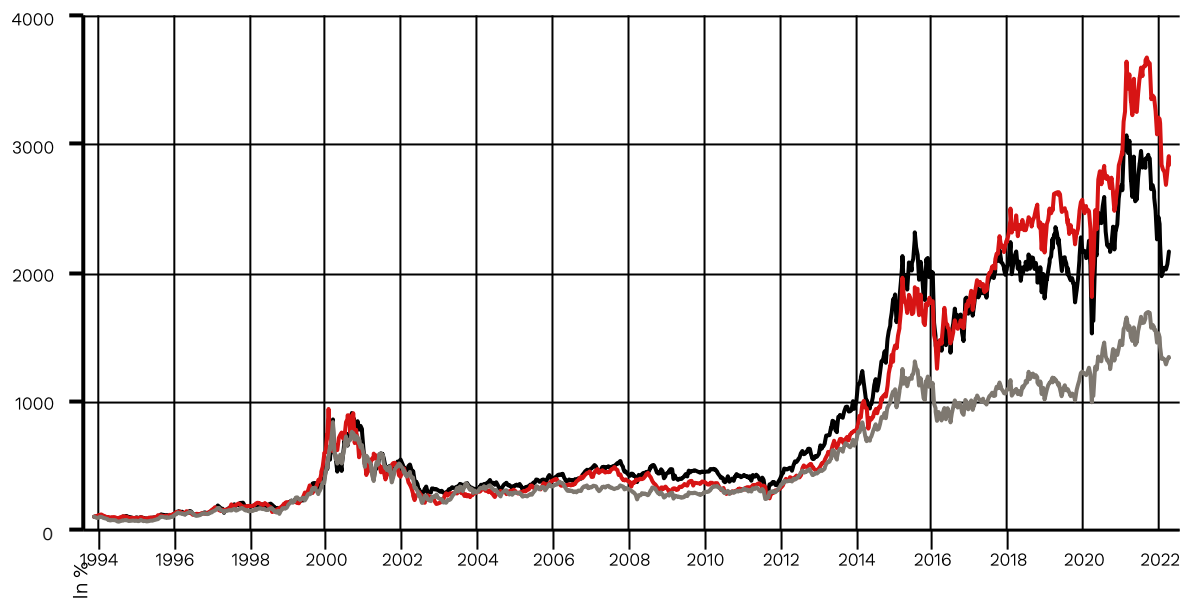


Performance/Multi-year comparison

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
31.03.2021 – 31.03.2022	(16.7%)	(23.6%)	(13.0%)
31.03.2020 – 31.03.2021	63.3%	67.9%	36.7%
31.03.2019 – 31.03.2020	(19.5%)	(26.6%)	(5.8%)
29.03.2018 – 29.03.2019	8.3%	11.7%	9.5%
31.03.2017 – 29.03.2018	24.3%	10.2%	5.1%

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

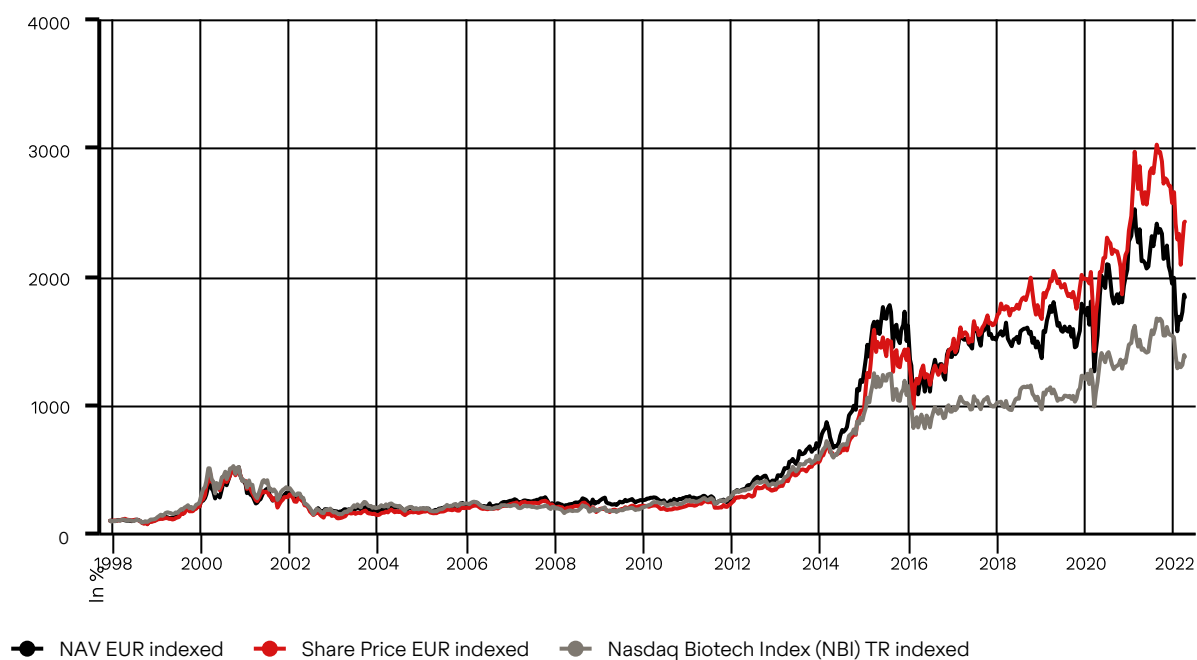
	SHARE	NAV	NBI TR
YTD	(11.3%)	(9.0%)	(10.6%)
1 year	(16.7%)	(23.6%)	(13.0%)
3 years	9.5%	(5.8%)	12.0%
5 years	47.4%	15.9%	28.9%
since inception ¹⁾	2 735%	2 063%	1 238%

