

MIV Global Medtech Fund

Sub-Fund of an investment company with variable capital SICAV



Monthly report October 2023

Marketing document for private and institutional investors

Facts Fund class N1

Net Asset Value per Fund share CHF	2'060.67
Assets CHF m (all Fund classes)	1'869
Investment level	100%
Liquidity	0%

Industry breakdown

Ophthalmology	12%
Hospital Equipment	10%
In-vitro Diagnostics	9%
Disposable Medical Supplies	7%
Orthopaedics	7%
Surgical Instruments	7%
Diabetes	7%
Endoscopy	5%
Dentistry	4%
Other Medical Technology Sectors	32%

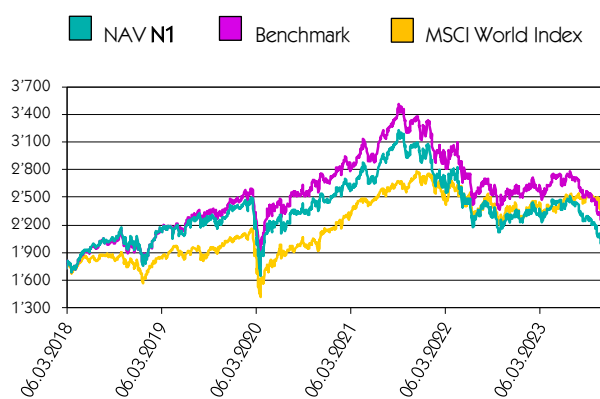
Holdings

Abbott Laboratories	10%	IDEXX Laboratories	3%
Stryker	9%	HOYA	3%
Intuitive Surgical	9%	Steris	3%
Boston Scientific	7%	ResMed	2%
Medtronic	5%	Straumann	2%
Becton Dickinson	5%	GE HealthCare	2%
EssilorLuxottica	4%	Hologic	2%
Alcon	4%	Coloplast	2%
Edwards Lifesciences	4%	CooperCompanies	2%
DexCom	4%	15 small holdings	17%

Currency breakdown

USD	75%	JPY	6%
CHF	8%	DKK	3%
EUR	6%	GBP	1%

Performance Fund class N1 CHF



Important legal information

Past performance is not a reliable indicator of current or future performance. Performance data take no account of the commissions and costs charged when units are issued and redeemed. The return of the Fund may go down as well as up due to changes in rates of exchange between currencies.

Performance in CHF

	October	2023	1 year	3 years	5 years	10 years	Inception
MIV Global Medtech Fund N1	-6.5%	-8.8%	-11.1%	-12.0%	4.5%	n.a.	19.5%
Benchmark *	-6.0%	-8.4%	-10.6%	-9.0%	19.1%	n.a.	34.3%
MSCI World Index	-3.4%	6.1%	0.5%	25.6%	34.6%	n.a.	39.5%

	11.18-10.19	11.19-10.20	11.20-10.21	11.21-10.22	11.22-10.23
MIV Global Medtech Fund N1	15.6%	2.8%	30.1%	-23.9%	-11.1%
Benchmark *	21.3%	7.9%	30.1%	-21.8%	-10.6%
MSCI World Index	10.5%	-3.1%	40.0%	-10.7%	0.5%

* MSCI World Healthcare Equipment & Supplies

Company Headlines

Statements from the top management of several medical device suppliers, the analyses published by **Abbott Laboratories**, **DexCom**, **Insulet** and US orthopaedics group **Zimmer Biomet** as well as the continuing positive business trend are underlining the extreme discrepancy between the companies' assessments and what they believe to be investors' exaggerated fears of the potential negative impact of novel GLP-1 medications (to treat diabetes and obesity) on certain medical device submarkets.

Broadly diversified US healthcare firm **Abbott Laboratories** continued to impress in the third quarter with organic revenue growth in its underlying base business (i.e. excluding COVID-19 tests) of 13.8% to USD 10.1 billion. Medical devices – the biggest business area with a revenue contribution of 42% – posted organic revenue growth of 14.7%, exceeding expectations again. The largest segment, diabetes, stood out once more with a growth rate of 24.5%. This is because Abbott was able to increase organically generated sales with its innovative and affordable FreeStyle Libre glucose monitoring system by 28.5% to USD 1.4 billion. The segments of electrophysiology (+16.8%), treatment of structural heart disease (+14.7%) and neuromodulation (+18.8%) also recorded sustained high growth rates. The three other business areas of diagnostics (excluding the significantly lower sales from COVID-19 tests compared to the same period last year), medical nutrition and generics also generated double-digit percentage organic revenue growth. Abbott's CEO referred to the analysis published by the company at the end of September, which shows a complementary relationship between FreeStyle Libre and GLP-1 medications. The analysis also highlights the fact that a growing number of patients are using these products together to support behavioural change, optimise diabetes management and improve overall health. With the increasing use of GLP-1 therapy, the number of FreeStyle Libre users has therefore also expanded rapidly.

