

# Interim Report as at 30.09.2022

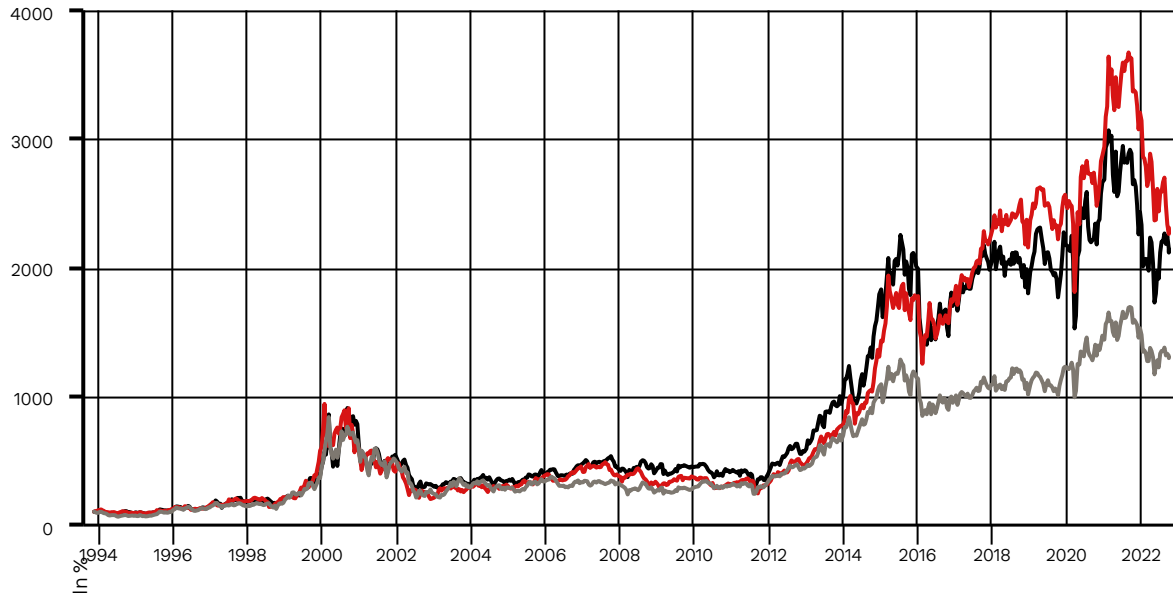
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# Performance/Multi-year comparison

## Indexed performance since launch

### BB Biotech AG (SIX)-CHF



● NAV CHF indexed    ● Share Price CHF indexed    ● Nasdaq Biotech Index (NBI) TR indexed

### Rolling performance

	SHARE	NAV	NBI TR
30.09.2021 – 30.09.2022	(33.7%)	(22.7%)	(21.3%)
30.09.2020 – 30.09.2021	31.1%	24.5%	21.9%
30.09.2019 – 30.09.2020	15.9%	21.0%	26.4%
28.09.2018 – 30.09.2019	(10.6%)	(14.1%)	(16.2%)
29.09.2017 – 28.09.2018	15.7%	0.2%	11.1%

### Annual performance

	SHARE	NAV	NBI TR
2021	8.3%	(11.5%)	3.0%
2020	19.3%	24.3%	15.8%
2019	18.5%	23.4%	23.0%
2018	(5.2%)	(14.5%)	(8.0%)
2017	22.9%	23.4%	16.4%

### Cumulated performance

30.09.2022

	SHARE	NAV	NBI TR
YTD	(27.7%)	(9.9%)	(13.4%)
1 year	(33.7%)	(22.7%)	(21.3%)
3 years	0.7%	16.4%	21.3%
5 years	4.1%	0.2%	13.0%
10 years	350%	242%	179%
since inception <sup>1)</sup>	2 209%	2 042%	1 196%

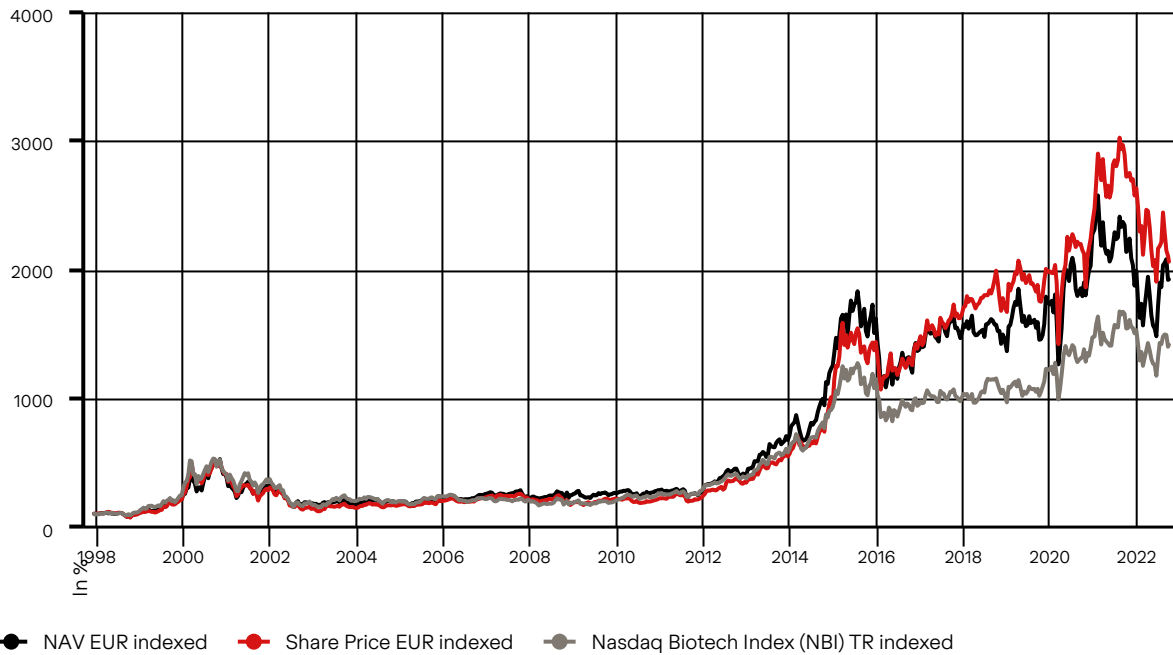
<sup>1</sup> 09.11.1993

### Annualized performance

30.09.2022

	SHARE	NAV	NBI TR
1 year	(33.7%)	(22.7%)	(21.3%)
3 years	0.2%	5.2%	6.6%
5 years	0.8%	0.0%	2.5%
10 years	16.2%	13.1%	10.8%
since inception <sup>1)</sup>	11.5%	11.2%	9.3%

<sup>1</sup> 09.11.1993

**BB BIOTECH AG (XETRA)-EUR**

**Rolling performance**

	SHARE	NAV	NBI TR
30.09.2021 – 30.09.2022	(26.1%)	(13.9%)	(11.7%)
30.09.2020 – 30.09.2021	29.6%	24.5%	21.8%
30.09.2019 – 30.09.2020	17.5%	22.0%	27.3%
28.09.2018 – 30.09.2019	(5.8%)	(10.0%)	(12.6%)
29.09.2017 – 28.09.2018	15.5%	0.6%	12.1%

**Annual performance**

	SHARE	NAV	NBI TR
2021	13.3%	(7.8%)	7.4%
2020	18.1%	24.8%	16.1%
2019	23.4%	28.1%	27.6%
2018	(2.2%)	(11.1%)	(4.3%)
2017	12.9%	12.5%	6.7%

**Cumulated performance**

30.09.2022

	SHARE	NAV	NBI TR
YTD	(22.4%)	(3.3%)	(6.7%)
1 year	(26.1%)	(13.9%)	(11.7%)
3 years	12.6%	30.9%	37.0%
5 years	22.4%	18.6%	34.2%
10 years	457%	328%	250%
since inception <sup>1)</sup>	1 960%	1 823%	1 369%

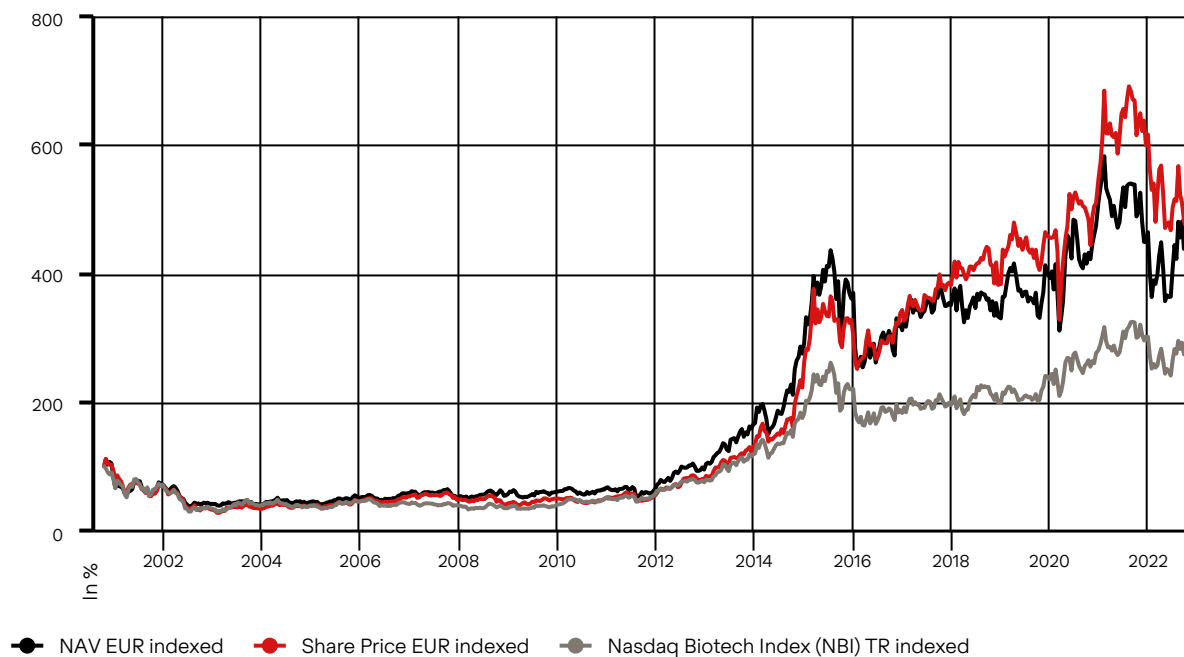
<sup>1</sup> 10.12.1997
**Annualized performance**

