performance figures reflect the reinvestment of dividends and do not take into account the commissions and costs incurred on the issue and redemption of shares, if any. Individual costs are not taken into account and would have a negative impact on the performance. With an investment amount of EUR 1,000 over an investment period of five years, the investment result in the first year would be reduced by the front-end load of up to EUR 50 (5%) as well as by additional individual custody charges. In subsequent years, the investment result would also be reduced by the individual custody account costs incurred. The reference benchmark of this class is used for performance comparison purposes only (dividend reinvested). No benchmark is directly identical to a subfund, thus the performance of a benchmark is not a reliable indicator of future performance of the subfund it is compared to. There can be no assurance that a return will be achieved or that a substantial loss of capital will not be incurred.

Top 10 positions

Abbott Laboratories		8.7%
Medtronic		6.3%
Danaher		6.1%
Becton Dickinson		5.1%
Boston Scientific		5.0%
Intuitive Surgical		5.0%
Stryker		4.5%
Edwards Lifesciences		4.2%
UnitedHealth		3.6%
Humana		3.4%
Total top 10 positions		51.9%
Total positions		61

Sector breakdown

Cardiology		26.6%
Managed Care		18.4%
Surgery		8.7%
Orthopedics		7.8%
Life Science Supply		7.4%
Imaging/Radiotherapy		4.1%
Diabetes		3.5%
Dialysis / Blood		2.9%
Hospital / Nursing H.		2.1%
Others		18.2%
Cash		0.5%

Geographic breakdown

United States		92.3%
Netherlands		2.4%
Denmark		1.8%
Japan		1.3%
Australia		1.1%
Others		0.7%
Cash		0.5%

Market cap breakdown

0 - 1 bn		0.5%
1 - 2 bn		1.8%
2 - 5 bn		3.4%
5 - 15 bn		12.9%
15 - 20 bn		4.1%
> 20 bn		76.6%
Others		0.7%

Source: Bellevue Asset Management, 31.07.2020;
For illustrative purposes only. Holdings and allocations are subject to change. Any reference to a specific company or security does not constitute a recommendation to buy, sell, hold or directly invest in the company or securities. Where the Sub-Fund is denominated in a currency other than an investor's base currency, changes in the rate of exchange may have an adverse effect on price and income.

Market review

In July, the global stock market (MSCI World Net -0.1%) consolidated, but the medtech sector (MSCI World Healthcare Equipment & Supplies +4.0%) and the BB Adamant Medtech & Services Fund (+3.5%) both gained considerable ground. Ever since the coronavirus crisis came upon us, sector-specific performance numbers and factors have sometimes shown considerable divergence. After its quick rebound at the height of COVID-19 crisis, the medtech sector trended sideways until the middle of June, while cyclical sectors managed to narrow the performance gap as governments passed extensive measures to blunt the economic impact of the pandemic and the economic outlook brightened. Meanwhile the number of new cases of COVID-19 has started to surge again and the Medtech & Services Fund has once more demonstrated its defensive qualities; its ytd performance (-1.5%) is again well ahead of the world equity performance (-5.9%), the Dax (-7.1%) and the Euro Stoxx 50 (-13.4%).

Prices of medtech stocks were marked up in the wake of positive Q2 earnings announcements. The faster than expected rebound in elective surgeries and procedures was particularly surprising. At the end of the second quarter, elective surgery volumes had risen to 85-90% of the prior-year levels. What's more, the medtech companies, hospital operators and health insurers have all said that medical utilization continued to improve in July despite the surge in new infections. The anticipated market normalization in the fourth quarter of 2020 (i.e. volumes back at year-ago levels) is approaching ever nearer. Not surprisingly, Edwards Lifesciences (+8.2%) and Boston Scientific (+4.7%), hospital operator HCA Healthcare (+24.4%) and in particular the life-sciences tools and diagnostics firms Thermo Fisher (+8.9%), Avantor (+23.8%) and Hologic (+16.7%) contributed to the fund's positive performance in July. On the other hand, US health insurers/MCOs, e.g. Cigna (-12.2%), Humana (-3.5%), UnitedHealth (-2.1%) and Centene (-2.1%), detracted from performance again.

Most of the MCOs published their second-quarter results in July and their EPS numbers consistently beat consensus expectations, but none of the companies raised their guidance for the year as a whole. In view of the November elections, we believe that mainly reflects "political prudence" on the part of their management. Our positive assessment that MCOs have an exceptionally attractive risk/reward profile was confirmed in the latest reporting season: above-average double-digit profit growth with high visibility and a very enticing valuation (-26% to S&P 500). We see the US presidential election as the key catalyst for this segment, but macro factors could just as well trigger a short-term sector rotation too and lead to a re-rating of US health insurers. We believe that specialized healthcare investors are currently focusing more on micro factors and disregarding the relative attractiveness of the managed care segment in a world marked by economic uncertainties.

