Bellevue Healthcare Trust

MAY 2025

Factsheet

Investment Company with Variable Capital (SICAV) according to Luxembourg Laws – UCITS
Marketing communication / Financial promotion - For retail/non-qualfied investors: CH, GB and professional investors: AT, DE, ES, LU

Investment focus

Bellevue Healthcare Trust intends to invest in a concentrated portfolio of listed or quoted equities in the global healthcare industry. The investable universe for the fund is the global healthcare industry including companies within industries such as pharmaceuticals, biotechnology, medical devices and equipment, healthcare insurers and facility operators, information technology (where the product or service supports, supplies or services the delivery of healthcare), drug retail, consumer healthcare and distribution. There are no restrictions on the constituents of the funds portfolio by index benchmark, geography, market capitalisation or healthcare industry sub-sector. Bellevue Healthcare Trust will not seek to replicate the benchmark index in constructing its portfolio. The fund takes ESG factors into consideration while implementing the aforementioned investment objectives.

Fund facts

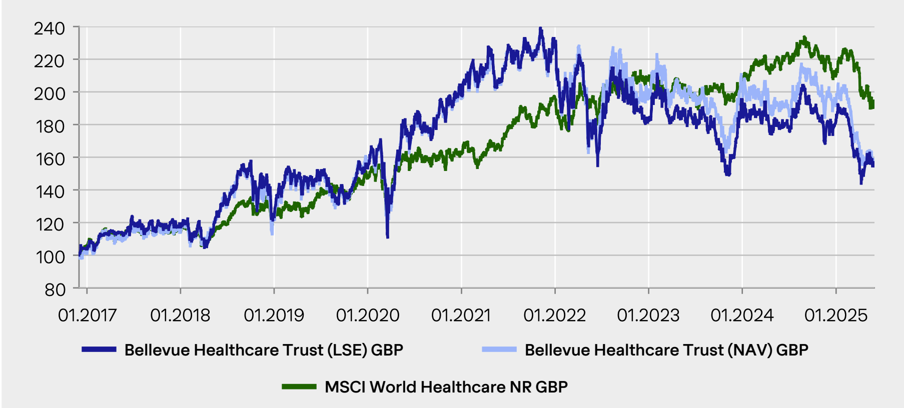
Share price	119.20
Net Asset Value (NAV)	121.12
Market capitalisation	GBP 234.50 mn
Investment manager	Bellevue Asset Management (UK) Ltd.
Administrator	NSM Funds (UK) Limited
Launch date	01.12.2016
Fiscal year end	Nov 30
Benchmark (BM)	MSCI World Healthcare NR
ISIN code	GB00BZCNLL95
Bloomberg	BBH LN Equity
Number of ordinary shares	196,727,005
Management fee (p.a.)	0.95%
Performance fee (p.a.)	none
Min. investment	n.a.
Legal entity	UK Investment Trust (plc)
EU SFDR 2019/2088	Article 8

Key figures

Beta	1.23
Correlation	0.65
Volatility	25.4%
Tracking Error	19.51
Active Share	70.30
Sharpe Ratio	-0.21
Information Ratio	-0.10
Jensen's Alpha	-1.07

Source: Bellevue Asset Management, 31.05.2025;
Calculation based on the Net Asset Value (NAV) over the last 3 years to 31 May 2025.

Indexed performance since launch



Cumulative & annualised performance

Cumulative

	1M	YTD	1Y	3Y	5Y	10Y	ITD
Share	-0.1%	-14.2%	-12.6%	-12.7%	-10.9%	n.a.	56.8%
NAV	-0.2%	-17.1%	-16.2%	-9.9%	-9.6%	n.a.	58.7%
BM	-4.5%	-7.6%	-10.3%	-0.2%	19.4%	n.a.	94.5%

