

MIV Global Medtech Fund

Sub-Fund of an investment company with variable capital SICAV



Monthly report March 2020

Marketing document for private and institutional investors

Facts Fund class I3

Net Asset Value per Fund share USD	2'071.08
Assets USD m (all Fund classes)	2'400
Investment level	95%
Liquidity	5%

Industry breakdown

Disposable Medical Supplies	10%
In-vitro Diagnostics	8%
Hospital Equipment	7%
Orthopaedics	6%
Endoscopy	6%
Life Sciences Supply	6%
Dentistry	5%
Interventional Cardiology	4%
Interventional Radiology	4%
Other Medical Technology Sectors	39%

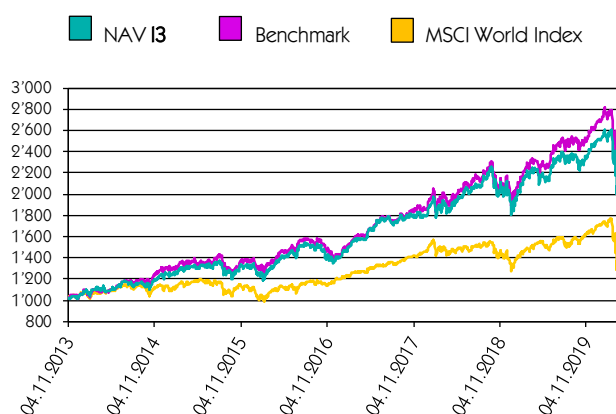
Holdings

Abbott Laboratories	9%	Teleflex	3%
Medtronic	8%	Steris	3%
Baxter	7%	Align Technology	2%
Boston Scientific	7%	Olympus	2%
Becton Dickinson	6%	Philips	2%
Stryker	5%	Zimmer Biomet	2%
Intuitive Surgical	4%	GN Store Nord	2%
Edwards Lifesciences	4%	Straumann	2%
Danaher	4%	Terumo	2%
Thermo Fisher Scientific	4%	16 small holdings	16%

Currency breakdown

USD	85%	DKK	2%
JPY	5%	EUR	2%
CHF	4%		

Performance Fund class I3 USD



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.

Company Headlines

The coronavirus pandemic has ruthlessly exposed weaknesses in the judgement and decision-making abilities of politicians in various countries – along with serious shortcomings in some healthcare systems. US President Donald Trump, who downplayed coronavirus for far too long, and several European governments were too slow to heed the lessons from Southeast Asian countries such as Singapore, South Korea and Taiwan, which reacted with great speed and efficiency. Even highly industrialised countries – above all the USA, but also some core European countries – lack sufficient beds in hospital intensive care and observation wards. Particularly in the early days of the crisis, there was an acute global shortage of testing kits and laboratory capacity for COVID-19 and of ventilators and intubation equipment to treat patients seriously ill with this lung infection. In some cases, these scarcities continue to this day. Stocks of medical personal protective equipment (masks, gloves, suits, goggles) were also far too low and took time to be rebuilt. This was because of numerous countries unilaterally outsourcing production, mainly to China, coupled with isolated supply blockages. Once COVID-19 is contained, these failings are likely to lead to a rethink of production locations, supply chains, inventories and virus testing capacity – opening up potential in these areas for individual firms. We had reduced our holding in Dutch group Philips (including CT, MRI and X-ray imaging systems) early in January and subsequently scaled back positions in companies that are predominantly involved in elective (i.e. non-essential) medical device fields, such as orthopaedics, dentistry, hearing aids, ophthalmology and sophisticated hospital equipment (e.g. surgical robots). We invested part of the proceeds in corporations operating in segments that are less affected by coronavirus or are even benefiting from it in certain areas (disposable medical supplies, infection prevention, ventilators, infusion pumps, diagnostics, dialysis). Towards the end of the month under review, the stock markets were able to recoup some of the sharp price falls suffered since mid-February. This came in response to clear signs that coronavirus is being contained in China, flattening growth rates in new infections in a number of European countries and the huge-scale countermeasures taken by many governments and central banks to create stability for the beleaguered population and companies. Most medical device firms are currently highlighting the difficulty of evaluating and quantifying this extraordinary situation in numerous markets. Several have therefore withdrawn their previous guidance for the first quarter just ended and for the year as a whole. While we still firmly believe in the long-term growth drivers in medical devices and the significant catch-up potential posed by temporarily postponed medical treatments and surgery once this pandemic is under control, the situation does also require patience from investors.