30.09.2022

	SHARE	NAV	NBI TR
1 year	(26.1%)	(13.9%)	(11.7%)
3 years	4.0%	9.4%	11.1%
5 years	4.1%	3.5%	6.1%
10 years	18.7%	15.6%	13.3%
since inception <sup>1)</sup>	13.0%	12.6%	11.5%

<sup>1</sup> 10.12.1997

## BB BIOTECH AG (MILAN)-EUR



### Rolling performance

	SHARE	NAV	NBI TR
30.09.2021 – 30.09.2022	(26.3%)	(13.9%)	(11.7%)
30.09.2020 – 30.09.2021	30.6%	24.5%	21.8%
30.09.2019 – 30.09.2020	17.2%	22.0%	27.3%
28.09.2018 – 30.09.2019	(6.3%)	(10.0%)	(12.6%)
29.09.2017 – 28.09.2018	15.9%	0.6%	12.1%

### Annual performance

	SHARE	NAV	NBI TR
2021	13.0%	(7.8%)	7.4%
2020	19.7%	24.8%	16.1%
2019	22.6%	28.1%	27.6%
2018	(1.3%)	(11.1%)	(4.3%)
2017	12.2%	12.5%	6.7%

### Cumulated performance

30.09.2022

	SHARE	NAV	NBI TR
YTD	(22.8%)	(3.3%)	(6.7%)
1 year	(26.3%)	(13.9%)	(11.7%)
3 years	12.8%	30.9%	37.0%
5 years	22.6%	18.6%	34.2%
10 years	459%	328%	250%
since inception <sup>1)</sup>	376%	344%	177%

<sup>1</sup> 19.10.2000

### Annualized performance

30.09.2022

	SHARE	NAV	NBI TR
1 year	(26.3%)	(13.9%)	(11.7%)
3 years	4.1%	9.4%	11.1%
5 years	4.1%	3.5%	6.1%
10 years	18.8%	15.6%	13.3%
since inception <sup>1)</sup>	7.4%	7.0%	4.8%

<sup>1</sup> 19.10.2000

## Multi-year comparison

	<b>30.09.2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Market capitalization at the end of the period (in CHF mn)	2 919.6	4 274.1	4 107.9	3 670.3	3 235.4
Net Asset Value at the end of the period (in CHF mn)	2 721.3	3 283.5	3 887.5	3 393.0	2 884.5
Number of shares (in mn)	55.4	55.4	55.4	55.4	55.4
Trading volume (in CHF mn)	1 296.7	2 101.0	2 315.6	2 004.2	2 610.7
Profit/(loss) (in CHF mn)	(322.6)	(404.8)	691.2	677.4	(471.3)
Closing price at the end of the period in CHF	52.70	77.15	74.15	66.25	58.40
Closing price (G) at the end of the period in EUR	54.30	74.05	68.00	61.40	52.00
Closing price (I) at the end of the period in EUR	54.30	74.40	68.50	61.00	52.00
Stock performance (incl. distributions) <sup>1)</sup>	(27.7%)	8.3%	19.3%	18.5%	(5.2%)
High/low share price in CHF	78.15/51.00	92.20/73.40	74.70/45.44	73.20/59.35	74.10/56.10
High/low share price in EUR	75.40/49.60	86.20/67.80	69.00/43.04	64.70/52.10	64.80/48.60
Premium/(discount) (annual average)	24.2%	19.5%	9.2%	11.8%	9.7%
Dividend in CHF	N.A.	3.85	3.60	3.40	3.05
Degree of investment (quarterly figures)	112.5%	108.6%	106.8%	109.1%	108.4%
Total Expense Ratio (TER) p.a. <sup>2)</sup>	1.27%	1.22%	1.25%	1.26%	1.25%

<sup>1)</sup> All figures in CHF %, total return-methodology

<sup>2)</sup> Based on market capitalization

# Shareholder letter

## Dear Shareholders

During the third quarter of 2022 investors grappled with continued high inflation and the decisive reactions by central banks in form of interest rate hikes – led by the US Federal Reserve. These increases and guidance regarding further actions resulted in higher implied bond yields, additional pressure on global equities and significant fluctuations in currency exchange rates.

During the third quarter, most stock market indices traded down: The S&P 500 was down 4.9%, the Dow Jones retreated 6.2% and the Nasdaq Composite Index was down 3.9% (all values in USD). European market indices closed lower. The Euro Stoxx 50 (-3.7% in EUR), the German Dax (-5.2 in EUR) and the Swiss SPI (-4.8% in CHF) followed suit.

Against these general developments, healthcare markets held up in July and August, but sold off in September, ending the third quarter with losses more or less in line with broader markets. The MSCI World Healthcare Index declined 6.7% (in USD), while the Nasdaq Biotech Index (NBI) ended with a small gain of 0.7% (in USD) consequent to acquisitions and positive clinical trial data from Alnylam for TTR and the surprising data from Eisai/Biogen's newest Alzheimer program. Within the NBI smaller and mid cap biotechnology companies (XBI S&P Biotechnology ETF +6.8%, in USD) outperformed larger cap names during the quarter.

The US Inflation Reduction Act (IRA) was signed into law by President Biden in mid-August - resulting in a pause of the pharmaceutical and biotechnology sectors as investors digested the implications. Conclusions have been mixed, ranging from significant concerns about price negotiations and controls to diffidence. Some commentators have cautioned that future changes in the law may take those conclusions into more or less pessimistic spaces. In other words, "the jury is out". Our view is that the legislation, if it is maintained, will spur innovation so that winners emerge in a more competitive and price-sensitive environment. While biopharma complained a good deal about the legislation, and some firms might experience challenges, we believe the industry can adapt to the increased challenge on prices. It should drive entrepreneurs, biotech and pharmaceutical companies to double-down on creation of the very best drugs possible. We will continue to seek out and invest in those opportunities.

Optimism that the SARS-CoV-2 pandemic has been controlled was associated with declines in the value of vaccine, diagnostics, and therapeutics, development and commercialization companies during the third quarter 2022. We are thrilled with the positive impact of vaccines (including from Moderna – in which we invested early in a private financing round) and other technologies. But we are far from complacent about the rapid drift and shift of variants of concern and the continued burden of COVID-19 and its post-acute sequelae (PASC). While there are fewer opportunistic companies working on COVID-19, we continue to watch the leading players carefully for opportunities to pursue further growth.

## BB Biotech third quarter and first nine months 2022 performance

BB Biotech's third quarter 2022 share price performance was -6.9% in CHF and -4.7% in EUR. In contrast, the Net Asset Value (NAV) gained 8.3% in CHF, 12.1% in EUR and 4.8% in USD. The net gain was CHF 210 mn compared to a net loss of CHF 208 mn for the same period in 2021. The solid third quarter numbers brought total share price return for the first nine months of 2022 – including the dividend – to -27.7% in CHF and -22.4% in EUR; in line with European markets but well behind the evolution of the NAV's depreciation of 9.9% in CHF, 3.3% in EUR and 16.7% in USD. The performance difference is an erosion of the share price premium over NAV, accentuated by exclusion from the SMIM Index on September 16, 2022 which precipitated a sell off by ETFs.




Year-to-date, the net loss was CHF 323 mn compared to a net gain of CHF 141 mn at the same time in 2021. USD/CHF exchange-rate fluctuations contributed 6.8% to performance for the first nine months and 13.4% for the USD/EUR.


### Third quarter 2022 portfolio activity

The investment team continued to reshape the portfolio. Radius was taken private for USD 10 per share and one contingency value right of USD 1 per share depending on future sales targets. While at a disappointingly low price, the cash inflow of USD 87 mn increased our flexibility to act on interesting investment opportunities. First, the capital released from Radius was invested privately into Rivus Pharmaceuticals' Series B financing. The funds will support clinical advancement of HU6, a first-in-class controlled metabolic accelerator designed to treat cardio-metabolic diseases with a focus on obesity. Second, we increased our holdings in Celldex. Third we increased our holdings in Revolution Medicines as the company progressed two clinical studies for their promising KRAS G12C and RAS-Multi inhibitors.