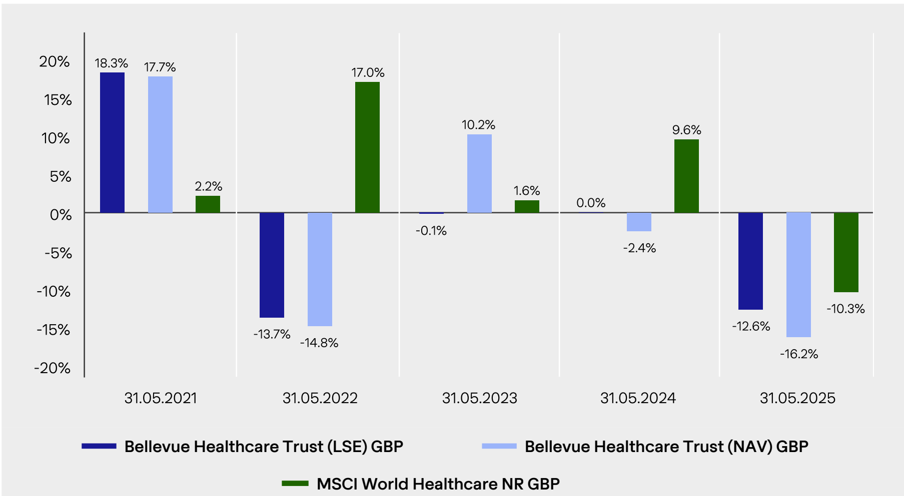
Annualised

	1Y	3Y	5Y	10Y	ITD
Share	-12.6%	-4.4%	-2.3%	n.a.	5.4%
NAV	-16.2%	-3.4%	-2.0%	n.a.	5.6%
BM	-10.3%	-0.1%	3.6%	n.a.	8.1%

Annual performance

	2020	2021	2022	2023	2024	YTD
Share	29.1%	16.6%	-21.0%	7.0%	-6.5%	-14.2%
NAV	25.7%	15.2%	-11.1%	2.4%	-6.7%	-17.1%
BM	10.3%	20.8%	5.8%	-1.6%	3.1%	-7.6%

Rolling 12-month-performance



Source: Bellevue Asset Management, 31.05.2025; all figures in GBP %, total return / BVI-methodology

Past performance is not a reliable indicator of future results and can be misleading. Changes in the rate of exchange may have an adverse effect on prices and incomes. 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. The reference benchmark is used for performance comparison purposes only (dividend reinvested). No benchmark is directly identical to the fund, thus the performance of a benchmark is not a reliable indicator of future performance of the Bellevue Healthcare Trust to which it is compared. There can be no assurance that a return will be achieved or that a substantial loss of capital will not be incurred.

Welcome to our May update. Policy decisions in the US continue to dominate equity market sentiment and this seems to be doubly so for the healthcare sector. Whilst healthcare is treading water, the broader market seems in an ebullient mood, shrugging off tariff woes to make new all-time highs.

For us, and our fellow travellers in healthcare land, the waiting game continues. The sooner we get clarity on the major policy overhangs, the better and investors can re-assess the risk/reward offered by the sector in a more confident manner.

Given the extent to which valuations have come back, it seems unlikely that the overall conclusion regarding the opportunity will be anything other than positive. We understand why generalists are reluctant to step in ahead of time, but *'audentes fortuna iuvat'*. The sector is not struggling on a fundamental level, it simply has a short-term perception problem that will be overcome in time.

Monthly review

The Trust

The frustration for healthcare investors continues, in a struggle that feels ever more like an absurdist Beckett play. We all know that we are waiting for *something* and that, whatever *it* may be, it *is* coming. Meanwhile, many feel like they are spinning their wheels, trying to plan for a future that remains highly uncertain.

We are not alone in feeling like we are living in a paradox; it's the same for everyone. We recap where it feels like we are today within healthcare in the following section. (with the caveat that what appears clear at the time of writing could of course change again by the time you get to read this).

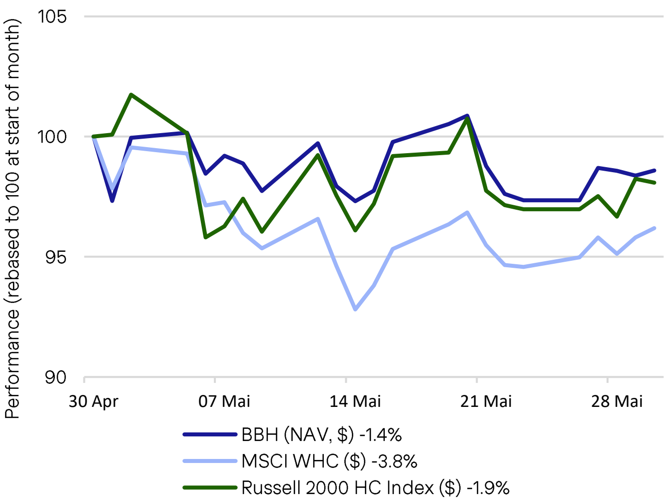
However, the difference for many investors is that they can simply choose to avoid the healthcare sector and allocate capital in other areas where they feel more confident about the shorter-term outlook. Investors generally abhor uncertainty, and currently our sector is bountiful with it.

Since avoidance is not an option for us, we must take a view and position accordingly, since we cannot know when "it" (shall we name it 'Godot'?) may arrive. In delving into the detail though, it becomes difficult not to walk away with a positive and optimistic view overall.

