

## Factsheet

Investment Company with Variable Capital (SICAV) according to Luxembourg Laws – UCITS

Marketing communication / Financial promotion - For retail/non-qualified 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.

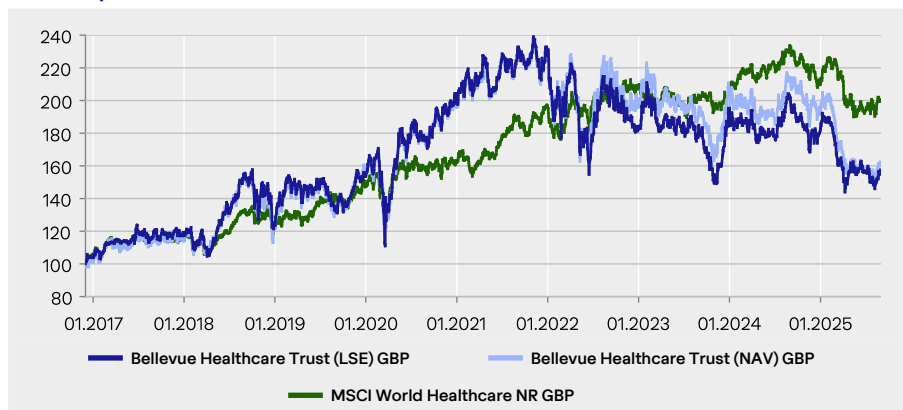
### Fund facts

Share price	117.00
Net Asset Value (NAV)	121.21
Market capitalisation	GBP 155.01 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	132,484,012
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	1.14
Correlation	0.64
Volatility	23.1%
Tracking Error	17.91
Active Share	69.23
Sharpe Ratio	-0.45
Information Ratio	-0.40
Jensen's Alpha	-6.80

### Indexed performance since launch



### Cumulative & annualised performance

#### Cumulative

	1M	YTD	1Y	3Y	5Y	10Y	ITD
Share	4.2%	-13.7%	-22.1%	-22.5%	-10.4%	n.a.	57.6%
NAV	5.1%	-15.1%	-24.1%	-23.7%	-7.6%	n.a.	62.5%
BM	2.9%	-4.7%	-14.1%	0.9%	27.6%	n.a.	100.6%

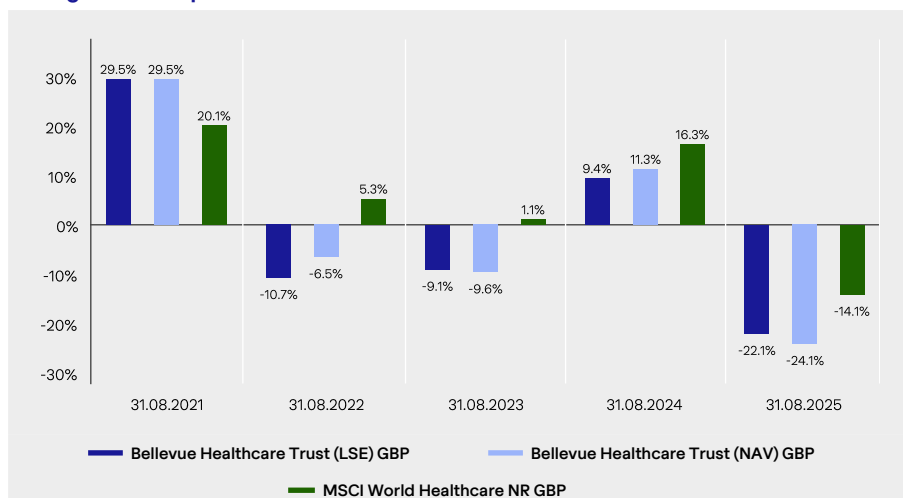
#### Annualised

	1Y	3Y	5Y	10Y	ITD
Share	-22.1%	-8.1%	-2.2%	n.a.	5.3%
NAV	-24.1%	-8.6%	-1.6%	n.a.	5.7%
BM	-14.1%	0.3%	5.0%	n.a.	8.3%