¹⁾ 09.11.1993

Annualized performance

	SHARE	NAV	NBI TR
1 year	(16.7%)	(23.6%)	(13.0%)
3 years	3.1%	(2.0%)	3.8%
5 years	8.1%	3.0%	5.2%
since inception ¹⁾	12.5%	11.4%	9.6%

¹⁾ 09.11.1993

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

	SHARE	NAV	NBI TR
31.03.2021 – 31.03.2022	(9.4%)	(17.2%)	(5.8%)
31.03.2020 – 31.03.2021	58.5%	60.7%	30.8%
31.03.2019 – 31.03.2020	(16.2%)	(22.6%)	(0.6%)
29.03.2018 – 29.03.2019	14.5%	17.8%	15.3%
31.03.2017 – 29.03.2018	13.1%	0.0%	(4.4%)

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

31.03.2022

	SHARE	NAV	NBI TR
YTD	(8.6%)	(7.6%)	(9.2%)
1 year	(9.4%)	(17.2%)	(5.8%)
3 years	20.3%	3.0%	22.5%
5 years	55.8%	21.3%	34.9%
since inception ¹⁾	2 326%	1 738%	1 328%

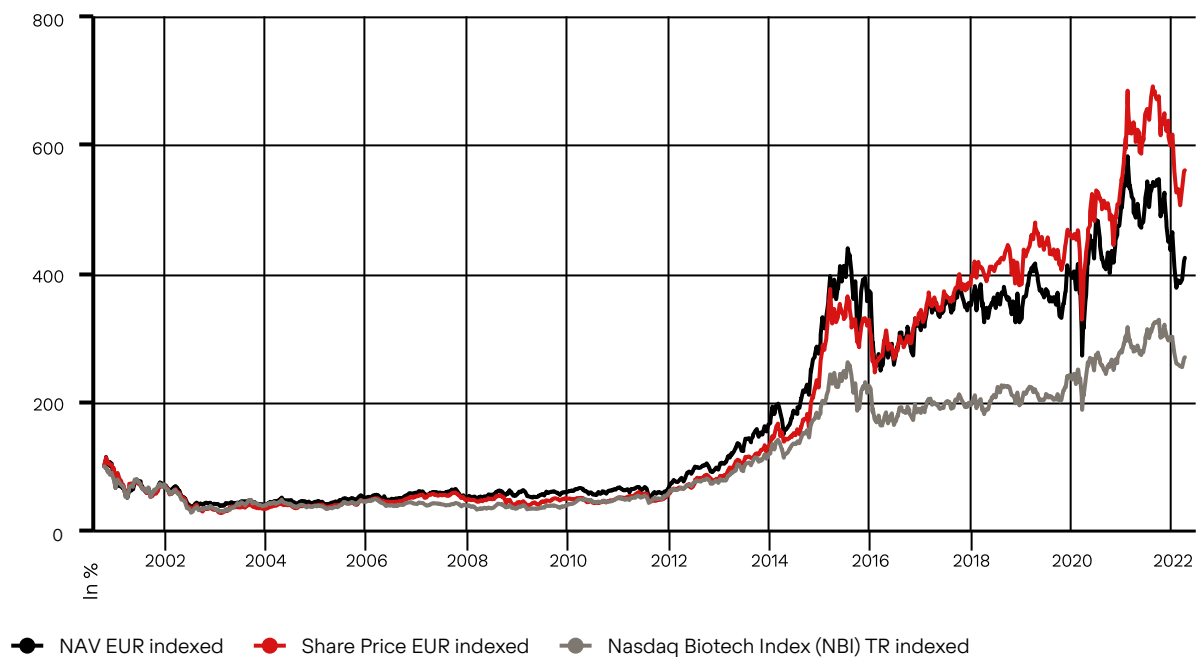
¹ 10.12.1997**Annualized performance**

31.03.2022

	SHARE	NAV	NBI TR
1 year	(9.4%)	(17.2%)	(5.8%)
3 years	6.3%	1.0%	7.0%
5 years	9.3%	3.9%	6.2%
since inception ¹⁾	14.0%	12.7%	11.6%

¹ 10.12.1997

BB BIOTECH AG (MILAN)-EUR



Rolling performance

	SHARE	NAV	NBI TR
31.03.2021 – 31.03.2022	(9.1%)	(17.2%)	(5.8%)
31.03.2020 – 31.03.2021	57.6%	60.7%	30.8%
31.03.2019 – 31.03.2020	(14.7%)	(22.6%)	(0.6%)
29.03.2018 – 29.03.2019	13.0%	17.8%	15.3%
31.03.2017 – 29.03.2018	12.8%	0.0%	(4.4%)

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

31.03.2022

	SHARE	NAV	NBI TR
YTD	(9.0%)	(7.6%)	(9.2%)
1 year	(9.1%)	(17.2%)	(5.8%)
3 years	22.1%	3.0%	22.5%
5 years	55.6%	21.3%	34.9%
since inception ¹⁾	461%	324%	170%

¹ 19.10.2000

Annualized performance

31.03.2022

	SHARE	NAV	NBI TR
1 year	(9.1%)	(17.2%)	(5.8%)
3 years	6.9%	1.0%	7.0%
5 years	9.2%	3.9%	6.2%
since inception ¹⁾	8.4%	7.0%	4.7%

¹ 19.10.2000

Multi-year comparison

	31.03.2022	2021	2020	2019	2018
Market capitalization at the end of the period (in CHF mn)	3 584.4	4 274.1	4 107.9	3 670.3	3 235.4