We hold 31 positions in the portfolio, and the investment level decreased slightly from 113.2% by the end of the second quarter to 111.2% by the end of the third quarter 2022. This means that we have dry powder to invest in more new opportunities within the established guidelines.



The capital released from Radius was invested privately into Rivus Pharmaceuticals' Series B financing.



### Third quarter 2022 developments in the portfolio

Positive trial read outs drove our third quarter results. The RNA companies Alnylam (siRNA) and Ionis (antisense RNA) both presented positive results in TTRA amyloidosis patients.

Alnylam reported the Apollo-B Phase III study of patisiran. Statistically significant improvements were reported among TTRA patients with cardiomyopathies, in the 6 minute walk test at 12 months. This was the first siRNA late stage trial with a clear-cut benefit for patients cardiac manifestations of TTRA. Apollo-B results raise prospects for success in the ongoing large trial HELIOS-B for vutrisiran, the next generation siRNA for TTRA patients. Ionis and global partner AstraZeneca presented positive Phase III data for eplontersen which reduced serum transthyretin concentrations by 80%, with a favorable safety profile. The data showed advantages for the next generation oligonucleotide chemistry.

Relay presented promising results for RLY-4008, a selective FGFR2 inhibitor for treating cholangiocarcinoma patients with FGFR2-driven disease.

Several products from portfolio companies were approved during the third quarter. Incyte won US approval for topical agent Opzelura for forms of vitiligo. Myovant and Pfizer won US approval of Myfembree for pain associated with endometriosis.

Crispr Therapeutics and Vertex announced plans to apply for regulatory approval for their gene editing program CTX001 for sickle cell and beta thalassemia patients. They expect to file in Europe and Japan (Q4 2022) and to complete a rolling submission in the US (Q1 2023).

Effective commercialization of new products by mid-sized biotechnology companies remained a focus. Within our portfolio, Argenx again reported strong uptake of Vyvgart by myasthenia gravis. Myovant continued steady growth with Orgovyx for prostate cancer and Intra-Cellular reported accelerating revenues for Caplyta. Neurocrine continued to expand uses of Ingrezza and expect more with label expansion to cover chorea in Huntington's Disease patients in 2023.

There were few takeovers in the third quarter, though many smaller cap companies continue to strive for partnership deals.

There were few takeovers in the third quarter, though many smaller cap companies continue to strive for partnership deals. Mersana announced an option agreement with GSK for the co-development and commercialization of XMT-2056, their immunosynthen antibody drug conjugate candidate targeting HER2.

### The Inflation Reduction Act (IRA)

On August 16, 2022, the Inflation Reduction Act (IRA) was signed into law by President Biden. Key provisions include:

#### Medicare's right to negotiate

Certain high-cost, older drugs that lack competition will be subject to repricing 9 years post launch for small molecules and 13 years post launch for biological drugs. The first cohort of Part D drugs will be eligible for negotiation in 2026, followed by a larger number of candidates each year. Part B drug repricing negotiations will start in 2028. Orphan drugs for a single rare disease and drugs from small biotechnology companies that represent >80% of total revenues will be excluded.

#### Rebates for price increases that exceed inflation

Drug price growth will be tied to inflation. Rebates, or penalty taxes, will be applied for price increases that exceed inflation.

#### Redesign of Medicare Part D

As soon as 2025, Medicare Part D (which covers mostly oral outpatient products) will be redesigned to limit annual out of pocket spending to USD 2000. A so-called «coverage gap» will be eliminated and out of pocket contribution in catastrophic situations will be shifted entirely to insurance plans and manufacturers, while annual insurance premium growth will be limited to 6% until 2030.

Overall, we foresee these changes will affect companies differentially, with a handful of winners and losers. Nevertheless, the US will remain the largest and most attractive market for innovative prescription drugs. And we will continue to seek the most innovative firms with the most attractive, valuable technology and product offerings.

## Outlook for the final quarter of 2022

US midterm elections will be on November 8. Healthcare investors will watch for results which suggest strict implementation, or possible revisions of the IRA.

After 18 months of pressure on biotechnology equity markets, we see attractive valuations and the opportunity to invest with optimism. Some of our small and midcap portfolio companies will need capital. We will continue to look out for investment opportunities into novel, fairly valued companies, such as our recent additions Celldex and Rivus Pharmaceuticals.

Although the pandemic phase has transitioned to an endemic model, the spread of SARS-CoV-2 variants of concern will be carefully monitored this fall and winter in the Northern hemisphere. The biotechnology sector will continue to solve problems associated with COVID-19 and continue to bring forward other valuable products for severe and chronic diseases. We anticipate continued momentum in the sector as differentiated medicines are delivered to patients with medical needs at prices considered affordable and sustainable by payers. We also believe that the biotechnology industry will rise to the challenge of potential U.S. price controls, just as it has before in other regions of the world.

We thank you for the trust you have placed in the Company. The Board of Directors of BB Biotech AG

**Dr. Erich Hunziker**

Chairman

**Laura Hamill**

Member

**Prof. Dr. Mads Krogsgaard Thomsen**

Member

**Dr. Clive Meanwell**

Vice Chairman

**Dr. Pearl Huang**

Member

**Dr. Thomas von Planta**

Member

# Portfolio at a glance

Securities as at September 30, 2022

Company	Number of securities	Change since 31.12.2021	Local currency	Share price	Market value in CHF mn	In % of securities	In % of shareholders' equity	In % of company
Ionis Pharmaceuticals	9 230 000	(1 002 973)	USD	44.23	402.9	13.3%	14.8%	6.5%
Argenx SE	892 503	(78 035)	USD	353.05	311.0	10.3%	11.4%	1.6%
Neurocrine Biosciences	2 798 437	(216 963)	USD	106.21	293.4	9.7%	10.8%	2.9%
Vertex Pharmaceuticals	950 523	(79 477)	USD	289.54	271.6	9.0%	10.0%	0.4%
Alnylam Pharmaceuticals	920 000	(190 000)	USD	200.16	181.8	6.0%	6.7%	0.8%
Incyte	2 691 077	(205 923)	USD	66.64	177.0	5.9%	6.5%	1.2%
Moderna	1 501 951	(161 398)	USD	118.25	175.3	5.8%	6.4%	0.4%
Intra-Cellular Therapies	3 291 479	(246 940)	USD	46.53	151.2	5.0%	5.6%	3.5%
Sage Therapeutics	2 950 278	(219 826)	USD	39.16	114.0	3.8%	4.2%	5.0%
Agius Pharmaceuticals	4 030 792	(281 500)	USD	28.28	112.5	3.7%	4.1%	7.4%
Myovant Sciences	5 872 639	(249 400)	USD	17.96	104.1	3.4%	3.8%	6.1%
Arvinas	2 136 412	(40 491)	USD	44.49	93.8	3.1%	3.4%	4.0%
Relay Therapeutics	4 120 720	34 758	USD	22.37	91.0	3.0%	3.3%	3.4%
Revolution Medicines	4 602 562	1 181 100	USD	19.72	89.6	3.0%	3.3%	5.2%
Fate Therapeutics	3 658 536	(42 800)	USD	22.41	80.9	2.7%	3.0%	3.8%
Crispr Therapeutics	888 605	(60 979)	USD	65.35	57.3	1.9%	2.1%	1.1%
Celldex Therapeutics	1 800 000	1 800 000	USD	28.11	49.9	1.6%	1.8%	3.8%
Exelixis	2 654 500	(180 500)	USD	15.68	41.1	1.4%	1.5%	0.8%
Esperion Therapeutics	4 194 064	(283 900)	USD	6.70	27.7	0.9%	1.0%	6.3%
Beam Therapeutics	568 121	(38 700)	USD	47.64	26.7	0.9%	1.0%	0.8%
Mersana Therapeutics	3 866 200	(268 800)	USD	6.76	25.8	0.9%	0.9%	4.0%
Kezar Life Sciences	3 000 000	(1 918 148)	USD	8.61	25.5	0.8%	0.9%	4.4%
Macrogenics	7 275 564	–	USD	3.46	24.8	0.8%	0.9%	11.8%
Generation Bio Co.	3 608 280	(244 900)	USD	5.31	18.9	0.6%	0.7%	6.1%
Rivus Pharmaceuticals <sup>1)</sup>			USD		17.3	0.6%	0.6%	
Wave Life Sciences	4 494 458	(108 400)	USD	3.61	16.0	0.5%	0.6%	5.2%
Scholar Rock Holding	2 132 725	(142 400)	USD	6.93	14.6	0.5%	0.5%	4.1%
Essa Pharma	5 879 583	863 769	USD	1.82	10.6	0.4%	0.4%	13.3%
Molecular Templates	11 192 003	400 000	USD	0.75	8.3	0.3%	0.3%	19.9%
Black Diamond Therapeutics	4 694 113	1 254 113	USD	1.69	7.8	0.3%	0.3%	12.9%
Homology Medicines	1 622 522	(114 600)	USD	1.61	2.6	0.1%	0.1%	2.8%
Radius Health – Contingent Value Right	8 733 538	8 733 538	USD	0.00	0.0	0.0%	0.0%	
<b>Total securities</b>					<b>3 025.0</b>	<b>100.0%</b>	<b>111.2%</b>	
Other assets					3.1		0.1%	
Other payables					(306.9)		(11.3%)	
<b>Net asset value</b>					<b>2 721.3</b>		<b>100.0%</b>	

<sup>1)</sup> Unlisted company

Exchange rate as at 30.09.2022: USD/CHF: 0.9870

# Consolidated balance sheet

in CHF 1 000	Notes	30.09.2022	31.12.2021
<b>Current assets</b>			
Cash and cash equivalents		3 025	2 835
Securities	4	3 025 046	3 641 112
Other assets		108	135
		<b>3 028 179</b>	<b>3 644 082</b>
<b>Total assets</b>		<b>3 028 179</b>	<b>3 644 082</b>
<b>Current liabilities</b>			
Short-term borrowings from banks	5	303 000	355 000
Other short-term liabilities		3 785	5 431
Tax liabilities		95	158
		<b>306 880</b>	<b>360 589</b>
<b>Total liabilities</b>		<b>306 880</b>	<b>360 589</b>
<b>Shareholders' equity</b>			
Share capital	6	11 080	11 080
Treasury shares	6	(36 508)	(9 205)
Retained earnings		2 746 727	3 281 618
		<b>2 721 299</b>	<b>3 283 493</b>
<b>Total liabilities and shareholders' equity</b>		<b>3 028 179</b>	<b>3 644 082</b>
Net asset value per share in CHF		49.60	59.40

The notes are an integral part of the condensed consolidated interim financial statements.

