

## Factsheet

Marketing document

### 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.

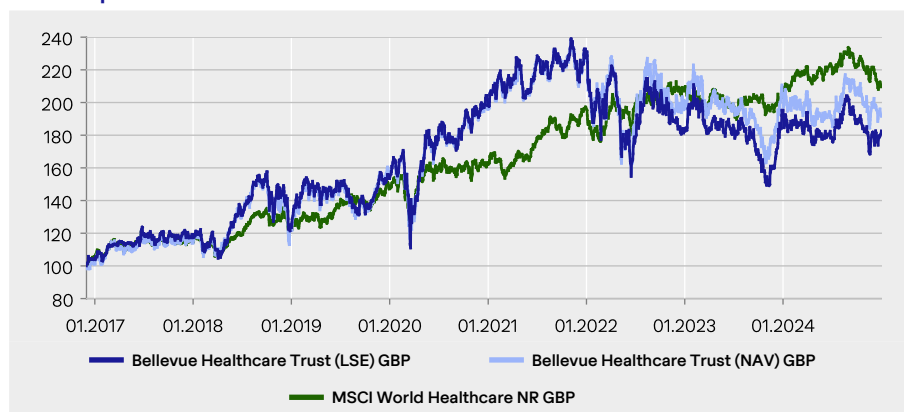
### Fund facts

Share price	141.80
Net Asset Value (NAV)	149.21
Market capitalisation	GBP 363.89 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	256,622,257
Management fee	0.95%
Performance fee	none
Min. investment	n.a.
Legal entity	UK Investment Trust (plc)
EU SFDR 2019/2088	Article 8

### Key figures

Beta	1.41
Correlation	0.64
Volatility	29.0%
Tracking Error	22.87
Active Share	82.05
Sharpe Ratio	-0.15
Information Ratio	-0.19
Jensen's Alpha	-4.50

### Indexed performance since launch



### Cumulative & annualised performance

#### Cumulative

	1M	YTD	1Y	3Y	5Y	10Y	ITD
Share	0.4%	-6.5%	-6.5%	-20.9%	19.0%	n.a.	82.7%
NAV	-3.3%	-6.7%	-6.7%	-15.1%	22.9%	n.a.	91.6%
BM	-4.5%	3.1%	3.1%	7.3%	43.0%	n.a.	110.5%

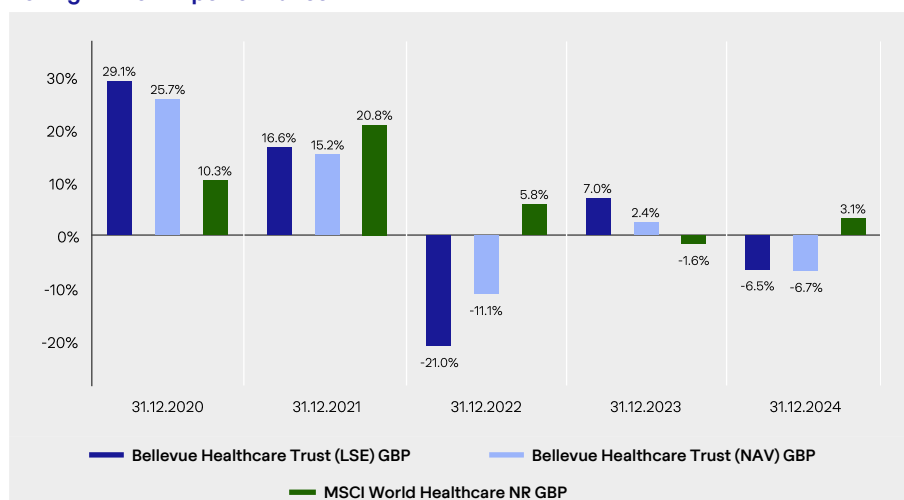
#### Annualised

	1Y	3Y	5Y	10Y	ITD
Share	-6.5%	-7.5%	3.5%	n.a.	7.7%
NAV	-6.7%	-5.3%	4.2%	n.a.	8.4%
BM	3.1%	2.4%	7.4%	n.a.	9.6%

### Annual performance

	2019	2020	2021	2022	2023	YTD
Share	22.7%	29.1%	16.6%	-21.0%	7.0%	-6.5%
NAV	25.9%	25.7%	15.2%	-11.1%	2.4%	-6.7%
BM	18.4%	10.3%	20.8%	5.8%	-1.6%	3.1%

### Rolling 12-month-performance



Source: Bellevue Asset Management, 31.12.2024; 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 December update. Festive cheer felt in short supply this month, as the sector continued to struggle under a cloud of policy-related negative sentiment.

It is axiomatic that one cannot disprove a negative, but the sheer weight and persistence of negative sentiment over the past two years feels difficult to rationalise.

The sector has lagged the wider market by 15% over two consecutive years now, capping a multi-decade relative low performance-wise. The sector now stands at a 5+ year relative valuation low on a forward P/E basis. Even if you feel that the wider market is expensive, it is hard to argue that healthcare is expensive on a relative to market or relative to history basis.