DexCom had already pointed out at the beginning of September – supported by data from a major US healthcare service provider for the past five years – that with the introduction of GLP-1, the use of continuous glucose monitoring systems has risen in all segments of type 2 diabetes. Thanks to sustained high sales of its G6 glucose sensor and the very successful launch of its 60% smaller, more user-friendly successor model, the G7, in various countries, DexCom was able to achieve organic sales growth of 26% – well above expectations – in both the second and third quarters. The number of newly acquired patients reached another record high in the past quarter. At the end of October, management raised its revenue growth forecast for the current financial year for the third time to between 23% and 24%, and again revised its margin targets upwards. After falling considerably since mid-July, DexCom shares rose by 10% following the publication of the quarterly results.

Investments in medical devices

Investment Strategy

The MIV Global Medtech Fund invests globally in listed medical device companies. The investment process is based on a combined top-down / bottom-up approach. Against the background of the particular macroeconomic environment, the most interesting markets and companies are determined based on an intensive primary analysis. Alongside an attractive valuation, a strong market position, good growth potential, excellent products, sustainable profitability and high-quality management are the decisive parameters for investment. The consideration of sustainability criteria (ESG) is integrated in the research, analysis and investment process. Risks are managed by means of portfolio diversification. The portfolio of the MIV Global Medtech Fund is structured more defensively or cyclically in the best possible anticipation of economic trends, with a view to achieving a higher return than the benchmark and the general market indices.

Benefits

Owing to demographic trends and the desire for quality of life and mobility, the medical device industry is a long-term growth market. Emerging markets will have a positive impact on the medical device industry's future growth thanks to the state-backed expansion of their healthcare systems. Medical device suppliers' priority is the development of innovative, minimally invasive products. These are beneficial for patients and cost efficient for the healthcare system due to shorter convalescence periods. Most interesting from an investor's perspective are the industry's high growth rates, above-average profitability and oligopolistic market structures with their high entry barriers for new competitors. Even in a demanding environment, significant product innovations continue to offer attractive growth prospects.

Risks

The MIV Global Medtech Fund invests in equity securities and may therefore be subject to high fluctuations in value. For this reason, a medium-term to long-term investment horizon and corresponding risk tolerance and capacity are required for an investment into this Sub-Fund. As the MIV Global Medtech Fund pursues an active management style, the Sub-Fund's performance can deviate substantially from that of its reference index. The focus on equity securities of medical device companies exposes the Sub-Fund potentially to additional specific risks of this area of the healthcare industry. The Sub-Fund may, for the purpose of hedging and the efficient management of the portfolio, make use of derivatives, which can lead to additional risks (particularly counter party risk). All investments are subject to market fluctuations. Every Fund has specific risks, which can significantly increase under unusual market conditions.

Sustainability profile - ESG

MIV Asset Management identifies, monitors and mitigates ESG risks that are, or could become, material to the performance of medical technology companies. The approach is based on the following factors:

- **Integration:** The consideration of sustainability criteria (ESG) is integrated into the research, analysis and investment process. The Fund invests in companies with a good ESG profile. The Fund does not invest in companies with a Sustainability ESG Risk Rating above 40 (severe) as well as a Sustainability Controversy Score above 4 (high).
- **Exclusion:** The Fund excludes investments in companies, that are not compliant with global norms (OECD Guidelines for Multinational Enterprises, UN Guiding Principles for Business and Human Rights, International Labour Organization's Fundamental Principles) as well as investments in controversial industries (particularly conventional and controversial weapons).
- **Sustainable Investments:** A minimum portion of 33% of assets is invested in Sustainable Investments with a social objective (contribution to UN Sustainable Development Goals).
- **Dialogue:** Close and regular contact with the management of actual and potential investments, amongst other, with the goal of improving ESG practices and disclosure at these companies.
- **Ownership rights:** Exercise of MIV Global Medtech Fund's voting rights delegated to the ISS proxy with Sustainability Policy. In case of controversial decisions, MIV Asset Management gets directly involved.

- ☑ The MIV Global Medtech Fund is classified as a financial product under **EU SFDR Article 8**
- ☑ MIV Asset Management is a signatory to the **UN Principles for Responsible Investment**
- ☑ The MIV Global Medtech Fund's investments support **UN Sustainable Development Goals, in particular no. 1, 3, 5, 8 and 10**
- ☑ MIV Asset Management works together with the **proxy ISS with Sustainability Policy**
- ☑ The MIV Global Medtech Fund has an **above-average MSCI ESG Score (6.7)** and **MSCI ESG Rating (A)**
- ☑ The MIV Global Medtech Fund has an **above-average Sustainability ESG profile**

Glossary

Benchmark	An index, which is used as a reference for the measurement of the performance of the Fund.
Inception	Launch date of the Fund and/or the Fund class.
Management fee	Portfolio manager's fee for the management and the distribution of the Fund.
NAV	Net Asset Value: total Fund assets divided by total number of Fund shares outstanding.
TER	Total Expense Ratio: sum of all fees and costs, which are charged to the Fund on a continuous basis.