As detailed in our March missive, it makes sense to limit exposure to the Large international biopharma companies until of actions on drug pricing and tariffs are clearer, but beyond this, all appears well enough.

Whilst this strategic direction (i.e. limiting exposure to large biopharma) led to very modest underperformance in April, it led to a more notable outperformance in May. During the month, the Trust's Net Asset Value rose 0.6% in US dollar terms on a dividend-adjusted basis (-0.3% in sterling) to 121.1p. Outperforming the total return of the MSCI World Healthcare Index, which declined 3.6% (-4.5% in sterling) by 421bp.

The evolution of the NAV throughout the month is illustrated in Figure 1 opposite (note – the chart does not adjust for the ex-div event on 1st May) and it illustrates that theme of generalist investors eschewing some of the larger healthcare names given the perception of relative risk around US government policy decisions; larger-cap names were sold off in the early part of the month.



Source: Bellevue Asset Management, 31.05.2025

The evolution of the sub-sector weightings is summarised in Figure 2 below. The end of the month fell in the middle of a re-profiling of the book; the portfolio saw four exits and two additions and thus ended the month with 35 positions. Ten positions were unchanged. Because we were in the middle of this process, the cash position increased to 11.4% of gross assets. It has declined materially since as we continued to re-allocate capital.

Five sub-sectors delivered a positive return for the month, with Med-Tech and Diagnostics notable contributors. Of the four detractors, Focused Therapeutics was the standout underperformer, driven mainly by our holding in Sarepta, which declined 40% over the month in dollar terms (due mainly to a guidance cut at its Q1 results), compared to -4.1% for the US NASDAQ biotechnology index and -2.0% for the US Russell 2000 (i.e. mid-cap) healthcare index. Even after this recent fall, our investment in Sarepta remains materially positive in IRR terms over the 3.5 years that we have held the position:

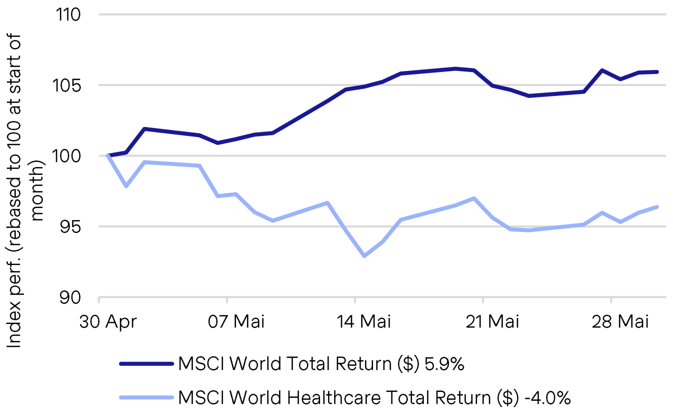
	Subsectors end Apr 25	Subsectors end May 25	Change
Dental	1.0%	1.2%	Increased
Diagnostics	18.6%	17.1%	Decreased
Distributors	4.3%	3.6%	Decreased
Diversified Therapeutics	7.3%	9.4%	Increased
Focused Therapeutics	20.3%	20.3%	Unchanged
Healthcare IT	1.8%	0.5%	Decreased
Healthcare Technology	6.5%	7.5%	Increased
Managed Care	5.5%	5.9%	Increased
Med-Tech	23.8%	24.5%	Increased
Services	5.7%	4.3%	Decreased
Tools	5.3%	6.0%	Increased
	100.0%	100.0%	

Source: Bellevue Asset Management, 31.05.2025

The Trust announced that it would implement a zero discount policy from 23rd April 2025. During May, the discount averaged 1.6% and the policy is proving effective at managing the discount in a tight range and facilitating liquidity for investors.

The Healthcare Sector

During May, the healthcare sector materially under-performed the wider market; as noted previously, the total return of the MSCI World Healthcare Index was -3.6% (-4.5% in sterling), versus +6.0% (+5.1% in sterling) for the parent MSCI World Index. The evolution of healthcare versus the wider market is illustrated in Figure 3 below, and paints a picture of consistent, fading relative performance.



Source: Bellevue Asset Management, 31.05.2025

This dichotomy seems to be tariff-related. The wider investor universe seems now to have largely faced down Trump's potentially illegal and seemingly highly negotiable "Liberation Day" tariffs that cast a shadow over the market for many weeks; the MSCI World Index made a new all-time high in late May and another one again on 13 June despite rising tensions in the Middle East and some worrisome provisions in the pending 'Big Beautiful Bill'.