Net Asset Value at the end of the period (in CHF mn)	2 760.9	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)	640.9	2 101.0	2 315.6	2 004.2	2 610.7
Profit/(loss) (in CHF mn)	(299.9)	(404.8)	691.2	677.4	(471.3)
Closing price at the end of the period in CHF	64.70	77.15	74.15	66.25	58.40
Closing price (G) at the end of the period in EUR	63.95	74.05	68.00	61.40	52.00
Closing price (I) at the end of the period in EUR	63.95	74.40	68.50	61.00	52.00
Stock performance (incl. distributions) ¹⁾	(11.3%)	8.3%	19.3%	18.5%	(5.2%)
High/low share price in CHF	78.15/60.50	92.20/73.40	74.70/45.44	73.20/59.35	74.10/56.10
High/low share price in EUR	75.40/58.00	86.20/67.80	69.00/43.04	64.70/52.10	64.80/48.60
Premium/(discount) (annual average)	32.2%	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)	113.0%	108.6%	106.8%	109.1%	108.4%
Total Expense Ratio (TER) p.a. ²⁾	1.23%	1.22%	1.25%	1.26%	1.25%

¹⁾ All figures in CHF %, total return-methodology

²⁾ Based on market capitalization

Shareholder letter

Western countries have recognized greater predictability of population-level infection rates for the SARS-CoV-2 pandemic. Their focus has turned from emergency measures including support of R&D, manufacturing, and supply of products, to longer-term challenges such as hospital care capacity and preparation for variants. Health authorities and purchasers anticipate novel variants which may bring infection surge-cycles in the coming fall and beyond. They are consequently moving towards variant-specific vaccines and more widely usable anti-viral treatments. As seen by others, including China, COVID-19 is not yet over, and a cautious, far-sighted approach is being taken by many governments, health agencies and systems. However, massive direct spending on emergency-authorized products may have seen its peak – at least for a short while.