Performance in USD

	March	2020	1 year	3 years	5 years	10 years	Inception
MIV Global Medtech Fund I3	-9.5%	-17.6%	-7.6%	31.0%	57.7%	n.a.	101.2%
Benchmark *	-7.2%	-14.4%	-1.1%	42.6%	70.2%	n.a.	123.5%
MSCI World Index	-13.2%	-21.1%	-10.4%	5.9%	17.3%	n.a.	30.8%
			4.15-3.16	4.16-3.17	4.17-3.18	4.18-3.19	4.19-3.20
MIV Global Medtech Fund I3			2.4%	17.6%	17.6%	20.6%	-7.6%
Benchmark *			2.4%	16.5%	19.4%	20.7%	-1.1%
MSCI World Index			-3.5%	14.8%	13.5%	4.1%	-10.4%

* MSCI World Healthcare Equipment & Supplies

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. Risks are limited by means of portfolio diversification. Foreign exchange risks can be hedged. 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.

Information

Website	www.mivglobalmedtech.ch
Legal structure	Sub-Fund of Variopartner SICAV, an investment fund under Luxembourg law
Fund class	I3 (USD) accumulation / ISIN: LU0969575645 / Swiss Valor Number: 22479883 / WKN: A1W7RK
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	0.8% p.a.
Total Expense Ratio (TER) as of 31.12.2019	0.98%
Launch of fund	11 March 2008
Launch of fund class I3	4 November 2013
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: VARI3US LX / Reuters: LU0969575645.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 (Kirchberg)
Representative in Switzerland	Vontobel Fonds Services AG, Gotthardstrasse 43, CH-8022 Zurich
Custodian/Administrator	RBC 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	USD 500'000
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

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.

Important legal information:

MIV Global Medtech Fund is a Sub-Fund of Variopartner SICAV, an investment fund under Luxembourg law. This document is for information purposes only and nothing contained in this document should constitute a solicitation, or offer, or recommendation, to buy or sell any investment instruments, to effect any transactions, or to conclude any legal act of any kind whatsoever. This document has been produced by MIV Asset Management AG ("MIV AM"). It is explicitly not the result of a financial analysis and therefore the "Directives on the Independence of Financial Research" of the Swiss Bankers Association is not applicable. Although MIV AM believes that the information provided in this document is based on reliable sources, it cannot assume responsibility for the quality, correctness, timeliness or completeness of the information contained in this report. Any companies described in this document may or may not currently represent a position in the portfolio of the MIV Global Medtech Fund. Any projections, forecasts or estimates contained in this document are based on a variety of estimates and assumptions. There can be no assurance that the estimates or assumptions made will prove accurate, and actual results may differ materially.

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 Investor Information Document (KIID), 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 in Switzerland: Vontobel Fonds Services AG, Gotthardstrasse 43, CH-8022 Zurich, the paying agent in Switzerland: Bank Vontobel AG, Gotthardstrasse 43, CH-8022 Zurich, the paying agent in Germany: B. Metzler seel. Sohn & Co. KGaA, Untermairanlage 1, D-60329 Frankfurt/Main, the paying agent in Austria: Erste Bank der oesterreichischen Sparkassen AG, Am Belvedere 1, A-1100 Vienna, the paying agent in Liechtenstein: Liechtensteinische Landesbank AG, Städtle 44, FL-9490 Vaduz, the financial and central agent in France: BNP Paribas Securities Services S.A., 3, Rue d'Antin, F-75002 Paris, the paying agents in Italy: RBC Investor Services Bank, Via Vittor Pisani, 26, I-20124 Milan, Allfunds Bank, S.A.U., Via Bocchetto, 6, I-20123 Milan, the facilities agent in the United Kingdom: Carne Financial Services (UK) LLP, Suites 1.15-1.16, 1st Floor, 5 Old Bailey, London EC4M 7BA, the paying agent in Sweden: Skandinaviska Enskilda Banken AB (publ), Investor Services, ST-M1, SE-106 40 Stockholm, 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.ch.

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

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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.