

# MIV Global Medtech Fund

Sub-Fund of an investment company with variable capital SICAV



Monthly report July 2024

Marketing document for private and institutional investors

## Facts Fund class N2

Net Asset Value per Fund share EUR	2'574.39
Assets EUR m (all Fund classes)	2'052
Investment level	100%
Liquidity	0%

## Industry breakdown

Ophthalmology	12%
Hospital Equipment	10%
Surgical Instruments	8%
In-vitro Diagnostics	7%
Orthopaedics	7%
Disposable Medical Supplies	7%
Diabetes	6%
Endoscopy	5%
Interventional Cardiology	4%
Other Medical Technology Sectors	34%

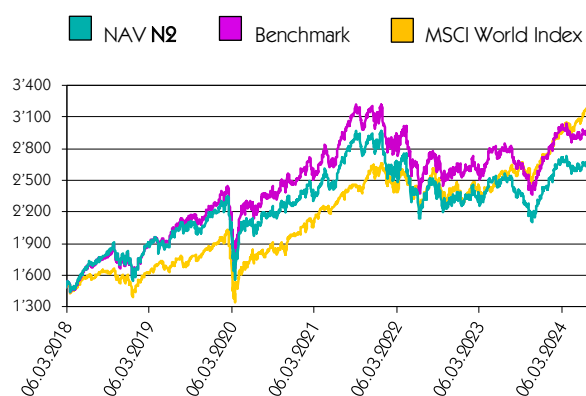
## Holdings

Abbott Laboratories	10%	IDEXX Laboratories	3%
Intuitive Surgical	10%	ResMed	3%
Stryker	10%	Steris	2%
Boston Scientific	10%	DexCom	2%
Medtronic	5%	GE HealthCare	2%
Becton Dickinson	5%	CooperCompanies	2%
Alcon	5%	Align Technology	2%
EssilorLuxottica	4%	Siemens Healthineers	2%
HOYA	4%	Hologic	2%
Edwards Lifesciences	3%	13 small holdings	14%

## Currency breakdown

USD	76%	JPY	5%
CHF	8%	DKK	2%
EUR	6%	GBP	2%

## Performance Fund class N2 EUR



## 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 EUR

	July	2024	1 year	3 years	5 years	10 years	Inception
MIV Global Medtech Fund N2	-2.5%	5.2%	2.1%	-7.8%	23.9%	n.a.	73.8%
Benchmark *	-1.2%	6.3%	3.6%	-4.0%	37.3%	n.a.	96.2%
MSCI World Index	0.8%	16.1%	20.6%	33.7%	81.8%	n.a.	115.2%
			8.19-7.20	8.20-7.21	8.21-7.22	8.22-7.23	8.23-7.24
MIV Global Medtech Fund N2			3.9%	29.4%	-11.3%	1.8%	2.1%
Benchmark *			10.4%	29.5%	-10.3%	3.2%	3.6%
MSCI World Index			1.0%	34.7%	5.6%	4.9%	20.6%

\* MSCI World Healthcare Equipment & Supplies

## Company Headlines

US group **Intuitive Surgical** clearly exceeded expectations in the second quarter in every respect. The company placed 341 da Vinci robotic-assisted surgical systems. This figure already included 70 da Vinci 5 fifth-generation surgical robots, which were only approved in the firm's key home market in mid-March. The number of minimally invasive surgical procedures in soft tissue performed worldwide using da Vinci surgical robots grew by 17%. In mid-July, management revised its guidance for full-year 2024 upwards for the second time and is now forecasting growth of 15.5% to 17% in the number of procedures. In addition, the projected gross margin in 2024 was increased from between 67% and 68% to a range of 68.5% to 69%, and the rise in operating costs was reduced from between 11% and 15% to a range of 10% to 13%. With accelerated organic revenue growth of 14.7% to USD 4.12 billion, **Boston Scientific** significantly exceeded its own forecast and analysts' expectations again in the second quarter of 2024. The electrophysiology segment stood out, with a growth rate of 125% to USD 428 million. This is thanks to the US health authority FDA's approval of the FARAPULSE PFA system, a non-thermal ablation system for the treatment of atrial fibrillation, at the end of January. The company improved its forecast for organic revenue growth in full-year 2024 for the second time in July, from between 8% and 9% originally to between 13% and 14%. The growth forecast for adjusted earnings per share in the current year was also revised upwards to a range of around 16% to 18%. Broadly diversified US health-care group **Abbott Laboratories** posted a continuing positive business performance in the second quarter, with organic revenue growth of 9.3% in its underlying base business (i.e. excluding COVID-19 tests). Management raised the lower end of its growth forecast for 2024 from between 8.5% and 10% to a range of 9.5% to 10%. Medical devices – the biggest business area with a revenue contribution of 46% – exceeded expectations once again in the second quarter with organic revenue growth of 12.1%. **Edwards Lifesciences** recorded lower-than-expected currency-adjusted revenue growth of 5.8% for the second quarter in its core business area of transcatheter aortic valves, which accounts for more than 60% of revenue. Management reduced the full-year currency-adjusted growth rate forecast for this area from a range of 8% to 10% to between 5% and 7%. At group level, a revenue increase of 8% to 10% is now in prospect for 2024, after previously aiming for the upper end of this range. **DexCom** generated lower-than-expected organic revenue growth of 16% in the second quarter, due in particular to fewer new patients and problems with re-aligning the sales team. Management cut its full-year growth forecast from between 17% and 21% to between 11% and 13%. While the shares of Intuitive Surgical (+32%) and Boston Scientific (+28%) have gained significantly since the start of the year, those of Abbott Laboratories (-4%), Edwards Lifesciences (-17%) and DexCom (-45%) have fallen.