Dear Shareholders

The post-pandemic economic recovery has been associated with solid corporate financial results but has also unshackled some forces of inflation. Investors' focus therefore shifted towards US Federal Reserve's interest rate hikes which aim to mitigate rising food and energy prices. Consequently, growth equities came under pressure in January and February. Inflation and potential recession fears have of course been fueled further by geopolitical and economic implications of the Russian invasion of Ukraine. But in a demonstration of market resilience and some logic, investors returned to equities in March, shares rose in value, curbing overall losses for the first quarter of 2022.

For the first quarter 2022, US and European indices corrected from the historic highs reached in 2021. The S&P 500 (-4.6% in USD), the Dow Jones (-4.1% in USD) and the Nasdaq Composite Index (-8.9% in USD) all ended the quarter with losses. The correction was more pronounced in European markets as reflected in the EuroStoxx 50 (-8.9% in EUR), the Dax (-9.3% in EUR) and the slightly more defensive Swiss market SPI (-5.5% in CHF).

The MSCI World Health Care Index followed the same pattern following its high in December 2021: A sell-off in January and February was followed by a March rebound. Overall then, the MSCI World Health Care Index total return was down for the quarter (-3.2% in USD). The large-cap pharmaceutical sector – generally regarded defensively – held up: The MSCI World Pharmaceuticals Net Index ended the first quarter with a small gain (1.0% in USD). The biotechnology sector, characteristically, experienced greater downward pressure, reflected in a lower Nasdaq Biotechnology Index NBI (-11.7% in USD). Within our sector, as with other down-cycles, larger biotechnology companies with solid operating results and favorable pipeline updates held up better than earlier stage companies. The small and mid cap players in biotech experienced a significant scarcity of capital availability, IPO activities all but shut-down, and there are many relative opportunities in the sector at present. In such times, we might anticipate a surge in acquisitions by large pharmaceutical companies – but for the

time being they have preferred licensing deals over acquisitions. We will continue to monitor the situation closely, and we will as always take advantage of the «flight to quality».

BB Biotech's performance for the first quarter

For the first quarter 2022, BB Biotech shares' total return was –11.3% in CHF and –8.6% in EUR. Alongside benchmarks, and with slight appreciation of the USD versus the CHF and EUR, the total return for the portfolio was –9.0% in CHF, –7.6% in EUR and –9.9% in USD. Consequently, the net loss for the first quarter of 2022 was CHF 300 mn compared to a net gain of CHF 221 mn for the same period in 2021.

Commercial, more established and profitable companies in the portfolio such as Vertex, Neurocrine and Incyte reported positive share price developments in the first quarter. Ionis and Radius recovered from 2021 lows and Intra-Cellular Therapies shares appreciated due to the strong product uptake for Caplyta following the label expansion in bipolar disorder. Development stage oncology companies remained under pressure and volatility remained high for SARS-CoV-2 companies in the biotech universe. Being convinced in the long-term value proposition of mRNA technology and Moderna's strategy of monetizing that value, we are bound to accept that Moderna as a core holding in our portfolio has been and may continue to be subject to industry high volatility.

Annual General Meeting confirms Board composition and continued capital distribution

At the AGM, shareholders approved recommendations from the Board and company, by re-electing all four current Board members and electing the two new Board members. Dr. Pearl Huang and Laura Hamill have become directors of BB Biotech. This highly experienced and diverse leadership group of six will continue to decide on investment strategies which sustain and expand BB Biotech's long-term value. BB Biotech paid out the proposed dividend of CHF 3.85 per share. The Board re-affirms the intended continuation of the dividend policy and expects payout of the regular dividend at 5% of the prior December's average share price in the years to come.

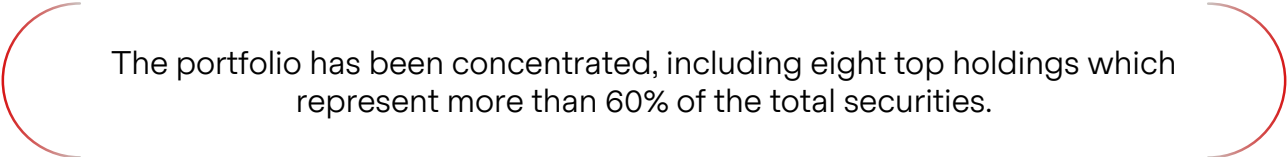
Increased investment level in the first quarter of 2022

By the end of the first quarter, the investment level at 113.0% was slightly higher than the 110.9% at the beginning of the year. The higher investment level reflects the management team's positive stance that many companies are attractively valued after the correction of the last twelve months in the biotech sector. The team will continue to work within the established and successful investment guidelines, such as investment levels of 95% to 115%.