The condensed consolidated interim financial statements were approved by the Board of Directors of BB Biotech AG on October 18, 2022.

# Consolidated statement of comprehensive income

in CHF 1 000	Notes	01.01.–30.09.2022	01.01.–30.09.2021	01.07.–30.09.2022	01.07.–30.09.2021
<b>Operating income</b>					
Net gains from securities	4	–	187 170	220 509	–
Foreign exchange gains		1 258	–	478	–
Other income		4	4	1	–
		<b>1 262</b>	<b>187 174</b>	<b>220 988</b>	<b>–</b>
<b>Operating expenses</b>					
Net losses from securities	4	(290 136)	–	–	(192 643)
Finance expenses		(949)	(648)	(358)	(251)
Foreign exchange losses		–	(623)	–	(149)
Administrative expenses	7	(29 269)	(39 806)	(9 369)	(13 821)
Other expenses		(3 498)	(4 943)	(964)	(1 515)
		<b>(323 852)</b>	<b>(46 020)</b>	<b>(10 691)</b>	<b>(208 379)</b>
<b>Profit/(loss) before tax</b>	8	<b>(322 590)</b>	<b>141 154</b>	<b>210 297</b>	<b>(208 379)</b>
Income taxes		(58)	(57)	(19)	(19)
<b>Profit/(loss) for the period</b>		<b>(322 648)</b>	<b>141 097</b>	<b>210 278</b>	<b>(208 398)</b>
<b>Total comprehensive profit/(loss) for the period</b>		<b>(322 648)</b>	<b>141 097</b>	<b>210 278</b>	<b>(208 398)</b>
Income per share in CHF	9	(5.86)	2.55	3.83	(3.76)
Diluted income per share in CHF	9	(5.86)	2.55	3.83	(3.76)

The notes are an integral part of the condensed consolidated interim financial statements.

# Consolidated statement of changes in equity

in CHF 1 000	Share capital	Treasury shares	Retained earnings	Total
<b>Balances at January 1, 2021</b>	<b>11 080</b>	<b>(8 241)</b>	<b>3 884 708</b>	<b>3 887 547</b>
Dividend	–	–	(199 440)	(199 440)
Trade with treasury shares (incl. change in balance)	–	2 873	1 158	4 031
Total comprehensive income for the period	–	–	141 097	141 097
<b>Balances at September 30, 2021</b>	<b>11 080</b>	<b>(5 368)</b>	<b>3 827 523</b>	<b>3 833 235</b>
<b>Balances at January 1, 2022</b>	<b>11 080</b>	<b>(9 205)</b>	<b>3 281 618</b>	<b>3 283 493</b>
Dividend	–	–	(212 242)	(212 242)
Trade with treasury shares (incl. change in balance)	–	(27 303)	–	(27 303)
Total comprehensive income for the period	–	–	(322 648)	(322 648)
<b>Balances at September 30, 2022</b>	<b>11 080</b>	<b>(36 508)</b>	<b>2 746 727</b>	<b>2 721 299</b>

The notes are an integral part of the condensed consolidated interim financial statements.

# Consolidated statement of cash flow

in CHF 1 000	Notes	01.01.–30.09.2022	01.01.–30.09.2021
<b>Cash flows from operating activities</b>			
Proceeds from sales of securities	4	455 156	846 534
Purchase of securities	4	(129 226)	(795 084)
Payments for services		(34 407)	(44 699)
Income taxes paid		(97)	(112)
<b>Total cash flows from operating activities</b>		<b>291 426</b>	<b>6 639</b>
<b>Cash flows from financing activities</b>			
Dividend		(212 242)	(199 440)
Proceeds from sales of treasury shares	6	–	9 653
Purchase of treasury shares	6	(27 303)	(5 622)
Borrowing/(repayment) of bank loans	5	(52 000)	185 000
Interest payments		(949)	(648)
<b>Total cash flows from financing activities</b>		<b>(292 494)</b>	<b>(11 057)</b>
Foreign exchange difference		1 258	(623)
<b>Change in cash and cash equivalents</b>		<b>190</b>	<b>(5 041)</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>2 835</b>	<b>6 816</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>3 025</b>	<b>1 775</b>

The notes are an integral part of the condensed consolidated interim financial statements.



# Notes to the consolidated financial statements

## 1. The Company and its principal activity

BB Biotech AG (the Company) is listed on the SIX Swiss Exchange, in the «Prime Standard Segment» of the German Exchange as well as in the «Star Segment» of the Italian Exchange and has its registered office in Schaffhausen, Schwertstrasse 6. Its principal activity is to invest in companies active in the biotechnology industry for the purpose of capital appreciation. The investments are held through its wholly owned subsidiaries.

Company	Capital in CHF 1 000	Capital and voting interest in %
Biotech Focus N.V., Curaçao	11	100
Biotech Growth N.V., Curaçao	11	100
Biotech Invest N.V., Curaçao	11	100
Biotech Target N.V., Curaçao	11	100

## 2. Accounting policies

The condensed consolidated interim financial statements of the Company and its subsidiary companies (the Group) have been prepared in accordance with International Accounting Standards (IAS) 34 «Interim Financial Reporting,» as well as the provisions of the rules of the SIX Swiss Exchange for Investment Companies and should be read in conjunction with the consolidated annual financial statements for the year ended December 31, 2021. The preparation of the condensed consolidated interim financial statements requires management to make assumptions and estimates that have an impact on the balance sheet values and items of the statement of comprehensive income in the current financial period. In certain circumstances, the actual values may diverge from these estimates.

The condensed consolidated interim financial statements have been prepared in accordance with the accounting policies set out in the consolidated annual financial statements.

The following amended standards, valid since January 1, 2022, have been applied in these condensed consolidated interim financial statements:

- IFRS 3 (amended, effective January 1, 2022) – Reference to the Conceptual Framework
- IAS 37 (amended, effective January 1, 2022) – Onerous Contracts – Cost of fulfilling a Contract
- Annual Improvements to IFRS Standards 2018-2020 (effective January 1, 2022) – IFRS 9, IFRS 16

The Group assessed the impact of the above-mentioned amended standards. Based on the analysis, the Group concluded that these amended standards have no material impact on the Group's accounting policies and overall results and financial position.

The following amended standards were approved, but will only be applicable for the Group prospectively and were not early adopted in these condensed consolidated interim financial statements:

- IAS 1 (amended, effective January 1, 2023) – Classification of Liabilities as Current or Non-current
- IAS 1 (amended, effective January 1, 2023) – Disclosure of Accounting Policies
- IAS 12 (amended, effective January 1, 2023) – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The Group assessed the potential impact of the above-mentioned amended standards. Based on the analysis, the Group concludes that these amended standards have no material impact on the Group's accounting policies and overall results and financial position.

### 3. Financial risk management

#### Currency risk

The Group holds assets denominated in currencies other than the Swiss franc, the functional currency. It is therefore exposed to currency risk, as the value of the securities denominated in other currencies will fluctuate due to changes in exchange rates. Depending on the market situation the Group could use foreign currency options and/or forward contracts to reduce the currency risk.

The following exchange rates have been used for the preparation of these condensed consolidated interim financial statements:

Currency	30.09.2022	31.12.2021
USD	0.98700	0.91290
ANG	0.55449	0.51287
EUR	0.96740	1.03740
GBP	1.10230	1.23390

## Fair Values

The following table presents the Group's assets that are measured at fair value (in CHF 1 000):

30.09.2022	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Securities				
– Shares	3 007 773	–	17 273	3 025 046
– Derivative instruments	–	–	–	–
<b>Total assets</b>	<b>3 007 773</b>	<b>–</b>	<b>17 273</b>	<b>3 025 046</b>
<b>31.12.2021</b>				
<b>Assets</b>				
Securities				
– Shares	3 638 890	–	–	3 638 890
– Derivative instruments	–	–	2 222	2 222
<b>Total assets</b>	<b>3 638 890</b>	<b>–</b>	<b>2 222</b>	<b>3 641 112</b>

The table below summarizes the transactions in level 3 instruments (in CHF 1 000):

	01.01.–30.09.2022	01.01.–30.09.2021
Opening balance	2 222	2 155
Purchases	16 875	–
Sales	(5 071)	–
Realized gains/(losses) included in net gain/loss from securities	2 849	–
Unrealized gains/(losses) included in net gain/loss from securities	397	113
<b>Closing balance</b>	<b>17 273</b>	<b>2 268</b>
<b>Gains/(losses) on level 3 instruments included in net gain/loss from securities</b>	<b>3 246</b>	<b>113</b>

There were no transfers between level 1, 2 and 3 during the reporting period.