## 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 global medical device companies potentially exposes the Sub-Fund to additional sector-specific risks and currency risks. 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 Sustainalytics ESG Risk Rating above 40 (severe) as well as a Sustainalytics 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 Sustainalytics 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	<a href="http://www.mivglobalmedtech.ch">www.mivglobalmedtech.ch</a>
Legal structure	Sub-Fund of Variopartner SICAV, an investment fund under Luxembourg law
Fund class	<b>N2</b> (EUR) accumulation / ISIN: LU1769944874 / Swiss Valor Number: 40341212 / WKN: A2JGME
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 31.12.2023	1.17%
Launch of fund	11 March 2008
Launch of fund class N2	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	<a href="http://www.mivglobalmedtech.ch">www.mivglobalmedtech.ch</a> / <a href="http://www.swissfunddata.ch">www.swissfunddata.ch</a> / <a href="http://www.fundinfo.com">www.fundinfo.com</a> Bloomberg: VARMVN2 LX / Reuters: LU1769944874.LUF / Neue Zürcher Zeitung
Portfolio manager	MIV Asset Management AG, Feldeggstrasse 55, CH-8008 Zurich, <a href="mailto:info@mivglobalmedtech.ch">info@mivglobalmedtech.ch</a> 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

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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](mailto: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](http://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	<a href="https://gfdplatform.pwc.lu/facilities-agent/view/vs-de">https://gfdplatform.pwc.lu/facilities-agent/view/vs-de</a>
Finland	<a href="https://gfdplatform.pwc.lu/facilities-agent/view/vs-fi">https://gfdplatform.pwc.lu/facilities-agent/view/vs-fi</a>
France	<a href="https://gfdplatform.pwc.lu/facilities-agent/view/vs-fr">https://gfdplatform.pwc.lu/facilities-agent/view/vs-fr</a>
Italy	<a href="https://gfdplatform.pwc.lu/facilities-agent/view/vs-it">https://gfdplatform.pwc.lu/facilities-agent/view/vs-it</a>
Netherlands	<a href="https://gfdplatform.pwc.lu/facilities-agent/view/vs-nl">https://gfdplatform.pwc.lu/facilities-agent/view/vs-nl</a>
Norway	<a href="https://gfdplatform.pwc.lu/facilities-agent/view/vs-no">https://gfdplatform.pwc.lu/facilities-agent/view/vs-no</a>
Sweden	<a href="https://gfdplatform.pwc.lu/facilities-agent/view/vs-sv">https://gfdplatform.pwc.lu/facilities-agent/view/vs-sv</a>
Spain	<a href="https://gfdplatform.pwc.lu/facilities-agent/view/vs-es">https://gfdplatform.pwc.lu/facilities-agent/view/vs-es</a>

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

This Sub-Fund is not available to retail investors in Singapore. It is accepted as restricted scheme by the Monetary Authority of Singapore (MAS) and may only be offered to certain prescribed persons on certain conditions as provided in the "Securities and Futures Act", Chapter 289 of Singapore.

This Sub-Fund is not authorised by the Securities and Futures Commission of Hong Kong. It may only be offered to those investors qualifying as professional investors under the Securities and Futures Ordinance. The contents of this document have not been reviewed by any regulatory authority in Hong Kong.

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