First-quarter portfolio activity

Aside from the marginal reduction of the investment level ahead of the dividend payout, we received cash from Lundbeck's payment to former Alder Pharmaceutical holders in the form of a USD 2 per share contingent value right (CVR) triggered by the approval of migraine treatment, eptinezumab by the European Medicines Agency (EMA).

We liquidated our position in Biogen during the first quarter. Biogen's failure to come up with a plausible pricing strategy for the controversial Alzheimer treatment, Aduhelm. Including the US government agency, CMS draft guidance which indicated Aduhelm should not be reimbursed for Medicare patients, underpinned our decision to get out of the position.



The portfolio has been concentrated, including eight top holdings which represent more than 60% of the total securities.

At the end of the first quarter, BB Biotech's portfolio consisted of 31 positions. The portfolio has been concentrated, including eight top holdings which represent more than 60% of the total securities. The portfolio exposure is led by the rare disease category followed by oncology and neurology/psychiatry.

First quarter updates from BB Biotech portfolio holdings

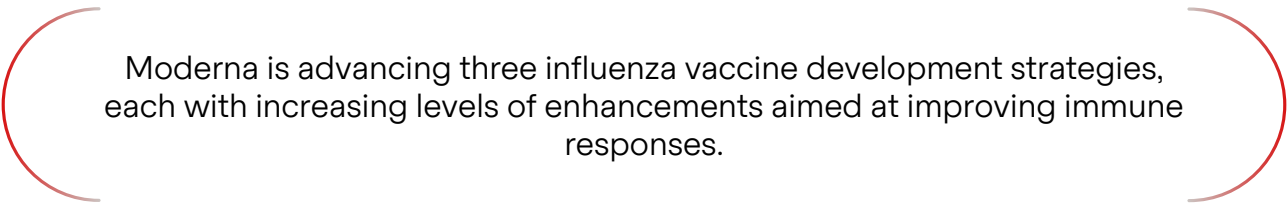
Many firms continued to report important clinical trial results for the first quarter

The Sage/Biogen depression partnership reported positive Phase III results. In the CORAL study, 50mg of Zuranolone co-initiated with current standard of care antidepressants compared to antidepressants alone resulted in statistically significant reduction in depressive symptoms at day 3 and maintained a benefit over a two-week period. Sage and Biogen are planning to file Zuranolone for registration with the US FDA for the treatment of patients with major depression disorder in late 2022, with a potential product launch in 2023.

Argenx reported positive top line results from the ADAPT-SC study evaluating subcutaneous (SC) efgartigimod in combination with Halozyme's PH20. SC efgartigimod demonstrated statistical noninferiority to intravenous administered Vyvgart in generalized myasthenia gravis (gMG) patients. Based on these results, Argenx plans to submit a supplemental Biologics License Application (sBLA) to the US Food and Drug Administration by the end of 2022.

Nektar and partner Bristol-Myers Squibb released an update on the ongoing PIVOT IO-001 trial evaluating bempedalsleukin (pegylated interleukin 2) in combination with Opdivo versus Opdivo alone as a first-line treatment for previously untreated unresectable or metastatic melanoma. Disappointingly the study did not meet the primary endpoints of progression-free survival (PFS) and objective response rate (ORR) as assessed by Blinded Independent Central Review (BICR). In addition, the independent Data Monitoring Committee (DMC) notified the companies that the third primary endpoint of overall survival (OS) did not meet statistical significance at the first interim analysis. Following this report, the companies have decided to stop the trial. Four additional clinical trials for bempedalsleukin are currently ongoing in renal cell carcinoma and bladder cancer.