The level 3 instrument as at December 31, 2021, (Valuation: TCHF 2 222) was allocated as part of a corporate action in 2019 and sold at a value of TCHF 5 071 in March 2022.

The fair value of the level 3 instrument at initial recognition represents the transaction price (purchase of Rivus Pharmaceuticals in August 2022 for TCHF 16 875), which was paid in a financing round together with other investors. For the valuation as at September 30, 2022, it is deemed to be appropriate to use the transaction price in USD, as it is a reasonable approximation of fair value at the valuation date given the fact that no events occurred which significantly impact the fair value.

In August 2022 8 733 538 Contingent Value Rights were allocated from a corporate action. The valuation as of September 30, 2022, is CHF 0.

For assets and liabilities carried at amortised cost, their carrying values are a reasonable approximation of fair value.

## 4. Financial assets

### Securities

Securities comprise the following:

Company	Number 31.12.2021	Change	Number 30.09.2022	Market price in original currency 30.09.2022	Valuation CHF mn 30.09.2022	Valuation CHF mn 31.12.2021	
Ionis Pharmaceuticals	10 232 973	(1 002 973)	9 230 000	USD	44.23	284.3	
Argenx SE	970 538	(78 035)	892 503	USD	353.05	310.3	
Neurocrine Biosciences	3 015 400	(216 963)	2 798 437	USD	106.21	234.5	
Vertex Pharmaceuticals	1 030 000	(79 477)	950 523	USD	289.54	206.5	
Alnylam Pharmaceuticals	1 110 000	(190 000)	920 000	USD	200.16	171.8	
Incyte	2 897 000	(205 923)	2 691 077	USD	66.64	194.1	
Moderna	1 663 349	(161 398)	1 501 951	USD	118.25	385.7	
Intra-Cellular Therapies	3 538 419	(246 940)	3 291 479	USD	46.53	169.1	
Sage Therapeutics	3 170 104	(219 826)	2 950 278	USD	39.16	123.1	
Agios Pharmaceuticals	4 312 292	(281 500)	4 030 792	USD	28.28	129.4	
Myovant Sciences	6 122 039	(249 400)	5 872 639	USD	17.96	87.0	
Arvinas	2 176 903	(40 491)	2 136 412	USD	44.49	163.2	
Relay Therapeutics	4 085 962	34 758	4 120 720	USD	22.37	114.6	
Revolution Medicines	3 421 462	1 181 100	4 602 562	USD	19.72	78.6	
Fate Therapeutics	3 701 336	(42 800)	3 658 536	USD	22.41	197.7	
Crispr Therapeutics	949 584	(60 979)	888 605	USD	65.35	65.7	
Celldex Therapeutics	–	1 800 000	1 800 000	USD	28.11	–	
Exelixis	2 835 000	(180 500)	2 654 500	USD	15.68	47.3	
Esperion Therapeutics	4 477 964	(283 900)	4 194 064	USD	6.70	20.4	
Beam Therapeutics	606 821	(38 700)	568 121	USD	47.64	44.1	
Mersana Therapeutics	4 135 000	(268 800)	3 866 200	USD	6.76	23.5	
Kezar Life Sciences	4 918 148	(1 918 148)	3 000 000	USD	8.61	75.1	
Macrogenics	7 275 564	–	7 275 564	USD	3.46	106.6	
Generation Bio Co.	3 853 180	(244 900)	3 608 280	USD	5.31	24.9	
Wave Life Sciences	4 602 858	(108 400)	4 494 458	USD	3.61	13.2	
Scholar Rock Holding	2 275 125	(142 400)	2 132 725	USD	6.93	51.6	
Essa Pharma	5 015 814	863 769	5 879 583	USD	1.82	65.0	
Molecular Templates	10 792 003	400 000	11 192 003	USD	0.75	38.6	
Black Diamond Therapeutics	3 440 000	1 254 113	4 694 113	USD	1.69	16.7	
Homology Medicines	1 737 122	(114 600)	1 622 522	USD	1.61	5.8	
Biogen	500 000	(500 000)	–	USD	n.a.	109.5	
Radius Health	7 705 714	(7 705 714)	–	USD	n.a.	48.7	
Nektar Therapeutics	2 620 676	(2 620 676)	–	USD	n.a.	32.3	
<b>Listed shares</b>						<b>3 007.8</b>	<b>3 638.9</b>
Rivus Pharmaceuticals				USD		17.3	–
<b>Unlisted shares</b>						<b>17.3</b>	<b>–</b>
<b>Total shares</b>						<b>3 025.0</b>	<b>3 638.9</b>
Radius Health – Contingent Value Right	–	8 733 538	8 733 538	USD	0.00	–	–
Alder Biopharmaceuticals – Contingent Value Right	2 766 008	(2 766 008)	–	USD	n.a.	–	2.2
<b>Total derivative instruments</b>						<b>–</b>	<b>2.2</b>
<b>Total securities</b>						<b>3 025.0</b>	<b>3 641.1</b>

The changes in value of securities at fair value through profit or loss by investment category are as follows (in CHF 1 000):

	Listed shares	Unlisted shares	Derivative instruments	Total
<b>Opening balance as at 01.01.2021 at fair values</b>	<b>3 952 504</b>	<b>–</b>	<b>2 155</b>	<b>3 954 659</b>
Purchases	955 515	–	–	955 515
Sales	(925 467)	–	–	(925 467)
Net gains/(losses) from securities	(343 662)	–	67	(343 595)
<i>Realized gains</i>	312 779	–	–	312 779
<i>Realized losses</i>	(1 831)	–	(2 330)	(4 161)
<i>Unrealized gains</i>	437 584	–	67	437 651
<i>Unrealized losses</i>	(1 092 194)	–	2 330	(1 089 864)
<b>Closing balance as at 31.12.2021 at fair values</b>	<b>3 638 890</b>	<b>–</b>	<b>2 222</b>	<b>3 641 112</b>
<b>Opening balance as at 01.01.2022 at fair values</b>	<b>3 638 890</b>	<b>–</b>	<b>2 222</b>	<b>3 641 112</b>
Purchases	112 351	16 875	–	129 226
Sales	(450 085)	–	(5 071)	(455 156)
Net gains/(losses) from securities	(293 383)	397	2 849	(290 136)
<i>Realized gains</i>	40 947	–	2 849	43 796
<i>Realized losses</i>	(79 766)	–	–	(79 766)
<i>Unrealized gains</i>	406 995	397	–	407 392
<i>Unrealized losses</i>	(661 559)	–	–	(661 559)
<b>Closing balance as at 30.09.2022 at fair values</b>	<b>3 007 773</b>	<b>17 273</b>	<b>–</b>	<b>3 025 046</b>

## 5. Short-term borrowings from banks

At September 30, 2022, a CHF 303 mn short-term loan is outstanding with interest payable at 0.87% p.a. (December 31, 2021: CHF 355 mn at 0.40% p.a.).

## 6. Shareholders' equity

The share capital of the Company consists of 55.4 mn fully paid registered shares (December 31, 2021: 55.4 mn) with a par value of CHF 0.20 each (December 31, 2021: CHF 0.20).

### Treasury shares

The Company can buy and sell treasury shares in accordance with the Company's articles of association and Swiss company law and in compliance with the listing rules of the SIX Swiss Exchange. During the period from January 1, 2022, to September 30, 2022, the Company has purchased 446 574 treasury shares at an average price of CHF 61.14 to the amount of TCHF 27 303 and the Company has not sold any treasury shares (01.01.–30.09.2021: Purchase of 63 360 treasury shares to the amount of TCHF 5 622; sales of 117 572 treasury shares to the amount of TCHF 9 653). As at September 30, 2022, the Company holds 554 000 treasury shares (December 31, 2021: 107 426 shares). The treasury shares as at September 30, 2022, were treated as a deduction from the consolidated shareholders' equity using cost values of TCHF 36 508 (December 31, 2021: TCHF 9 205).

## Share buyback 2nd line (bought for cancellation)

In April 2019, the Board of Directors approved the repurchase of a maximum of 5 540 000 own registered shares with a nominal value of CHF 0.20 each. Until the end of the program, at April 11, 2022, no shares had been repurchased under this share buy-back program.

The Board of Directors has approved the repurchase of a maximum of 5 540 000 own registered shares with a nominal value of CHF 0.20 each. The share buy-back program will run from April 13, 2022 until April 11, 2025 at the latest. Until September 30, 2022, no shares had been repurchased under this share buy-back program. The repurchase will take place via second trading line for the purpose of a subsequent capital reduction.