Investments in medical devices

Information

Website	www.mivglobalmedtech.ch
Legal structure	Sub-Fund of Variopartner SICAV, an investment fund under Luxembourg law
Fund class	N1 (CHF) accumulation / ISIN: LU1769944791 / Swiss Valor Number: 40341180 / WKN: A2JGMD
Subscription/redemption	On every bank working day in Luxembourg until 3.45 p.m. at net asset value (no calculation of net asset values on bank/stock exchange holidays in Luxembourg and/or the US)
Management fee	1.0% p.a.
Total Expense Ratio (TER) as of 30.6.2023	1.17%
Launch of fund	11 March 2008
Launch of fund class N1	6 March 2018
Close of financial year	30 June
Benchmark	MSCI World Healthcare Equipment & Supplies
Reporting of the Portfolio manager	Monthly, semester and yearly report
Fund price monitoring	www.mivglobalmedtech.ch / www.swissfunddata.ch / www.fundinfo.com Bloomberg: VARMVN1 LX / Reuters: LU1769944791.LUF / Neue Zürcher Zeitung
Portfolio manager	MIV Asset Management AG, Feldeggstrasse 55, CH-8008 Zurich, info@mivglobalmedtech.ch Contact: Jürg Nagel, Christoph Gubler, Giuseppe Di Benedetto, Phone +41 44 253 64 11
Management company	Vontobel Asset Management S.A., 18, rue Erasme, L-1468 Luxembourg
Representative for Switzerland	Vontobel Fonds Services AG, Gotthardstrasse 43, CH-8022 Zurich
Custodian/Administrator	CACEIS Investor Services Bank S.A., 14, Porte de France, L-4360 Esch-sur-Alzette
Auditor	Ernst & Young S.A., 35E, Avenue John F. Kennedy, L-1855 Luxembourg
Minimum subscription	none
Admissions to distribution	Switzerland, Germany, Austria, Liechtenstein, Luxembourg, France, Italy, Spain, United Kingdom, Netherlands, Finland, Norway, Sweden, Singapore (restricted scheme)
Distribution restrictions	USA / US persons

Important legal information

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Subscriptions of shares of the Sub-Fund should in any event be made solely on the basis of the current sales prospectus, the current Key Information Documents (KIDs), the current articles of association and the most recent annual and semi-annual reports of Variopartner SICAV. For more details regarding the potential risks of an investment in Sub-Funds of Variopartner SICAV, please refer to the current sales prospectus. Interested parties may obtain the abovementioned documents free of charge from the portfolio manager: MIV Asset Management AG, Feldeggstrasse 55, CH-8008 Zurich, the representative for Switzerland: Vontobel Fonds Services AG, Gotthardstrasse 43, CH-8022 Zurich, the paying agent in Switzerland: Bank Vontobel AG, Gotthardstrasse 43, CH-8022 Zurich, the European facilities agent for Germany, Finland, France, Italy, the Netherlands, Norway, Sweden and Spain: PwC Société coopérative – GFD, 2, rue Gerhard Mercator B.P. 1443, L-1014 Luxembourg, lu_pwc.gfd.facsvs@pwc.com, the financial and central agent in France: BNP Paribas S.A., 16, Boulevard des Italiens, F-75009 Paris, the Austrian Facility: Erste Bank der österreichischen Sparkassen AG, Am Belvedere 1, A-1100 Vienna, the information agent in Liechtenstein: LLB Fund Services AG, Äulestrasse 80, FL-9490 Vaduz, the paying agents in Italy: Banca Sella Holding S.p.A., Piazza Gaudenzio Sella, 1, I-13900 Biella, Allfunds Bank, S.A.U., Via Bocchetto, 6, I-20123 Milan, the facilities agent for the United Kingdom: Carne Financial Services (UK) LLP, 85 Gresham Street, London EC2V 7NQ, and from the offices of the Fund: Variopartner SICAV, 11-13, Boulevard de la Foire, L-1528 Luxembourg. They may also be downloaded from the website www.mivglobalmedtech.com.

Further information on the distribution of the fund's shares in an official language of the respective distribution country can be found on the corresponding website:

Germany	https://gfdplatform.pwc.lu/facilities-agent/view/vs-de
Finland	https://gfdplatform.pwc.lu/facilities-agent/view/vs-fi
France	https://gfdplatform.pwc.lu/facilities-agent/view/vs-fr
Italy	https://gfdplatform.pwc.lu/facilities-agent/view/vs-it
Netherlands	https://gfdplatform.pwc.lu/facilities-agent/view/vs-nl
Norway	https://gfdplatform.pwc.lu/facilities-agent/view/vs-no
Sweden	https://gfdplatform.pwc.lu/facilities-agent/view/vs-sv
Spain	https://gfdplatform.pwc.lu/facilities-agent/view/vs-es

This Sub-Fund is registered with the Financial Conduct Authority (FCA) for public distribution in the United Kingdom.

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