Moderna is advancing three influenza vaccine development strategies, each with increasing levels of enhancements aimed at improving immune responses. The most advanced is the seasonal quadrivalent vaccine (mRNA-1010) using strains recommended by the World Health Organization (WHO). Moderna reported a Phase II study of mRNA-1010 for influenza with no significant safety issues. The immunogenicity data is consistent with the potential for superiority to standard dose vaccine for influenza A strains (which drives the majority of disease in adults). The interim data are consistent with potential for non-inferiority to standard dose vaccine in influenza B strains (primarily a concern in pediatrics). Further, Moderna is adding more hemagglutinin antigens (e.g. H3, H1) to expand strain matching (mRNA-1011/1012) as well as by adding neuraminidase antigens to target more conserved surface protein regions and broaden immunologic breadth (mRNA-1020/1030).



Moderna is advancing three influenza vaccine development strategies, each with increasing levels of enhancements aimed at improving immune responses.

Key regulatory decisions in the first quarter of 2022

In the first quarter 2022, a series of regulatory decisions were reported for products in our portfolio companies. The FDA approved Moderna's COVID-19 vaccine Spikevax (mRNA-1273) for the prevention of COVID-19 in individuals 18 years and older. Under the EUA program, the FDA also approved a fourth injection, which is the second booster shot, for mRNA-1273, at 50 microgram dose.

Agios reported that In February, the FDA approved Pyrukynd (mitapivat) for the treatment of hemolytic anemia in adults with pyruvate kinase (PK) deficiency, a rare, debilitating, lifelong hemolytic anemia. Pyrukynd is an oral PK activator and the first approved disease-modifying therapy for this disease.

Argenx announced the approval of Vyvgart (efgartigimod) in Japan for the treatment of generalized myasthenia gravis, shortly after the December 2021 US FDA approval. The company is continuing the global product launch, having started in early 2022 in the US followed by launching Vyvgart in Japan in summer of 2022, with the EU regulatory authority decision expected in late 2022.

Incyte reported that the US FDA extended the review of the supplemental new drug application (sNDA) for its JAK inhibitor, Opzelura (ruxolitinib cream) for vitiligo, with the new PDUFA date set as July 18, 2022. Opzelura, the topical formulation of ruxolitinib is already approved in the US for topical short-term and non-continuous chronic treatment of mild to moderate atopic dermatitis (AD) in patients 12 years of age and older who are non-immunocompromised and whose disease isn't adequately controlled with other topical therapies.

Product launches with substantial revenue opportunities

Biotech investors including BB Biotech remain focused on early product launch metrics as a yardstick for future revenue and profits.

Intra-Cellular added bipolar I and II disease to the Caplyta's product label in late 2021, and has achieved a significant prescription growth in the first quarter.

Incyte's Opzelura, enjoyed rapid adoption in late 2021. Large price discounts and free drug distribution resulted in lower than expected revenues, disappointing investors. Yet we believe that Opzelura continues to gain significant market share in both, mild to moderate and severe atopic dermatitis patients, and the company expects further growth in the second half of 2022.

Moderna's 2022 revenue guidance remains fluid. The company recently increased its 2022 advanced purchase agreements to USD 21 bn plus additional open options. Looking ahead, 2023 purchase agreements are in place for some countries. The fall season and the potential emergence of new COVID-19 variants, together with negotiations for further advanced purchasing for 2022 and 2023 in the US are also on our radar screen.

Outlook for 2022

Despite the COVID pandemic and a complex geopolitical situation which fuel uncertainty, the biotechnology industry is making substantial progress in its purpose of delivering new drug technologies which positively and sustainably impact patients lives and healthcare systems. One example is CTX-001 by Crispr Therapeutics and Vertex, which should deliver beta thalassemia and sickle cell disease data in patients in fall 2022, followed by regulatory filings by year-end and a potential market entry in 2023.

Large biopharmaceutical firms have strong cash positions overall. These resources are one key prerequisite for substantial M&A activities in the future.

In February 2022, Dr. Robert M. Califf was confirmed as FDA commissioner. Dr. Califf is recognized as an expert in clinical trial research, health disparities, healthcare quality, and cardiovascular medicine, and also served as the FDA Commissioner under former President Barack Obama from February 2016 until January 2017. Under his leadership, we expect the FDA to continue its constructive, purposeful but moderating interactions with the biopharmaceutical industry.

The upcoming US midterm elections are important to healthcare investors. The results, expected for November 8, will influence whether Congress and the Biden administration can implement far reaching healthcare reforms. For biotechnology investors, proposals regarding drug price reform will be followed closely.