## 7. Administrative expenses

Administrative expenses comprise the following:

in CHF 1 000	01.01.–30.09.2022	01.01.–30.09.2021
<b>Investment manager</b>		
– Management fees (incl. VAT)	27 806	38 537
<b>Personnel</b>		
– Board of Directors remuneration	1 130	998
– Wages and salaries	236	192
– Social insurance contributions and duties	97	79
	<b>29 269</b>	<b>39 806</b>

The remuneration model of BB Biotech AG is determined by the Board of Directors.

Since 2014 the remuneration paid to the investment manager is based upon a 1.1% p.a. all-in fee on the average market capitalization without any additional fixed or performance-based elements of compensation. The compensation of the Board of Directors consists since 2014 of a fixed compensation.

## 8. Segment reporting

The sole operating segment of the Group reflects the internal management structure and is evaluated on an overall basis. Revenue is derived by investing in a portfolio of companies active in the biotechnology industry for the purpose of capital appreciation. The following results correspond to the sole operating segment of investing in companies active in the biotechnology industry.

The geographical analysis of the profit/(loss) before tax is as follows – all income from financial assets are attributed to a country based on the domiciliation of the issuer of the instrument.

<b>Profit/(loss) before tax in CHF 1 000</b>	<b>01.01.–30.09.2022</b>	<b>01.01.–30.09.2021</b>
Netherlands	22 137	22 543
Great Britain	20 099	(15 243)
Singapore	2 904	(6 250)
Switzerland	(7 510)	(26 513)
Curaçao	(29 796)	(41 621)
Canada	(57 014)	(57 601)
USA	(273 410)	265 839
	<b>(322 590)</b>	<b>141 154</b>

## 9. Earnings per share

	<b>01.01.–30.09.2022</b>	<b>01.01.–30.09.2021</b>
Total comprehensive profit/(loss) for the period (in CHF 1 000)	(322 648)	141 097
Weighted average number of shares in issue	55 060 940	55 380 302
<b>Income per share in CHF</b>	<b>(5.86)</b>	<b>2.55</b>
Income used to determine diluted income per share (in CHF 1 000)	(322 648)	141 097
Weighted average number of shares in issue following the dilution	55 060 940	55 380 302
<b>Diluted income per share in CHF</b>	<b>(5.86)</b>	<b>2.55</b>

## 10. Assets pledged

At September 30, 2022, securities in the amount of CHF 3 025.0 mn (December 31, 2021: CHF 3 641.1 mn) are collateral for a credit line of CHF 700 mn (December 31, 2021: CHF 700 mn). At September 30, 2022, a CHF 303 mn short-term loan is outstanding (December 31, 2021: CHF 355 mn).

## 11. Transactions with the Investment Manager and related party transactions

Detailed information regarding the remuneration model for the Board of Directors and the investment manager are mentioned under note «7. Administrative expenses».

## 12. Commitments, contingencies and other off-balance sheet transactions

The Group had no commitments or other off-balance sheet transactions open at September 30, 2022 and December 31, 2021.

The operations of the Group are affected by legislative, fiscal and regulatory developments for which provisions are made where deemed necessary. The Board of Directors concludes that as at September 30, 2022, no proceedings existed which could have any material effect on the financial position of the Group (December 31, 2021: none).

## 13. Significant shareholders

The Board of Directors is not aware of any major shareholder with a holding exceeding 3% of all votes as at September 30, 2022 and December 31, 2021.

## 14. Subsequent events

There have been no events subsequent to September 30, 2022, which would affect the condensed consolidated interim financial statements.



# Report on the review of condensed consolidated interim financial statements

## Introduction

In accordance with the terms of our engagement, we have reviewed the condensed consolidated interim financial statements (consolidated balance sheet, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flow and selected explanatory notes) of BB Biotech AG for the period ended 30 September 2022.

These condensed consolidated interim financial statements in accordance with International Accounting Standard 34 «Interim Financial Reporting» and article 14 of the Directive and Financial Reporting of the SIX Swiss Exchange are the responsibility of the Board of Directors whereas our responsibility is to issue a report on these condensed consolidated interim financial statements based on our review.

## Scope of Review

We conducted our review in accordance with the Swiss Auditing Standard 910 (SAS 910) «Engagements to Review Financial Statements» and the International Standard on Review Engagements (ISRE) 2410 «Review of interim financial information performed by the independent auditor of the entity». This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the condensed consolidated interim financial statements are free of material misstatements. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements do not give a true and fair view of all material respects of the net assets, the financial position and results of operations in accordance with International Accounting Standard 34 Interim Financial Reporting and article 14 of the Directive on Financial Reporting of the SIX Swiss Exchange.

Deloitte AG

**Marcel Meyer**  
Audit expert  
Auditor in charge

**Alexander Kosovan**  
Audit expert

Zurich, 19 October 2022

Deloitte AG, Pfingstweidstrasse 11, CH-8005 Zurich  
Phone: +41 (0)58 279 60 00, Fax: +41 (0)58 279 66 00, [www.deloitte.ch](http://www.deloitte.ch)

# Company profile

## Excellence in Biotech Investments

### The access to fast growing biotechnology companies

BB Biotech invests in companies in the fast growing market of biotechnology and is one of the world's largest investors in this sector with around 30 years of experience. The shares of BB Biotech are listed on the SIX Swiss Exchange, the Frankfurt Stock Exchange and the Stock Exchange in Milan. Its investments are focused on listed companies that are developing and commercializing novel drugs that offer sound value for the healthcare system.

The competent Board of Directors with its long-standing experience set the investment strategy and guidelines. Investment decisions are taken by the experienced investment management team of Bellevue Asset Management AG based on their extensive investment research.

Biotechnology is one of the most attractive of any sector today with estimated annual growth in the double-digits. Mega trends such as increasing life expectancy and a Westernized diet and lifestyle are powerful growth drivers. These mega trends have led to a tremendous increase in healthcare costs, which, in turn, only amplifies the need for more efficient and effective drugs.

# Investment strategy


BB Biotech invests in fast-growing biotechnology companies that are developing and marketing innovative drugs. It focuses on biotech companies whose products address areas of significant unmet medical needs and thus have above-average sales and profit-growth potential.

Besides profitable large cap companies, BB Biotech is building up its investments in promising small and mid cap companies.


## Diversified portfolio with focus on small and mid-cap biotech companies

The team of investment experts is concentrating not only on established target areas such as oncology, orphan diseases and neurological indications, but also on the technologies of tomorrow that could lead to novel treatment methods with attractive therapeutic profiles and substantial economic rewards. These future technologies include RNA platforms and cell and gene therapies. A total return of 15% p.a. over a medium- to longer-term investment horizon is targeted.

The asset classes available to BB Biotech are direct investments in the shares of listed companies, equity interests in unlisted companies, corporate bonds, and options on a range of underlying assets. BB Biotech invests almost exclusively in stocks for liquidity and risk/return reasons. At least 90% of its shareholdings must be in listed companies, while always holding more than 50% of its assets in equity investments. Corporate bonds are an alternative primarily when stock market trends are negative. Options on the stocks of portfolio companies can be bought and sold at opportune times and as a means of hedging currency exposure.



We are focussing on the technologies of tomorrow.




## Multi-stage due diligence process based on bottom-up fundamental analysis

Exhaustive, multi-stage due diligence precedes the selection of individual investments. We must have a thorough understanding of every company we invest in. Before an investment is made, the team analyzes a company's financial statements in detail and assesses its competitive environment, R&D pipeline, and patent portfolio as well as its customers' perceptions of its products and services.


Close contact with company executives is of high importance to us in this due diligence process, but also afterwards, as we believe that it takes strong leaders to achieve strong results.

The competent Board of Directors with its long-standing experience set the investment strategy and guidelines. Investment decisions are taken by the experienced investment management team of Bellevue Asset Management AG based on their extensive investment research.

The Investment Management Team creates detailed financial models for all portfolio holdings and they must provide compelling arguments that these holdings have the potential to double in value over a four-year time frame. The team is guided by its convictions, not by benchmark considerations. Upside potential is driven in most cases by the power of innovation, the launch of new products for serious or significant illnesses, and successful company management. Each investment case is constantly monitored and evaluated within the scope of our stringent and disciplined risk management process and corrective action will be taken if and when necessary.



We follow our own conviction,  
not a benchmark.



## High conviction portfolio consisting of a maximum of 35 positions

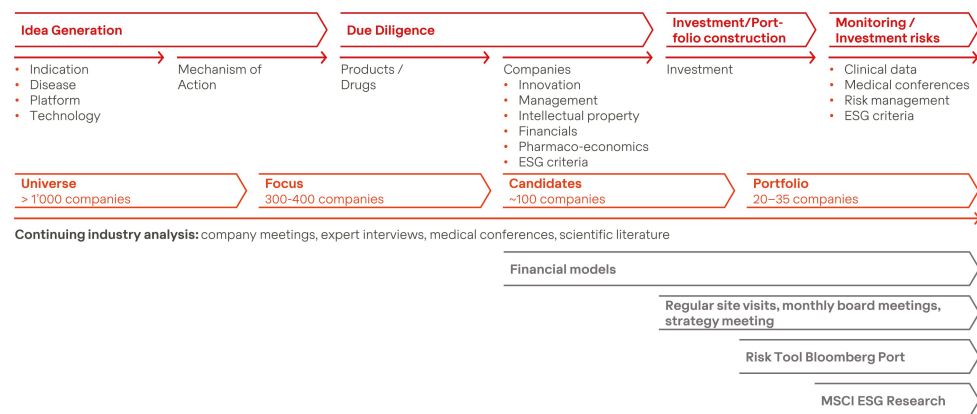
BB Biotech's investment portfolio will usually consist of between 20 to 35 biotechnology companies. There are established large cap companies as well as small and mid cap companies in the portfolio. Smaller positions will be taken in innovative biotech companies with promising R&D pipelines. From a regional perspective, the US biotech sector has displayed a high level of innovation and so this regional bias is also reflected in BB Biotech's portfolio. The predominance of the US biotech industry can be traced to the country's stellar research clusters, industry-friendly regulatory frameworks and myriad financing options, among other factors.