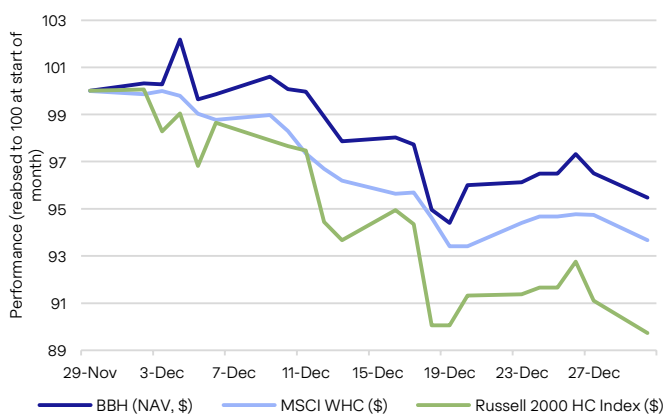
All of this is not anchored to any fundamental dislocation in healthcare demand or pricing. Innovation continues apace and demand remains underpinned by inexorable demographic trends. Healthcare deserves some time in the sunshine.

### Monthly review

#### The Trust

During December, the Trust's Net Asset Value declined 4.9% in US dollar terms (-3.3% in sterling) to 154.33p, outperforming the total return of the MSCI World Healthcare Index, which declined 6.1% (-4.5% in sterling) by 123bp.

The evolution of the NAV across the month is illustrated in Figure 1 below, and largely tracks that of the healthcare benchmarks. The notable post-election sell-off of the healthcare sector is discussed further in the following section.



Source: Bellevue Asset Management, 31.12.2024

In contrast to November, mid-cap healthcare under-performed large and Mega-cap healthcare, so it is pleasing to see that we were able to hang onto our positive relative performance through the final days of the month. Generally speaking, the market dynamic remains febrile, with a tendency for outsized moves to the downside on any news that is considered to be 'negative'.

In anticipation of rising negative political commentary, we further reduced our exposure to Managed Care across the month (from 8.9% at the end of November, to 4.1% at the end of December), which proved to be the correct decision.

Healthcare Technology was the only positive performing sub-sector within the portfolio and this was driven by our holding in Tandem Diabetes Care (+18%). Medical Technology was only slightly negative, with two of our holdings outside the top 10 (Edwards Lifesciences and Si-Bone) performing well on a relative basis.

The two material negative contributors at the sub-sector level were Diagnostics and Focused Therapeutics. CareDx (-13%) drove most of

the negative return within the Diagnostics sector and its decline occurred in an absence of newsflow. As we go to press, most of the decline during December has reversed during January.

There was a significant dispersion of performance across our holdings within Focused Therapeutics, and thus it is difficult to identify any specific theme or event that led to the negative performance, the magnitude of which was in line with that seen for the sub-sector within the comparator index, as discussed further in the following section.

The portfolio remained at 34 positions, with one addition in Services, and one exit in Managed Care. The evolution of the sub-sector weightings is summarised in Figure 2 below, and we would make the following comments:

We were net sellers of Diagnostics and added to our holdings in Distributors. We were net sellers of Focused Therapeutics and Healthcare IT, but Healthcare Technology rose on the back of positive performance and our holdings were unchanged.

As noted above, we reduced exposure to Managed Care. Medical Technology rose on the back of positive performance and our holdings were unchanged. We added to our holdings in both Services and Tools.

	Subsectors end Nov 24	Subsectors end Dec 24	Change
Diagnostics	17.3%	17.3%	Unchanged
Distributors	1.0%	1.6%	Increased
Focused Therapeutics	27.8%	27.5%	Decreased
Healthcare IT	3.4%	2.1%	Decreased
Healthcare Technology	9.2%	11.4%	Increased
Managed Care	8.9%	4.1%	Decreased
Med-Tech	17.8%	20.1%	Increased
Services	9.1%	9.7%	Increased
Tools	5.4%	6.2%	Increased
	<b>100.0%</b>	<b>100.0%</b>	

Source: Bellevue Asset Management, 31.12.2024

The share buyback programme was very active during the month, and ~26.8m shares were repurchased, representing 9.4% of the outstanding share capital. The share buyback parameters are set by Trust's board and the programme is operated on an 'arms length' basis by the Company's broker, JP Morgan.

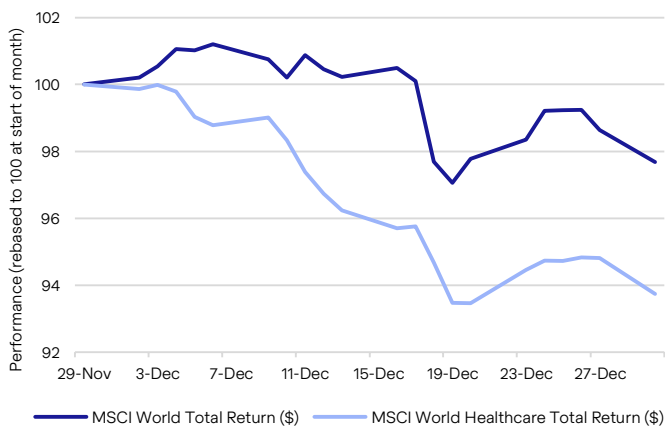
Following these portfolio changes and the share repurchases, the cash balance decreased from 4.6% of gross assets to 3.3%.