Following a period of portfolio consolidation and dividend payout, the investment team of BB Biotech will continue to seek investments in biotechnology firms that deploy novel approaches to create breakthrough clinical improvements for patients and health economic value for society. Given the current risk-aversion of many markets, BB Biotech will remain disciplined and consistent with our long-term investment strategy.

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 Krosgaard Thomsen

Member

Dr. Clive Meanwell

Vice Chairman

Dr. Pearl Huang

Member

Dr. Thomas von Planta

Member

Portfolio at a glance

Securities as at March 31, 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	9 732 973	(500 000)	USD	37.04	332.6	10.7%	12.0%	6.9%
Argenx SE	920 538	(50 000)	USD	315.31	267.8	8.6%	9.7%	1.7%
Moderna	1 583 349	(80 000)	USD	172.26	251.6	8.1%	9.1%	0.4%
Neurocrine Biosciences	2 865 400	(150 000)	USD	93.75	247.8	7.9%	9.0%	3.0%
Vertex Pharmaceuticals	980 000	(50 000)	USD	260.97	235.9	7.6%	8.5%	0.4%
Incyte	2 756 000	(141 000)	USD	79.42	201.9	6.5%	7.3%	1.2%
Intra-Cellular Therapies	3 358 419	(180 000)	USD	61.19	189.6	6.1%	6.9%	3.6%
Alnylam Pharmaceuticals	1 050 000	(60 000)	USD	163.29	158.2	5.1%	5.7%	0.9%
Arvinas	2 106 903	(70 000)	USD	67.30	130.8	4.2%	4.7%	4.0%
Fate Therapeutics	3 511 336	(190 000)	USD	38.77	125.6	4.0%	4.5%	3.6%
Agios Pharmaceuticals	4 092 292	(220 000)	USD	29.11	109.9	3.5%	4.0%	7.5%
Relay Therapeutics	3 885 962	(200 000)	USD	29.93	107.3	3.4%	3.9%	3.6%
Sage Therapeutics	3 010 104	(160 000)	USD	33.10	91.9	2.9%	3.3%	5.1%
Revolution Medicines	3 251 462	(170 000)	USD	25.51	76.5	2.5%	2.8%	4.4%
Kezar Life Sciences	4 668 148	(250 000)	USD	16.62	71.6	2.3%	2.6%	8.2%
Myovant Sciences	5 812 039	(310 000)	USD	13.32	71.4	2.3%	2.6%	6.2%
Radius Health	8 255 714	550 000	USD	8.83	67.2	2.2%	2.4%	17.4%
Macrogenics	7 275 564	–	USD	8.81	59.1	1.9%	2.1%	11.9%
Exelixis	2 695 000	(140 000)	USD	22.67	56.4	1.8%	2.0%	0.8%
Crispr Therapeutics	902 105	(47 479)	USD	62.77	52.2	1.7%	1.9%	1.2%
Molecular Templates	10 992 003	200 000	USD	3.45	35.0	1.1%	1.3%	19.5%
Beam Therapeutics	576 821	(30 000)	USD	57.30	30.5	1.0%	1.1%	0.8%
Essa Pharma	5 015 814	–	USD	6.18	28.6	0.9%	1.0%	11.4%
Scholar Rock Holding	2 165 125	(110 000)	USD	12.89	25.7	0.8%	0.9%	6.1%
Generation Bio Co.	3 663 180	(190 000)	USD	7.34	24.8	0.8%	0.9%	6.4%
Esperion Therapeutics	4 257 964	(220 000)	USD	4.64	18.2	0.6%	0.7%	6.8%
Nektar Therapeutics	2 960 676	340 000	USD	5.39	14.7	0.5%	0.5%	1.6%
Mersana Therapeutics	3 925 000	(210 000)	USD	3.99	14.4	0.5%	0.5%	4.7%
Wave Life Sciences	4 562 858	(40 000)	USD	2.00	8.4	0.3%	0.3%	7.5%
Black Diamond Therapeutics	3 270 000	(170 000)	USD	2.77	8.4	0.3%	0.3%	9.0%
Homology Medicines	1 647 122	(90 000)	USD	3.04	4.6	0.1%	0.2%	2.9%
Total securities					3 118.7	100.0%	113.0%	
Other assets					1.8		0.1%	
Other payables					(359.6)		(13.0%)	
Net asset value					2 760.9		100.0%	

Exchange rate as at 31.03.2022: USD/CHF: 0.9225