Positioning & outlook

A number of countries (the US for one) experienced a surge in coronavirus infections in June and July, which is likely to delay the complete reopening of their economies. Reliable forecasts of the impact the corona pandemic will have on the global economy are still difficult to make in our opinion. We expect the medtech & services sector to perform better than the broader stock market in a challenging economy thanks to the non-cyclical underlying demand for its products and services. This assumption is also based on the additional growth the sector is likely to experience as treatments that had to be canceled during the corona crisis are rescheduled.

The better-than-expected Q2 results and the steady recovery in elective surgeries and procedures seen in July should give the medtech sector further tailwind. The risk of a second wave is also not as dramatic as before: Healthcare systems are prepared, hospitals are well organized and treatment procedures are well established. New cases of infection are also not as severe as before. Vaccines will soon be available and although they will probably not be 100% effective, they are likely to significantly reduce the severity of the disease and the duration of treatment. These are all factors that will have a favorable impact on the availability of hospital capacity for "normal" procedures and interventions.

The Medtech & Services sector is trading at a 9% discount to the S&P 500 (P/E 2021). Large cap medtech stocks are valued with a premium of 4% and US health insurers with a discount of 26%. In view of its promising longer-term fundamental outlook, we believe Medtech & Services has considerable upside potential.

Risk and return profile

The Fund's investment objective is to generate attractive and competitive capital growth in the long term. It is therefore particularly suited to investors with an investment horizon of at least 5 years who want to selectively diversify their portfolio with investments in the medical technology and healthcare services sector and who are willing to accept the equity risk typical of this sector.



This fund is assigned to category 6, as its share price fluctuates severely and both the risk of loss and the opportunities for profit can therefore be high. The calculation of the risk and earnings profile is based on simulated/historical data, which cannot be used as a reliable indication of the future risk profile. The classification of the fund may change in future and does not constitute a guarantee. Even a fund classed in category 1 does not constitute a completely risk-free investment. There can be no guarantee that a return will be achieved or that a substantial loss of capital will not be incurred. The overall risk exposure may have a strong impact on any return achieved by the fund or subfund. For further information please refer to the fund prospectus or KIID.

Liquidity risk

The fund may invest some of its assets in financial instruments that may in certain circumstances reach a relatively low level of liquidity, which can have an impact on the fund's liquidity.

Risk arising from the user of derivatives

The fund may conclude derivatives transactions. This increases opportunities, but also involves an increased risk of loss.

Currency risks

The fund may invest in assets denominated in a foreign currency. Changes in the rate of exchange may have an adverse effect on prices and incomes.

Operational risks and custody risks

The fund is subject to risks due to operational or human errors, which can arise at the investment company, the custodian bank, a custodian or other third parties.

Target market

The fund is suitable for retail and professional investors in Austria, Germany, Luxembourg, Spain and Switzerland.

Chances

- Digitalization of the healthcare sector is boosting medtech companies' growth and earnings.
- Focusing on profitable, liquid mid and large cap companies with an established product portfolio as well as on rapidly growing small cap businesses delivering cutting-edge technology.
- Managed care profits from the privatization of the health insurance sector and lower treatment costs.
- Minimally invasive techniques gaining ground – shorter treatment times reduce healthcare costs.
- Bellevue – Healthcare pioneer since 1993 and today one of the biggest independent investors in the sector in Europe.

You can find a detailed presentation of the risks faced by this fund in the "Special Investment Risks" section of the sales prospectus.

Inherent risks

- The fund invests in equities. Equities are subject to price fluctuations and so are also exposed to the risk of price losses.
- The fund invests in foreign currencies, which means a corresponding degree of currency risk against the reference currency.
- The fund may invest a proportion of its assets in financial instruments that might under certain circumstances have a relatively low level of liquidity, which can in turn affect the fund's liquidity.
- Investing in emerging markets entails the additional risk of political and social instability.
- The fund may engage in derivatives transactions. The increased opportunities gained come with an increased risk of losses.

Management Team



Stefan Blum

Lead Portfolio Manager since inception of the fund

Joined Bellevue in 2008 as portfolio manager. Prior to joining Bellevue, he spent 4 years as head of investor relations at Sonova and as a financial analyst at Bank Sarasin from 1996 to 2000.