### Annual performance

	2020	2021	2022	2023	2024	YTD
Share	29.1%	16.6%	-21.0%	7.0%	-6.5%	-13.7%
NAV	25.7%	15.2%	-11.1%	2.4%	-6.7%	-15.1%
BM	10.3%	20.8%	5.8%	-1.6%	3.1%	-4.7%

### Rolling 12-month-performance



Source: Bellevue Asset Management, 31.08.2025; 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 August update. As the leaves turn brown and the beach fades into a distant memory, the healthcare sector continues to wade through a political morass, but the end now appears to be in sight.**

**Objective analysis argues strongly that the threat from tariffs and US drug pricing efforts are easily manageable, and the market seems to be gradually coming around to this viewpoint. There will come a time, hopefully soon, when the wave of generalist money once again washes over the sector.**

**In addition to the negation of these long-standing headwinds, we see continued momentum in SMID-cap healthcare stocks, which has been the most challenging area in recent years. It really does feel like we are finally turning a corner ...**

### Monthly review

#### **The Trust**

During August, and including the impact of the dividend payment, the trust's net asset value (NAV) total return was +6.5% in USD terms (+4.2% in GBP), with the NAV rising to 121.2 bps. This represented a total return outperformance of the MSCI World Health Care Index of 131 bp.

The evolution of the NAV throughout the month is illustrated in Figure 1 below, which shows a more positive size factor effect from SMID-cap healthcare for the fourth consecutive month. As one would expect during the summer vacation period, it was a quiet month in terms of company-specific news flow.

The evolution of the subsector weightings is summarized in Figure 2 below. The portfolio grew from 37 to 43 positions, with additions in facilities, focused therapeutics, and medical technologies and multiple additions in managed care. At the time of writing, the portfolio had further expanded to the maximum of 45 holdings. The authority that shareholders gave at the AGM in April to increase the maximum number of holdings from 35 to 45 should hopefully allow us to significantly reduce portfolio volatility and draw-down risk. We have been waiting patiently for the appropriate time to add these additional names, and this exercise was completed on the back of the Q2 reporting season. The additional positions were funded through a modest draw-down of the cash balance and by scaling back across the rest of the portfolio. The leverage ratio declined from 3.5% of gross assets to 3.3%.

	Subsectors end Jul 25	Subsectors end Aug 25	Change
Dental	1.5%	1.5%	Increased
Diagnostics	19.1%	19.3%	Increased
Distributors	4.7%	4.4%	Increased
Diversified Therapeutics	12.9%	12.9%	Increased
Focused Therapeutics	19.7%	19.5%	Increased
Healthcare Technology	4.6%	4.7%	Increased
Managed Care	3.6%	5.6%	Decreased
Med-Tech	18.3%	16.4%	Decreased
Services	6.7%	6.6%	Increased
Tools	9.0%	8.9%	Increased
	100.0%	100.0%	

Source: Bellevue Asset Management, 31.08.2025

During August, diagnostics and focused therapeutics were the largest positive contributors to the NAV evolution, followed by managed care. Dental, distributors and medical technology were the only detractors. We now feel that the worst is behind us for managed care, hence the material increase in both the portfolio-level exposure and the number of stocks held (from one to four).

#### **The Healthcare Sector**

During August, the USD total return of the MSCI World Health Care Index outperformed that of its parent MSCI World Index by 253 bps; the last time healthcare outperformed the wider market was back in March. The evolution of healthcare versus the wider market is illustrated in Figure 3 below.

As noted previously, August again saw stronger momentum in SMID caps versus large caps/megacaps, especially in the latter half of the month (see Figure 4 below).