New investments in small and mid-cap companies will have a weighting of between 0.5% and a maximum of 4% to ensure that both upside potential and R&D risks are adequately addressed. Because it is a holding company, BB Biotech has the flexibility to increase portfolio weightings considerably over time as a position increases in value. Smaller positions may become a top holding as their business develops and milestones such as positive Phase III outcomes, drug approvals, the successful marketing of products, and a sustainable flow of profits are achieved. All positions and their valuations are continually monitored, taking into account their growth potential and other aspects, and will be reduced if and when appropriate.

# Investment process

During the investment selection process, BB Biotech relies on the well established experience of its Board of Directors and the fundamental analyses by the experienced management team of Bellevue Asset Management AG, with access to a network of physicians and specialists for the sectors in question.

## Investment process



Source: Bellevue Asset Management

Using a multi-stage process, the universe of around 1000 companies is systematically analyzed and evaluated. A detailed financial model is created for each investment, which must convincingly demonstrate the potential to double in value over a four-year period. This potential to double in value is based on innovative strength, new products for serious diseases and outstanding management. Each investment is systematically reviewed for sustainability risks and breaches of elementary human rights. Bellevue Asset Management AG is a signatory of UN Principles for Responsible Investment. Besides upholding strict exclusion criteria – such as serious controversies that violate universal norms regarding the environment, human rights or good corporate governance – environmental, social and governance factors are integrated into the fundamental analysis of every company through an ESG integration process in which the associated financial risks or opportunities are evaluated with respect to future stock market performance. The Investment Management Team strive to have an active and constructive dialogue with the management or other relevant stakeholders of the portfolio companies regarding environmental, social and governance aspects – and via proxy voting we use our voting rights actively at the general meetings.

All investments of BB Biotech AG are aligned with UN's Sustainable Development Goal number 3: «Good Health and Well-being. Ensure healthy lives and promote well-being for all at all ages». The investments of BB Biotech AG provide companies with capital in order to allow for drug development to ensure and improve healthy lives and well-being. Therapies to address high unmet medical needs such as for patients suffering from rare disorders, cancer, neurological diseases and chronic cardiovascular and metabolic disorders etc. are key investment selection criteria.

## Sustainability at portfolio level

Our investment process fully implements Bellevue Asset Management's formal ESG investment guidelines and therewith all BB Biotech investments are systematically reviewed for sustainability risks and breaches of elementary human rights (as defined, for example, by UN Global Compact principles). Besides upholding strict exclusion criteria – such as serious controversies that violate universal norms regarding the environment, human rights or good corporate governance – environmental, social and governance factors are integrated into the fundamental analysis of every company through an ESG integration process in which the associated financial risks or opportunities are evaluated with respect to future price development. ESG ratings compiled by the global leading ESG research provider MSCI ESG Research are referenced in this process, all the while exercising the necessary prudence and, in some cases, questioning the ESG score.



Before making a positive investment decision, intensive contact is established with the target company's management, since we are convinced that a superior performance can only be achieved with well managed companies.

After being incorporated into BB Biotech's portfolio, intense personal contact is maintained with members of the management of the relevant holdings. This closely knit monitoring of the portfolio companies enables BB Biotech to utilize all strategic options on a timely basis, including the early disposal of an equity interest should the fundamental situation significantly deteriorate.

# Board of Directors

The renowned Board of Directors of BB Biotech AG has many years of industrial and scientific experience.



## Chairman

### Dr. Erich Hunziker

Dr. Erich Hunziker has been on the Board of Directors of BB Biotech AG since 2011 and has been elected chairman in 2013. Dr. Hunziker previously served as CFO of Roche from 2001 until 2010. From 1983 until 2001 Dr. Hunziker held various executive positions at Corange, Boehringer Mannheim and, before joining Roche, at Diethelm-Keller-Gruppe, where he ultimately served as CEO. Dr. Hunziker earned a PhD in Industrial Engineering from the Swiss Federal Institute of Technology in Zurich. Dr. Hunziker is Chairman of the Board of Directors of Light Chain Biosciences (NovImmune SA), Entsia International AG and the following discoveric companies (all under common control): discoveric ag, discoveric bio alpha ag, discoveric bio beta ag, discoveric bio gamma ag, discoveric marina ag and discoveric marketplace ag. He is a member of the Board of Directors of LamKap Bio alpha AG, LamKap Bio beta AG and LamKap Bio gamma AG. Furthermore he is a member of the foundation board of the Swiss Arts Institute Foundation.

**Vice-Chairman**

## Dr. Clive Meanwell

Dr. Clive Meanwell is Vice-Chairman and has been a member of the Board of Directors of BB Biotech AG since 2004. He founded and is the Executive Chairman of Population Health Partners LLC, an investment firm, and Chief Executive Officer of Population Health Investment Corporation, a special purpose acquisition company. Dr. Meanwell is Chairman of the Board of Directors of Population Health Partners LLC. Furthermore he is a member of the Board of Directors of Population Health Investment Corporation, EQRx Inc., Fractyl Health Inc., Comanche Biopharma and Saama Technologies, Inc. Previously, Dr. Clive Meanwell founded The Medicines Company in 1996 and from then until January 2020 he was a member of the board of directors and held a range of leadership positions including Chairman, Executive Chairman, Chief Executive and Chief Innovation Officer at The Medicines Company. From 1995 until 1996, he was a founding partner and managing director of MPM Capital L.P. Earlier in his career, Dr. Clive Meanwell held various positions at Hoffmann-La Roche in Basel and Palo Alto, California. Dr. Clive Meanwell received his MD and PhD from the University of Birmingham in the UK where he also trained in medical oncology.





**Member**

## Laura Hamill

Ms. Hamill brings more than 30 years of experience in the biopharma industry. She served most recently as Executive Vice President, Worldwide Commercial Operations at Gilead Sciences. Prior to Gilead, she worked at Amgen in a number of executive leadership roles in the United States and internationally for almost 20 years. She is currently a member of the Board of Directors of AnaptysBio, Y-mAbs Therapeutics, Pardes Biosciences and Unchained Labs. Ms. Hamill started her career at Hoffmann-La Roche with both sales and brand management roles over an eight year period. She holds a B.A. in business administration from the University of Arizona.

**Member**

## Dr. Pearl Huang

Dr. Huang studied life sciences at MIT as an undergraduate and earned a doctorate in Molecular Biology from Princeton University. She has spent over 30 years in the pharma and biotech industries, and to date, has contributed to the development of eight medicines that are used by patients every day. Dr. Huang has been appointed CEO of Dunad Therapeutics in June 2022. Prior to that she served as CEO of Cygnal Therapeutics. She is currently a member of the Board of Directors of Waters Corporation, KSQ Therapeutics and a member of the MIT Corporation.





### Member

## Prof. Dr. Mads Krogsgaard Thomsen

Prof. Dr. Mads Krogsgaard Thomsen has been on the Board of Directors of BB Biotech since 2020. In 2021 Prof. Dr. Krogsgaard Thomsen became CEO of the Novo Nordisk Foundation. Prof. Dr. Krogsgaard Thomsen was previously with Novo Nordisk where he served as Executive Vice President, Head of R&D and Chief Science Officer. Prof. Dr. Krogsgaard Thomsen has chaired Danish Research Council programs within endocrinology and he is a former president of Denmark's National Academy of Technical Sciences. Until 2019 Prof. Dr. Krogsgaard Thomsen chaired the governing board of the University of Copenhagen.

### Member

## Dr. Thomas von Planta

Dr. Thomas von Planta has been elected Board member of BB Biotech AG in March 2019. Since 2006, he is owner of CorFinAd AG – Corporate Finance Advisory (advisory for M&A transactions and capital market financings). He chaired the Bellevue Group from March 2015 until March 2019. Previously he worked for Vontobel Group from 2002 until 2006 as interim Head Investment Banking/Head of Corporate Finance and member of the extended executive board. Prior to that he was with Goldman Sachs from 1992 until 2002, lastly in London in the Equity Capital Markets Group/Investment Banking Division. Dr. von Planta holds a degree in law from the Universities of Basel and Geneva (Dr. iur.) and is also attorney at law. Dr. von Planta is the Chairman of the Board of Directors of Bâloise Holding AG and a member of the advisory board of Harald Quandt Industriebeteiligungen GmbH.