The consensus view now seems to be that the overall impact of tariffs will be much closer to the 10% level initially assumed than the sort of numbers flying about in late April. The explanation for this positive mood seems to be the emergence of a pervasive view that 'Trump Always Chickens Out' (the 'TACO' trade); this has been further reinforced with his mid-May reversal on 'reciprocal' China tariffs for no material gain in respect of Trump's stated objectives in our view.

Both sides painted this "substantial progress" as a victory, but it felt to us that China was the net winner, since it appears that the US cannot stomach the side effects of its own medicine (inflation, product shortages, slowing economic growth etc.).

In contrast to these comely conditions, the clouds that Trump has brought to the healthcare sector have failed to lift thus far. In no particular order, the five main issues that seem to be keeping generalist investors on the sidelines of the wider sector (four of which are Trump specific) are:

i) Section 232 Tariffs on pharma (legally distinct from those of "Liberation Day")

ii) Action on US drug pricing,

iii) Changes to Federally funded entitlement programmes that may impact market growth across the healthcare space

iv) Mis-management at the FDA

v) Increasing competition from China biotech.

We summarise our views on this topics in the following section. First though, the sub-sector performance during May is illustrated in Figure 4 opposite. Managed Care was again the standout poor performer as United Health kept the bad news coming; the CEO stepped down and unfounded rumours circulated of new investigations into its business practices. These led to the sort of downside over-reaction that typifies the current market dynamic. However, we would note that Therapeutics were the next worst performing sectors on the combined topics of drug pricing and industry-specific tariff fears.

	Weighting	Perf (USD)	Perf (GBP)
Healthcare Technology	0.6%	23.6%	22.5%
Healthcare IT	0.7%	19.6%	18.6%
Generics	0.7%	10.9%	9.9%
Facilities	1.0%	10.1%	9.2%
Other HC	1.9%	8.6%	7.6%
Dental	0.3%	4.7%	3.8%
Distributors	2.5%	3.0%	2.1%
Diagnostics	1.3%	2.2%	1.3%
Med-Tech	18.7%	0.4%	-0.5%
Conglomerate	7.1%	-0.1%	-1.0%
Services	1.7%	-1.6%	-2.4%
Tools	6.1%	-1.9%	-2.7%
Focused Therapeutics	7.8%	-3.8%	-4.6%
Diversified Therapeutics	40.8%	-5.6%	-6.4%
Managed Care	8.8%	-18.8%	-19.5%
Index perf		**-3.6%**	**-4.5%**

Source: Bloomberg/MSCI and Bellevue Asset Management, Weightings as of 30.04.2025, Performance to 31.05.2025

Despite all of these overhangs that are beyond any investor's overall control, we remain optimistic. What politicians bluster about, and what ultimately ends up as policy are often poles apart. This is especially true in the US, where the whole constitutional system and separation of powers is intended to prevent any one group from railroading the other branches into any policy direction that is not widely supported and fully legitimate. Trump is testing the bounds of executive privilege but he is not getting a free ride by any means.

What does any of this tell us about global healthcare? Perhaps in the future, less of your PhD researchers will come from, and work in, the US. Probably you will seek different pricing terms in ex-US developed markets and you may well "make" more of your drugs in future in the US than you do in Ireland. China may be less appealing as a venue for new products and perhaps the FDA is actually *easier* to deal with than it used to be.

What will not have changed is that a growing and ageing global population will consume *more* of your products, technologies and services in a quest to remain healthy. Can you really be so certain about other things? Why are investors so relaxed about billions in capex going into AI server clusters when it may well be that such complex infrastructure is not needed to drive the AI-enabled future (cf. China's DeepSeek). Healthcare isn't broken and it isn't going to be allowed to break either. It simply is not in anyone's interest for that to happen.

Healthcare policy headwinds

Pharma-specific Tariffs

On April 1, 2025, the US government initiated an investigation, under section 232 of the Trade Expansion Act, to determine the effects on national security of imports of pharmaceuticals and their active ingredients. As is customary, a notice was sent out requesting public comments, and this comment period closed on May 7.

Assuming the Secretary of Commerce (a presidential appointee) concludes the investigation report demonstrates that imports of drugs "threaten to impair" U.S. national security, then he can ask the president to invoke tariffs and the White House will determine the level of the tariffs that are implemented.

In theory, these tariffs will have a prescribed framework and will not be negotiable/flexible in the way that the "liberation Day" tariffs are. However, we note the UK was exempted from the increase in 232 tariffs on steel and aluminium imports from 25% to 50% announced in June 2025, so it is not impossible to carve out certain countries. The report is supposed to be completed within 270 days, which implies 27th December.