It isn't just the relative underperformance of SMID-cap healthcare in recent years that is driving its outperformance now; it is also the reluctance to buy into the larger pharma stocks that account for such a material weighting in the wider healthcare benchmarks, due to concerns over drug pricing and potential pharma tariffs. We summarize recent developments, such as they are, in the following section.

#### **US pricing and tariffs**

The twin overhangs of pharma tariffs and US drug pricing continue to occupy the minds of generalist investors, and they seem happy to remain on the sidelines until further clarity emerges, but it does feel that we are progressing toward a denouement.

Regarding drug prices, on August 4, the White House reported that letters were sent to 17 major pharmaceutical companies demanding they lower US drug prices in a manner that is consistent with the most-favored-nation (MFN) pricing principle that President Trump has espoused. A deadline of September 29 was imposed, with a threat that noncompliance would result in «every tool in our arsenal» being brought to bear on «abusive pricing practices.»

As we have noted many times previously, it still remains unclear what those tools could be, absent specific legislation being pushed through Congress. Time and again, we have seen that Trump is all about the initial bluster, and he will often settle his perceived grievances for relatively trivial monetary concessions – something investors should keep in mind over the coming weeks. If the emperor has no clothes, as we suspect, then the sector should respond favorably once this Damoclean overhang is shown to be nothing of the sort.

In relation to the above, Eli Lilly announced mid-month that the list price of its Mounjaro weight loss therapy would be increasing by 170% in the UK from September for those who pay this price (i.e. private patients – the NHS has a rebate deal in place, and it is unclear how this has been impacted).

We expect to see more of these types of superficial announcements, so that both sides can claim a Pyrrhic victory after September 29. We do not expect companies to willingly offer such significant concessions to European nations in the future for new products, which should lead to some price convergence over the longer term.

However, changing previously agreed governmental pricing structures on already approved medicines in ex-US markets seems equally challenging to us (cf. the Eli Lilly example, where it is not clear at all that the NHS will be paying more than it was previously). As a reminder, the UK accounts for around 2% of global pharma spend, and private scrips are estimated to be around 2% of total spending. Even if Eli Lilly loses all of its UK private customers, it will amount to a few tens of millions of pounds but help protect the pricing of its GBP 10 bn US Mounjaro franchise. This is a very hollow gesture indeed.

Regarding the Section 232 pharmaceutical tariffs, despite Trump continually saying it was imminent, we have yet to see the publication of the required Section 232 report with its recommendations (the 270-day deadline for publication falls in November, and the only reason anyone expected it earlier is because Trump keeps saying it is about to drop).

Notwithstanding the report's conclusions, on August 5, Trump said the US will begin imposing a «small tariff» on pharmaceutical imports, with the plan that this could increase to around 150% within 18 months, and eventually to 250%, in order to stimulate domestic manufacturing of pharmaceutical products.

Of course, we all know that the latter point is the ultimate goal of this agenda. Trump doesn't care about these tariffs as much as he cares about the reshoring of manufacturing, and here the industry seems more than willing to comply. We have seen >USD 10 bn of incremental US-based manufacturing capex announcements made by large pharma and biotechnology companies since the beginning of the year, with billions more committed to R&D sites and other investments.

Moreover, many companies have sought to recapitulate any previous long-term capex plans to further bolster these numbers (we all know Trump loves a big number). At the same time, we have seen several companies announce cutbacks or cancellations of planned capex in other countries, including here in the UK. This was inevitable – you cannot spend the money twice, so it makes sense to deploy capital where the IRR will be highest. Avoiding incremental taxes will be a key consideration in that calculation, especially as the US accounts for around 45% of the addressable global market for branded products (and about 60% of the profits, owing to the higher pricing).