# Investment Manager

## Bellevue Asset Management AG

BB Biotech's Investment Manager is Bellevue Asset Management AG. Bellevue Asset Management AG is subject to supervision by the Swiss Financial Market Supervisory Authority (FINMA) and it has been issued a license as an authorized manager of collective investment schemes. Bellevue Asset Management AG is wholly owned by Bellevue Group AG, an independent Swiss financial boutique listed on the SIX Swiss Exchange. Bellevue Asset Management provides administrative services in connection with the investment activities and organizational operations of BB Biotech AG. This basically comprises the following services:

- Portfolio Management
- Investor Relations
- Marketing & Communications
- Finance
- Administration

## Investment Management Team

Bellevue Asset Management AG has a team of proven biotech specialists with a successful track record who manage the investments in the biotech sector's most attractive players. The team's academic expertise and extensive experience, its long history of collaboration and interest in all fields of medicine as well as in biochemistry and business fundamentals ensure an inspiring and constructive interdisciplinary dialog within the team and with the Board of Directors as well as with external experts such as physicians and analysts.



### Head Investment Management Team

## Dr. Daniel Koller

Dr. Daniel Koller joined Bellevue Asset Management in 2004 as Portfolio Manager in the biotechnology segment specialized in cardiovascular diseases. Since 2010 he is head investment management team of the listed investment company BB Biotech AG. Before joining the company he spent four years in the financial sector, initially as an equity analyst at UBS Warburg and then as a private equity investor at equity4life. Dr. Daniel Koller studied biochemistry at the Swiss Federal Institute of Technology and earned a doctorate in biotechnology while working at Cytos Biotechnology.

**Portfolio Manager**

## Felicia Flanigan

Felicia Flanigan is a Portfolio Manager at Bellevue Asset Management and expert in infectious diseases and oncology. Before joining the team in 2004 she worked as a research analyst with Adams, Harkness & Hill. Previously she worked at SG Cowen in healthcare research. Felicia Flanigan received her MBA from Suffolk University, Boston, and her BA in communications from Boston College.

**Portfolio Manager**

## Dallas Webb

Dallas Webb has been a Portfolio Manager at Bellevue Asset Management since 2006. Previously, he worked as an equity analyst first at Sterling Financial Investment Group for 2 years and then at Stanford Group from 2004 onwards. His first stop as a biotechnology analyst was at Adams, Harkness & Hill, Boston. Dallas Webb holds an MBA from Texas Christian University of Fort Worth and a BA in Microbiotechnology and Zoology from Louisiana State University, Baton Rouge/Los Angeles.

**Portfolio Manager****Dr. Christian Koch**

Dr. Christian Koch has been a Portfolio Manager at Bellevue Asset Management since 2014. From 2013–2014 he was a sell-side Pharma & Biotech equity analyst at Bank am Bellevue in Küsnacht and from 2010–2013 a Research Associate at the Institute of Pharmaceutical Sciences at ETH Zurich. He holds a PhD in Chemoinformatics & Computational Drug Design from ETH Zurich and a Master in Bioinformatics from Goethe University Frankfurt.

**Portfolio Manager****Dr. Stephen Taubenfeld**

Dr. Stephen Taubenfeld has been with Bellevue Asset Management as a Portfolio Manager since 2013. From 2009 to 2013 he was senior analyst at Iguana Healthcare Partners, of which he was a founding partner. From 2008 to 2009 he was a consultant with Merlin BioMed Group and from 2004 to 2008 he was M.D./Ph.D. Fellow in Neuroscience at Mount Sinai Hospital, New York. He holds an M.D. and Ph.D. in Neuroscience from Brown University School of Medicine.

**Portfolio Manager**

## Dr. Maurizio Bernasconi

Dr. Maurizio Bernasconi joined Bellevue Asset Management as Portfolio Manager in 2017. Prior he was a sell-side equity analyst in the Pharma & Biotech department of Bank am Bellevue.

Maurizio Bernasconi has a master's degree in chemistry at Swiss Federal Institute of Technology (ETH), Zurich, and has PhD in organic chemistry at the University of Basel.

**Portfolio Manager**

## Dr. Samuel Croset

Dr. Samuel Croset joined Bellevue Asset Management as Portfolio Manager and Digital Transformation Lead in 2020. He previously worked for Roivant Sciences from 2018–2020 as data scientist supporting investment decisions in drug projects as well as leading a team focused on the analysis of real-world data. Prior to that, he started his professional career at Roche as data scientist in the research department (2014–2018). Samuel holds a Ph.D. in Bioinformatics from the University of Cambridge, a MS in Bioinformatics and a MS in Biochemistry from the University of Geneva.

# Shareholder information

The Company publishes its Net Asset Value daily via the major stock market information services and on its website [www.bbbiotech.com](http://www.bbbiotech.com). The portfolio composition is published at least every three months within quarterly reports.

## Official listing and share structure as at September 30, 2022

<b>Foundation:</b>	November 9, 1993; Schaffhausen, Switzerland
<b>Issue price adj. November 15, 1993:</b>	CHF 4.75
<b>Official listing:</b>	December 27, 1993, in Switzerland; December 10, 1997, in Germany; October 19, 2000, in Italy
<b>Share structure:</b>	CHF 11.08 mn nominal, 55 400 000 registered shares with a par value of CHF 0.20 each
<b>Shareholders, free float:</b>	Institutional and private investors, 100.0% free float
<b>Security number Switzerland:</b>	3 838 999
<b>Security number in Germany and Italy:</b>	A0NFN3
<b>ISIN:</b>	CH0038389992

## Quotes and reports

Quotes and reports					
<b>NAV:</b>	<b>in CHF</b>	– Datastream: S:BINA	<b>in EUR</b>	– Datastream: D:BBNA	
		– Reuters: BABB		– Reuters: BABB	
		– Telekurs: BIO resp. 85, BB1			
		– (Investdata)			
		– Finanz & Wirtschaft (CH)			
<b>Stock price:</b>	<b>in CHF (SIX)</b>	– Bloomberg: BION SW Equity	<b>in EUR</b>	– Bloomberg: BBZA GY Equity	
		– Datastream: S:BIO		(Xetra)	– Datastream: D:BBZ
		– Reuters: BION.S			– Reuters: BION.DE
		– Telekurs: BIO		in EUR	– Bloomberg: BB IM Equity
		– Finanz & Wirtschaft (CH)		(STAR)	– Datastream: I:BBB
		– Neue Zürcher Zeitung (CH)			– Reuters: BB.MI

# Facts & figures

## BB Biotech

<b>Facts &amp; Figures</b>	
Foundation	November 9, 1993, Schaffhausen, Switzerland
Issue price adj. 15.11.1993	4.75
Official Listing	Switzerland: December 27, 1993 Germany: December 10, 1997 Italy: October 19, 2000
Share structure	CHF 11.08 mn nominal, 55 400 000 registered shares with a par value of CHF 0.20 each
Shareholders, free float as at 30.09.2022	Institutional and private investors 100% Free Float
Security number Switzerland	3 838 999
Security number Germany and Italy	A0NFN3
ISIN	CH0038389992
Ticker Bloomberg	Switzerland: BION SW Germany: BBZA GY Italy: BB IM
Ticker Reuters	Switzerland: BION.S Germany: BION.DE Italy: BIO.MI
Type / asset class	Investment company / equity
Investment style	Long only, long term
Index membership	Star Index, SPI Index
Benchmark	Nasdaq Biotech Index (NBI) TR
Management Fee	All-in-Fee: 1.1% p.a.

## Analyst coverage

<b>Institute</b>	<b>Analyst</b>
Baader Helvea	Leonildo Delgado
Edison	Sarah Godfrey, Mel Jenner
Intesa Sanpaolo	Bruno Permutti
Kepler Cheuvreux	Arsene Guekam
Marten & Co	Matthew Read
Oddo BHF	Oussame Denguir
Pareto Securities	Dennis Berzhanin
Peel Hunt	Anthony Leatham
SEB	Carsten Lonborg Madsen



# Corporate calendar

<b>Portfolio as at December 31, 2022</b>	January 20, 2023, 7.00 AM CET
<b>Annual Report 2022</b>	February 17, 2023, 7.00 AM CET
<b>Annual General Meeting 2023</b>	March 23, 2023, 3.00 PM CET

The BB Biotech interim report is published in English. A translated German and Italian version is also available. In case of any deviations the English shall prevail over the German and Italian text.

# Contact

## Investor Relations



Dr. Silvia Siegfried-Schanz

Phone +41 44 267 72 66  
E-Mail [ssc@bellevue.ch](mailto:ssc@bellevue.ch)

Claude Mikkelsen

Phone +44 755 704 85 77  
E-Mail [cmi@bellevue.ch](mailto:cmi@bellevue.ch)



Maria-Grazia Alderuccio

Phone +41 44 267 67 14  
E-Mail [mga@bellevue.ch](mailto:mga@bellevue.ch)



**BB Biotech AG**

Schwertstrasse 6  
CH-8200 Schaffhausen  
Phone +41 52 624 08 45  
E-Mail [info@bbbiotech.com](mailto:info@bbbiotech.com)  
[www.bbbiotech.com](http://www.bbbiotech.com)

**Bellevue Asset Management AG**

Seestrasse 16/Postfach  
CH-8700 Küsnacht  
Phone +41 44 267 67 00  
E-Mail [info@bellevue.ch](mailto:info@bellevue.ch)  
[www.bellevue.ch](http://www.bellevue.ch)

# BB Biotech Newsletter

Would you like to receive regular information about BB Biotech in the future? Register here for our newsletter.