However, Trump has indicated that the administration intends to move much more quickly – his most recent comment being a press briefing on 17 June, where he suggested that Pharma-related measures were coming "very soon", along with comments on banning direct-to-consumer advertising of drugs.

The value of DTC is much contested – it does drive patients into doctors' offices to talk about new treatment options, but what happens next is still in the hands of the physician and the insurances company – and the industry spends ~$10bn/year on it so that's a lot of EBIT offset for the tariff impact.

Given Trump has been consistently hostile to the pharma industry throughout both his terms, we see the implementation of tariffs as inevitable.

The only discussion points left are what the level will be and how quickly the industry can adapt supply chains to comply with them. This is a high gross margin industry that generates a lot of profits through IP-related royalty transfers and so we think the ultimate impact will be manageable.

Even 25% tariffs on underlying active ingredients is probably only a low single-digit margin impact. 50% tariffs (like metals) would make a more material difference and could see a high single-digit impact on operating margins for some products. Many will argue this is already priced in and perhaps this is true, given where valuations now lie. If DTC goes, we may not even notice the margin impact. Nonetheless, it remains an overhang and many investors want to run the numbers with confidence before buying the dip. Resolution cannot come soon enough.

Action on Drug Pricing

Trump's "Most Favoured Nation" executive order on non-generic drug pricing, as announced on 12 May, revives a policy proposal from his first term that apes the approach taken by many western countries; namely reference pricing to a basket of comparable countries for government drug purchases.

In this case, it will be OECD members with a GDP/Capita of 60% or more of that of the United States (it is unclear at this point if purchasing power parity will also be taken into account). We were supposed to hear more details on how the scheme works by 11 June, but this has yet to be forthcoming.

Given the difference between US and OECD average prices (Trump clearly has no idea how big the delta is; the press conference in the oval office is a hilarious cringe-fest if you care to watch it. He claims drug prices will drop "almost immediately, by 30% to 80%," and these numbers move up as the event goes on), a normalisation of global prices could have a very material impact on the sector. The problem with the current proposal is that… it isn't really a proposal.

First some context: according to the consultancy IQVIA, net drug spend in the US was about $490 billion in 2024. Gross spending (before rebates – a very US specific business model), was closer to $800 billion. It is very important to remain focused on net rather than gross spending. A 2024 study by RAND health suggested that brand name drugs were 2-3x more costly in the US on a net basis when compared to a basket of OECD countries (it is difficult to be more specific as rebates in the US vary from one scheme to another, so the weighted "net price" is not easy to determine).

Whatever anyone from the industry claims, there is a clear price difference in the US compared to other advanced nations. The idea (much promulgated by pharma lobbyists) that the solution to all of this is to get other countries to pay more is farcical. It has been suggested this is a component of tariff negotiations but we just cannot see why anyone would agree to this or why this administration would want to help the drug industry out in this way.

The biggest immediate issue is that the US government does not directly buy the majority of drugs used in the country; most US citizens receive their healthcare through private programmes. Medicare part B is effectively a purchaser, as is Medicaid and the 340b programme, along with veterans affairs. Medicare part D pays partly for drugs, but the discounts/rebates are negotiated by third parties.

How does all this add up? In 2023, it was estimated that the government funded 41% of net drug spending in the US. How will any government plan transmit into the wider market context? This is also unclear In other OECD countries, there are often different prices for private prescriptions.

Even if the government does move forward with a programme to cut prices, there are many potential mechanisms to address this. We have had some sort of Bill via Congress (usually involving Bernie Sanders as a sponsor) every year we can remember and they have gotten nowhere – the pharma lobby machine is the largest and most powerful in Washington. Alternatively, there are various pilot programmes within the HHS/CMS framework that could be used to implement price cuts, but the scope of these and the speed of implementation remains unclear.

Of course, this may be another 'TACO' situation. If the US system worked to eliminate the fiction of gross prices, and focused only on the net price, there would be an apparent and potentially rapid decline in headline "drug prices" without any negative impact on the industry, and everyone could walk away a winner. The disparity to the OECD would still exist, but it would appear less egregious.

What can we conclude at this point? This feels like Trump 1.0 redux. The president has made his intent clear – he is trying to help the populous by getting drug prices lower. If this does not come to pass, it will not be his fault; he tried. Box ticked and move on?

Perhaps, or perhaps not. In this febrile environment, investors worry that this unpopular industry will not be allowed to escape legislative action to address something that seems patently unfair to US consumers. For now, we cannot handicap this proposal at all, since it isn't a proposal so much as an ethereal idea.