Marcel Fritsch

Portfolio Manager since inception of the fund

Joined Bellevue in 2008 as portfolio manager. Prior to that, he spent more than 3 years as a consultant with Deloitte & Touche, where he advised multinational companies in the healthcare industry on strategic issues.



Important information

This marketing communication relates to Bellevue Funds (Lux) (hereinafter the “Fund”), an investment company with variable capital “société à capital variable” (SICAV) under the current version of the Law of the Grand Duchy of Luxembourg of 10 August 1915 on commercial companies (“Law of 1915”) and is authorized under Part I of the Law of 17 December 2010 relating to undertakings for collective investment (“Law of 2010”) as an undertaking for collective investment (UCITS). BB Adamant Medtech & Services is a subfund of Bellevue Funds (Lux).

This marketing communication is issued by Bellevue Asset Management AG, which is an authorized asset manager subject to the supervision of the Swiss Financial Market Supervisory Authority (FINMA) and acts as an Investment Manager of the Fund. The Prospectus, statutes, the annual and half-yearly report, the share prices and further information about the Fund can be obtained free of charge in English and German from the management company of the Fund, Bellevue Asset Management AG, Seestrasse 16, CH-8700 Küsnacht, from the representative, paying, facilities and information agents mentioned below or online at www.bellevue.ch. The Key Investor Information documents are available free of charge in the languages of the countries of distribution (German for Germany, Austria and Switzerland, Spanish in Spain and English and German in Luxembourg) at www.fundinfo.com. This document is neither directed to, nor intended for distribution or use by, any person or entity who is a citizen or resident of any locality, state, country or jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. It is particularly not intended for US persons, as defined under Regulation S of the U.S. Securities Act of 1933, as amended. The information and data presented in this document are not to be considered as an offer to buy, sell or subscribe to any securities or financial instruments. The information, opinions and estimates contained in this document reflect a judgment at the original date of release and are subject to change without notice. This information pays no regard to the specific or future investment objectives, financial or tax situation or particular needs of any specific recipient and in particular tax treatment depends on individual circumstances and may be subject to change. This document is not to be relied upon in substitution for the exercise of independent judgment. Before making any investment decision, investors are recommended to ascertain if this investment is suitable for them in the light of their financial knowledge and experience, investment goals and financial situation, or to obtain specific advice from an industry professional. The details and opinions contained in this document are not to be considered as recommendation or investment advice. Every investment involves risk, especially with regard to fluctuations in value and return, and investors' capital may be at risk. If the currency of a financial product is different from your reference currency, the return can increase or decrease as a result of currency fluctuations. Past performance is no indicator for the current or future performance. The performance data are calculated without taking account of commissions and costs that result from subscriptions and redemptions. Commissions and costs have a negative impact on performance. For more information about the associated costs, please refer to the related costs and fees section of the prospectus. Any benchmarks/indices cited herein are provided for information purposes only. No benchmark/index is directly comparable to the investment objectives, strategy or universe of the subfund. The performance of a benchmark shall not be indicative of past or future performance of the subfund. Financial transactions should only be undertaken after having carefully studied the current valid prospectus and are only valid on the basis of the latest version of the prospectus and available annual and half-yearly reports. Please take note of the risk factors.

Countries of distribution and local representatives

The Bellevue Funds (Lux) is registered and admitted for public distribution in Austria, Germany, Luxembourg, United Kingdom, Singapore (Res), Spain and Switzerland.

Austria

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

Germany

Information agent: ACOLIN Europe GmbH, Reichenaustrasse 11a-c, D-78467 Konstanz

Spain

Representative: atl Capital, Calle de Montalbán 9, ES-28014 Madrid - CNMV under the number 938

United Kingdom

The Bellevue Funds (Lux) SICAV is recognised for public offering and distribution in the United Kingdom. Facilities agent: Financial Express Limited, 3rd Floor, Hollywood House, Church Street East, Woking, Surrey GU21 6HJ

Switzerland

The Bellevue Funds (Lux) SICAV is registered for public offering and distribution in Switzerland with the Swiss Financial Market Supervisory Authority.

Representative agent in Switzerland: ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zurich

Paying agent in Switzerland: DZ PRIVATBANK (Schweiz) AG, Münsterhof 12, P.O. Box, CH-8022 Zürich

You can obtain the sales prospectus, Key Investor Information Document (“KIID”), statutes and the current annual and half-yearly reports, the current share prices and further information about the fund free of charge in German from the management company Bellevue Asset Management AG, Seestrasse 16, CH-8700 Küsnacht, the representative agent in Switzerland or online at www.bellevue.ch.

In respect of the units distributed in or from Switzerland, the place of performance and jurisdiction is at the registered office of the representative agent.

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