At the same time, blaming the UK's parsimonious pricing plans rather than Trump's tariff threats is another handy stick to beat the UK health minister with during the current round of pricing discussions where this UK government, consistent with its seemingly unending inability to «read the room,» is trying to extract greater price concessions from the pharma industry through its voluntary VPAG scheme – good luck with that. Even when the report comes and the US pharma tariff scheme is finally laid out, it is unclear to what extent the 232 tariff proposals will be superseded (or undermined?) by signed trade deals. Both the UK and EU putative trade deals (neither have been fully agreed, although there is a signed framework agreement) are said to contain proposals for pharmaceutical tariff rates that are in the teens percentage range.

In summary then, we remain of the view that the ultimate impact of Trump's MFN pricing push will be felt elsewhere rather than in the US over time, as new drugs become more expensive for other countries through price convergence, and the lack of levers that the US government can use to lower prices there becomes apparent.

On the tariff front, we also think the final outcome will be more than manageable and, for the next few years, the gravitational center of the industry will tilt back toward the US. Trump will, in time, be able to claim another «great victory,» but we suspect that the financial impact of any of this on a sell-side analyst's financial model versus their base case from 2024 will be imperceptible on a revenue, gross margin, and EBIT margin basis. «Plus ça change, plus c'est la même chose.»

Once all this back and forth is out of the way, we hope investors will look at the sector's earnings power and see that it is i) largely unchanged, ii) compelling, and iii) tangible – unlike AI capex, which follows the «if you build it, they will come» model. They will notice one thing has changed, and that is the relative and absolute valuation picture. This is an investment opportunity – of that there is no doubt.











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

[shareolder\\_questions@bellevuehealthcaretrust.com](mailto:shareolder_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**

### Top 10 positions

UnitedHealth Group		4.6%
Natera		4.5%
Thermo Fisher		4.5%
Biomarin Pharmaceuticals		4.2%
AstraZeneca		3.8%
CareDx		3.7%
Iqvia		3.5%
Danaher		3.5%
SI-Bone		3.5%
Argenx		3.4%
Total top 10 positions		39.2%
Total positions		43





### Sector breakdown

Focused Therapeutics		20.5%
Med-Tech		15.0%
Diagnostics		13.8%
Diversified Therapeutics		12.8%
Services		9.5%
Managed Care		8.7%
Tools		8.7%
Health Tech		5.0%
Distributors		4.1%
Dental		1.5%
Facilities		0.4%

### Geographic breakdown

United States		83.3%
Europe		16.7%

### Market cap breakdown

Small-Cap		12.0%
Mid-Cap		11.6%
Large-Cap		41.6%
Mega-Cap		34.8%

### 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 owing 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:

Compliance UNGC, HR, ILO	
Norms-based exclusions	
Controversial weapons	

#### ESG Risk Analysis:

ESG-Integration 

#### Stewardship:

Engagement	
Proxy Voting	

#### Key Figures:

CO <sub>2</sub> -intensity (t CO <sub>2</sub> /mn USD sales):	13.7 (Very low)	Coverage:	94%
MSCI ESG Rating (AAA - CCC):	A	Coverage:	94%

Based on portfolio data as per 31.08.2025; – 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<sub>2</sub>-intensity expresses MSCI ESG Research's estimate of GHG emissions measured in tons of CO<sub>2</sub> 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](http://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.

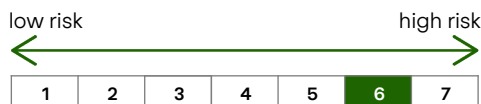
Source: Bellevue Asset Management, 31.08.2025;  
Due to rounding, figures may not add up to 100.0%. Figures are shown as a percentage of gross assets.

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.

## 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.



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 makers 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.

© 2025 MSCI ESG Research LLC. Reproduced by permission. Although Bellevue Asset Management information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness of any data herein. None of the ESG Parties make any express or implied warranties of any kind, and the ESG Parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to any data herein. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein. Further, without limiting any of the foregoing, in no event shall any of the ESG Parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

The most important terms are explained in the glossary at [www.bellevue.ch/en/glossary](http://www.bellevue.ch/en/glossary).

Copyright © 2025 Bellevue Asset Management AG.