Federal program cuts

The 'One Big Beautiful Bill' continues to ooze through Washington like a brick through jelly (should that be jello?). It will get to the end eventually, and will be covered in all sorts of sticky bits when the journey is over. Trump remains committed to the idea that he won't cut Federal entitlement programmes, but he loves his tax cuts and his tariffs are probably not going to raise much revenue.

Something's got to give beyond endless deficit expansion, and the reality is that programmes are being pared back on the eligibility side, allowing for some semantics – Trump can indeed say that entitlements aren't being cut for those who remain entitled to them.

On 16 June, the Senate Finance committee proposed material changes to the Medicaid and Affordable Care Act provisions in the bill that passed by the House back in May; the proposed language in the reconciliation mark-up cuts Federal spending on these programmes by around $500bn over 10 years and would potentially impact Medicare entitlements for some citizens too. It has been suggested that as many as 10 million people could lose access to one or more Federal programmes.

In the grand scheme of things, these cuts are not hugely material to overall levels of spending on healthcare in the US, although the impact on those caught in entitlement losses will be potentially devastating. As such, we do not really see them as a major headwind for the industry overall.

Mis-management at HHS/FDA?

Trump's Health and Human Services secretary, Robert F. Kennedy Jr., is often portrayed in the media as either a lunatic or a menace. While some of his views—like on raw milk—are questionable, it's important to understand the context of his appointment. The pandemic severely damaged public trust in science. The U.S. vaccine mandate, justified with limited (any?) evidence on transmissibility impact, left many feeling misled, fuelling anger and suspicion.

The way COVID deaths were counted—including those who died *with* the virus, not *from* it—further eroded trust, with high-profile misclassifications reinforcing public scepticism. Florida, with minimal restrictions and a large elderly population, ended up with one of the lowest per capita death rates, raising further questions about mainstream approaches to containing the virus.

These factors have opened the door for more sceptical political appointees who promise transparency and a more relatable approach to key topics across public health. Those who dismissed dissenting or questioning viewpoints during the pandemic should reflect on their role; more discussion and scrutiny back then might have preserved public trust. We are where we are and, in the end, it seems we get the politicians we deserve.

Whilst he does have a documented history of parroting some rather odd conspiracy theories, we see Kennedy as just such a sceptic, who wants to see robust evidence informing policy. That is not a problem as long as the evidence is unbiased, the evidence is subsequently followed and all of this is done in the public domain.

For healthcare investors, RFK seems far more focused on food than drugs and he is right to be; American food is full of ultra-processed chemicals that are not allowed in many other countries. We banned these chemicals for good reasons. We see him as a largely irrelevant figure for the industry, even if he is a fixation for the media.

The leadership of the FDA is of more direct relevance to healthcare investors. We know about the mishandled DOGE-led sackings at the agency (and many other government departments) in March/April; many of those dismissed have been quietly re-hired. Latterly, the resignation of Peter Marks as head of the Biologics division, seems to have caused something close to a moral panic. He was a firm favourite amongst biotech analysts and industry wonks for his permissive and pro-innovation stance.

On the other hand, one could counter that too many drugs have been approved on surrogate endpoints, and follow-up trials to confirm efficacy have not always been completed. There have been deaths with cell and gene therapies. History may not take such a positive view on the Marks era; time will tell.

Having new leadership at the FDA that is less permissive is not, per se, a bad thing. It may push out some timelines and raise the cost bar for some companies which analysts and CFOs are of course not going to like. However, the industry will adjust and it is not all one sided. Martin Makary (the new FDA commissioner) remains committed to innovation, as is Vinay Prasad (Mark's replacement) and seem reform-minded when it comes to accelerating the overall approval processes to save time and money.

For now, the question on many investors' minds is whether or not all this disruption and uncertainty that inevitably arises during significant leadership changes impacts the Agency's day-to-day activity. There is scant evidence for this thus far, but these things would anyway take time to emerge. We think concerns around the FDA are fading amongst investors, but they will not disappear completely until we have seen a decent period (say one year?) of the agency going along with 'business as usual'.

Increasing competition from China biotech

In contrast to the doldrums on NASDAQ, the Chinese quoted biotech market is on fire, up 60% year-to-date and with western companies seemingly crawling over each other to sign deals with China-based companies for new drugs, albeit mainly "me too" fast followers to innovative western medicines in novel categories with significant potential (oncology, obesity, inflammatory diseases etc.).

Investors seem dismayed both that larger companies are not buying assets from traditional sources (i.e. US/EU biotech) and that fast-follower competition is emerging so rapidly. It is undermining the fundamental premise of risk-taking in early-stage assets.