During December, the average share price discount to NAV declined slightly to 8.6%, as compared to 8.9% during November, although it ended the year significantly lower at -4.9% and has averaged -6.0% so far in 2025.

#### The Healthcare Sector

The dollar total return of the MSCI World Healthcare Index during December was negative: -6.1% (-4.5% in sterling), and it again significantly underperformed the wider MSCI World Index, which delivered -2.6% over the month (-1.0% in sterling), as illustrated in Figure 3 overleaf.

In our view, the reasons for the sector's continued underperformance versus the wider market during December were a continuation of those under discussion since the election outcome; there is considerable uncertainty over the regulatory outlook and this is putting investors off. We have commented extensively on these issues in November's factsheet and on the Trust blog, which can be found on the Company's website, and remain of the view that the likely outcome is more benign than feared, regardless of who is appointed by Trump.



Source: Bellevue Asset Management, 30.11.2024

The Index's sub-sector performance breakdown is summarised in Figure 4 below:

	Weighting	Perf (USD)	Perf (GBP)
Generics	0.7%	6.0%	7.7%
Healthcare Technology	0.6%	-1.0%	0.6%
Services	2.0%	-1.5%	-0.1%
Tools	7.0%	-2.6%	-1.0%
Med-Tech	15.6%	-4.3%	-2.8%
Focused Therapeutics	7.7%	-5.1%	-3.5%
Diversified Therapeutics	39.5%	-5.0%	-3.5%
Other HC	1.3%	-5.4%	-3.9%
Diagnostics	1.3%	-6.2%	-4.7%
Dental	0.4%	-6.9%	-5.5%
Healthcare IT	0.6%	-7.4%	-5.9%
Conglomerate	9.2%	-7.7%	-6.2%
Distributors	2.1%	-8.6%	-7.1%
Facilities	1.0%	-9.3%	-7.8%
Managed Care	10.8%	-14.9%	-13.6%
<b>Index perf</b>		<b>-6.1%</b>	<b>-4.5%</b>

Source: Bloomberg/MSCI and Bellevue Asset Management, Weightings as of 30.11.2024, Performance to 31.12.2024

We would make the following observations:

As noted previously, Managed Care had a very challenging time during December, around generally negative press coverage and further machinations of the potential impact on the sector from the incoming Trump administration. Populists seem to like nothing more than pillorying a sector that is already unpopular. Trump has blamed “middle men” within the drug pricing debate (namely the captive ‘PBM’ businesses within the large insurers such as United, Elevance, Cigna and CVS that manage drug costs) as being the issue and promised to “knock them out”.

In a similar vein, Facilities (hospitals) continued to struggle amid fears that payment rates and the proportion of Americans with good insurance that will drive elective procedure volumes might both fall short of expectations under the new administration.

The strong performance of the generics sector is due mainly to Teva rising 31% on the back of continued excitement over its ulcerative colitis drug duvakitug that it is developing with Sanofi.

Every other sector declined in dollar terms, and it was really a question of how much each area got caught up in the negative sentiment around the wider sector.

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**

## Top 10 positions

CareDx		6.3%
Tandem Diabetes Care		6.0%
Verona Pharma		5.5%
Intuitive Surgical		5.1%
Exact Sciences		4.9%
Inspire Medical Systems		4.6%
Biomarin Pharmaceuticals		4.6%
Sarepta Therapeutics		4.4%
Castle Biosciences		4.3%
UnitedHealth Group		4.1%
Total top 10 positions		50.0%
Total positions		34

## Sector breakdown

Focused Therapeutics		27.5%
Med-Tech		20.1%
Diagnostics		17.3%
Health Tech		11.4%
Services		9.6%
Tools		6.2%
Managed Care		4.1%
Healthcare IT		2.0%
Distributors		1.6%

## Geographic breakdown

United States		98.3%
China		1.1%
Denmark		0.6%

## Market cap breakdown

Small-Cap		22.2%
Mid-Cap		28.7%
Large-Cap		30.7%
Mega-Cap		18.4%

## 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):	21.1 (Low)	Coverage:	92%
MSCI ESG Rating (AAA - CCC):	BBB	Coverage:	92%

Based on portfolio data as per 31.12.2024; – 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).

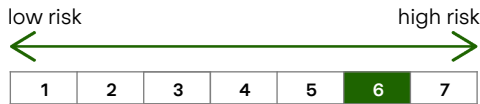
Source: Bellevue Asset Management, 31.12.2024;  
Due to rounding, figures may not add up to 100.0%. Figures are shown as a percentage of gross assets.

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.

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

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