As we have noted previously, the challenge for US companies seems to be the time to get up the curve in pre-clinical, phase 1& phase 2, where it seems that these Chinese companies can move more quickly, having made a copy-cat molecule that side-steps western IP.

If the US can reform FDA processes to make them more streamlined, or request that such trials have been run in the US in order to approve a phase 3 study, then perhaps the US biotech companies can maintain their leadership position and crystallise more value from their innovations.

Conclusion – down, but not out

None of the issues summarised above are 'new', nor do they seem insurmountable. They seem form a nebulous cluster of worry that obscures the fundamental value of the sector and the opportunities within. If and when these clouds can lift, or if they simply vanish as it becomes clear there is no substance to them, we think generalist investors will begin to look at the sector anew.

In so many ways, this feels like a 'bandwidth' issue; our topsy-turvy world means that many investors have too many things to think about, so they are avoiding the more complex or nebulous ones until more clarity emerges. The dichotomy of the equity market making new all-time highs at the same time as gold, the apotheosis of bearishness in terms of an asset class, is very enlightening.

Not everyone is right in this scenario, and gold being twice the value that it was at the height of the financial crisis seems a little extreme, but so does all-time highs for equities into a potentially damaging tariff scenario.

In the meantime, we are seeing evidence of the intrinsic value on offer as M&A activity is picking up. If big pharma thinks these things are now cheap enough to pay a premium for, then surely so should investors

We always appreciate the opportunity to interact with our investors directly and you can submit questions regarding the Trust at any time via:

shareholder_questions@bellevuehealthcaretrust.com

As ever, we will endeavour to respond in a timely fashion and we thank you for your continued support during these volatile months.

Paul Major and Brett Darke

Bellevue Healthcare Trust

Top 10 positions

UnitedHealth Group	5.9%
Dexcom	5.2%
Abbott Laboratories	5.1%
SI-Bone	5.1%
CareDx	5.1%
AstraZeneca	5.0%
Biomarin Pharmaceuticals	4.4%
Stryker	4.3%
Thermo Fisher	4.3%
Natera	4.2%
Total top 10 positions	48.5%
Total positions	35

Sector breakdown

Med-Tech	24.5%
Focused Therapeutics	20.3%
Diagnostics	17.1%
Diversified Therapeutics	9.4%
Health Tech	7.5%
Tools	6.0%
Managed Care	5.9%
Services	4.3%
Distributors	3.6%
Dental	1.2%
Healthcare IT	0.5%

Geographic breakdown

United States	86.0%
Europe	14.0%

Market cap breakdown

Small-Cap	16.2%
Mid-Cap	10.2%
Large-Cap	41.7%
Mega-Cap	31.9%

Source: Bellevue Asset Management, 31.05.2025;
Due to rounding, figures may not add up to 100.0%. Figures are shown as a percentage of gross assets.
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 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 Cap Breakdown defined as: Mega Cap >$50bn, Large Cap >$10bn, Mid-Cap $2-10bn, Small-Cap $2bn. Geographical breakdown is on the basis of operational HQ location.

Benefits

- Healthcare has a strong, fundamental demographic-driven growth outlook.
- The fund has a global and unconstrained investment remit.
- It is a concentrated high conviction portfolio.
- The fund offers a combination of high quality healthcare exposure and a targeted 3.5% dividend yield.
- Bellevue Healthcare Trust has a strong board of directors and relies on the experienced management team of Bellevue Asset Management (UK) Ltd

Inherent risks

- The fund actively invests in equities. Equities are subject to strong price fluctuations and so are also exposed to the risk of price losses.
- Healthcare equities can be subject to sudden substantial price movements owning to market, sector or company factors.
- The fund invests in foreign currencies, which means a corresponding degree of currency risk against the reference currency.
- The price investors pay or receive, like other listed shares, is determined by supply and demand and may be at a discount or premium to the underlying net asset value of the Company.
- The fund may take a leverage, which may lead to even higher price movements compared to the underlying market.

You can find a detailed presentation of the risks faced by this fund in the "Risk factors" section of the sales prospectus.

Management Team

Paul Major
Co-Portfolio Manager

Brett Darke
Co-Portfolio Manager

Sustainability Profile – ESG

EU SFDR 2019/2088 product category: Article 8

Exclusions:		ESG Risk Analysis:		Stewardship:	
Compliance UNGC, HR, ILO	✓	ESG-Integration	✓	Engagement	✓
Norms-based exclusions	✓			Proxy Voting	✓
Controversial weapons	✓				

Key Figures:

CO_2-intensity (t CO_2/mn USD sales):	16.2 (Low)	Coverage:	98%
MSCI ESG Rating (AAA - CCC):	A	Coverage:	98%

Based on portfolio data as per 31.05.2025; – ESG data base on MSCI ESG Research and are for information purposes only; compliance with global norms according to the principles of UN Global Compact (UNGC), UN Guiding Principles for Business and Human Rights (HR) and standards of International Labor Organisation (ILO); no involvement in controversial weapons; norms-based exclusions based on annual revenue thresholds; ESG Integration: Sustainability risks are considered while performing stock research and portfolio construction; Stewardship: Engagement in an active and constructive dialogue with company representatives on ESG aspects as well as exercising voting rights at general meetings of shareholders.MSCI ESG Rating ranges from "leaders" (AAA-AA), "average" (A, BBB, BB) to "laggards" (B, CCC). The CO_2-intensity expresses MSCI ESG Research's estimate of GHG emissions measured in tons of CO_2 per USD 1 million sales. The decision to invest in the promoted fund should take into account all the characteristics or objectives of the promoted fund as described in the prospectus. For further information c.f. www.bellevue.ch/sustainability-at-portfolio-level. Please refer to the specific ESG Fund Disclosure and ESG Factsheet for all the characteristics or objectives and employed ESG strategies of the promoted fund.

Risk Return Profile acc. to SRI

This product should form part of an investor's overall portfolio. It will be managed with a view to the holding period being not less than three years given the volatility and investment returns that are not correlated to the wider healthcare sector and so may not be suitable for investors unwilling to tolerate higher levels of volatility or uncorrelated returns.

low risk ⟷ high risk

1	2	3	4	5	**6**	7

We have rated this product as risk class 6 on a scale of 1 to 7, with 6 being the second highest risk class. The risk of potential losses from future performance is considered high. In the event of very adverse market conditions, it is very likely that the ability to execute your redemption request will be impaired. 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 PRIIP-KID.

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 use 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 available for retail and professional investors in the UK who understand and accept its Risk Return Profile.

Objective

The Bellevue Healthcare Trust invests in a concentrated portfolio of listed equities in the global healthcare industry (maximum of 35 holdings). The overall objective for the Bellevue Healthcare Trust is to provide shareholders with capital growth and income over the long term. The Company's specific return objectives are: (i) to beat the total net return of the MSCI World Healthcare Index (in GBP) on a rolling 3 year period and (ii) to seek to generate a total shareholder return of at least 10% p.a., net of fees, over a rolling three-year period. Capital is at risk and there is no guarantee that the positive return will be achieved over the specific, or any, time period.

Important information

This document is only made available to professional clients and eligible counterparties as defined by the Financial Conduct Authority. The rules made under the Financial Services and Markets Act 2000 for the protection of retail clients may not apply and they are advised to speak with their independent financial advisers. The Financial Services Compensation Scheme is unlikely to be available.

Bellevue Healthcare Trust PLC (the "Company") is a UK investment trust premium listed on the London Stock Exchange and is a member of the Association of Investment Companies. As this Company may implement a gearing policy investors should be aware that the share price movement may be more volatile than movements in the price of the underlying investments. **Past performance is not a guide to future performance. The value of an investment and the income from it may fall as well as rise and is not guaranteed. An investor may not get back the original amount invested.** Changes in the rates of exchange between currencies may cause the value of investment to fluctuate. Fluctuation may be particularly marked in the case of a higher volatility fund and the value of an investment may fall suddenly and substantially over time. This document is for information purposes only and does not constitute an offer or invitation to purchase shares in the Company and has not been prepared in connection with any such offer or invitation. Investment trust share prices may not fully reflect underlying net asset values. There may be a difference between the prices at which you may purchase ("the offer price") or sell ("the bid price") a share on the stock market which is known as the "bid-offer" or "dealing" spread. This is set by the market markers and varies from share to share. This net asset value per share is calculated in accordance with the guidelines of the Association of Investment Companies. The net asset value is stated inclusive of income received. Any opinions on individual stocks are those of the Portfolio Manager and no reliance should be given on such views. This communication has been prepared by Bellevue Asset Management (UK) Ltd., which is authorised and regulated by the Financial Conduct Authority in the United Kingdom. Any research in this document has been procured and may not have been acted upon by Bellevue Asset Management (UK) Ltd. for its own purposes. The results are being made available to you only incidentally. The views expressed herein do not constitute investment or any other advice and are subject to change. They do not necessarily reflect the view of Bellevue Asset Management (UK) Ltd. and no assurances are made as to their accuracy.

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

Bellevue Asset Management (UK) Ltd. 24th Floor | 32 London Bridge | London SE1 9SG
www.bellevuehealthcaretrust.com | www.bellevue-am.uk