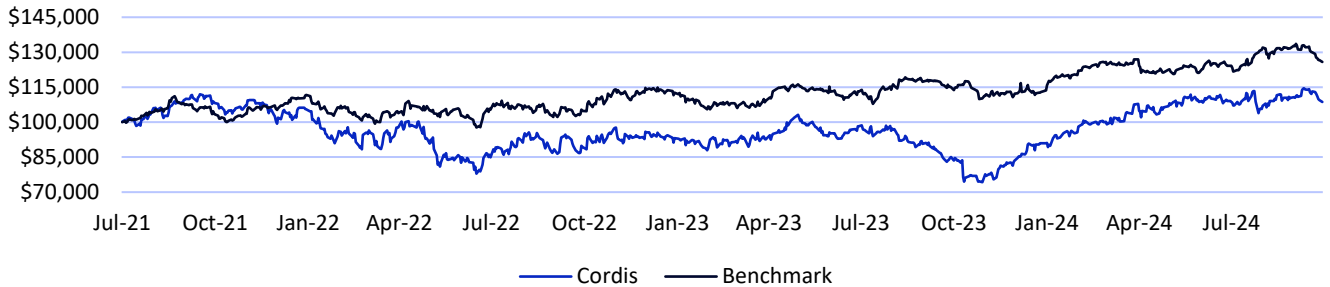


Performance

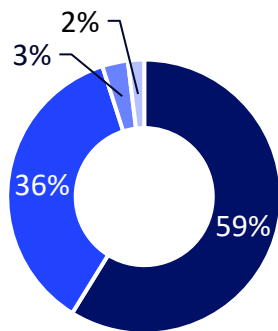
	1 Month (%)	6 Months (%)	1 Year (%)	2 Years (% p.a.)	Since inception* (% p.a.)
Cordis	-0.95	1.70	31.18	24.04	2.84
Benchmark**	-5.24	-0.83	10.65	20.29	7.34
Outperformance	4.29	2.53	20.53	3.76	-4.50



*Inception 1 July 2021. Performance reported in AUD net of fees. Numbers may not add due to rounding.

**Benchmark is the S&P 1200 Global Healthcare Index, reported in AUD.

Portfolio Construction



- Earnings compounders** – highly profitable businesses that we expect to compound at double-digit rates over many years
- High growth** – disruptive medtech businesses that we forecast can be highly profitable within 1-3 years
- Emerging opportunities** – businesses that we forecast are likely to become standard of care over the course of a business cycle
- Cash**

Top 10 Holdings

In alphabetical order:
 Abbott
 Boston Scientific
 Dexcom
 Edwards Lifesciences
 Inari Medical
 Inspire Medical
 Insulet
 Integer Holdings
 ResMed
 Thermo Fisher

TOP HOLDINGS

Earnings Compounders

Boston Scientific
 Edwards Lifesciences Corp
 ResMed

High Growth

DexCom
 Inspire Medical
 Insulet Corp

Emerging Opportunities

Senseonics
 XVIVO Perfusion

Ratings

Platforms



Commentary

The Fund returned -0.95% in September, outpacing a weak healthcare sector and outperforming our benchmark by 4.3%. We remain bullish on earnings growth through the rest of this year and over the long-term, regardless of the economic environment, noting that [medtech is a generally defensive sector](#).

September also marked one quarter of a century since the FDA approved the first glucose monitoring system for patients with diabetes in the United States. Despite this product class now being 25 years old, the technology has proven so difficult to develop that more companies have launched rocket ships into space than have got FDA approval for a continuous glucose monitor!

This technological hurdle has allowed two of the Fund's Top 10 holdings, **Abbott (NYSE:ABT)** and **Dexcom (NASDAQ:DXCM)** – with over 90% total market share between them – to grow into CGM (continuous glucose monitoring) behemoths targeting the >500 million global patients with some form of diabetes. Today, CGM systems offer real-time glucose readings, eliminating the need for painful fingersticks and enabling more proactive diabetes management.

The reward for **Abbott** and **Dexcom** from their technological superiority has been 5-year compound annual growth rates of 23% and 28% respectively, both now with multi-billion dollar global franchises. Each company is led by proven management teams with excellent track record of growing the business, and conservatively funded balance sheets that allow for financial flexibility.

Glucose monitoring's 25-year anniversary was marked by one of the biggest advancements in CGM technology for many years. One of the market's few new entrants, **Senseonics (NYSEAM:SENS)**, received FDA approval for their 365-day implantable CGM. This implantable technology is the first of its kind and differs from the 2-week on-body patches offered by current providers. **Senseonics** currently sells its product through a partnership with Ascensia Diabetes, but it remains in the very early stages of commercialisation as it continues to work on sensor accuracy and insulin pump integration algorithms, as well as physician education and training. Our investment in **Senseonics** is a core part of our Emerging Opportunities portfolio.

One other very interesting dynamic that we keep a close eye on is the transition of medical procedures from traditional hospitals to new sites of care, including alternative surgery centres (ASCs), medical offices, and outpatient settings. The race to serve these non-traditional settings will continue to intensify as providers see the benefit of higher throughput from shorter operation times combined with faster recovery periods. It is therefore the companies that can design and manufacture the medical devices that allow a move to ASCs which are poised to benefit. Currently the portfolio companies that have the highest exposure to these non-traditional centres are **Abbott**, **Boston Scientific (NYSE:BSX)**, **Medtronic (NYSE:MDT)**, **Stryker (NYSE:SYK)** and **Teleflex (NYSE:TFX)**.

ABOUT THE FUND

The Fund invests in global listed healthcare businesses that make medical devices to treat critical chronic diseases. The Cordis thesis proposes that the MedTech industry is at the inflexion point in its transition to the gold standard of treatment in chronic conditions. Alongside the key tailwinds driving the wider Healthcare sector, we believe that we are in the early stages of a secular shift. In addition, the devices and the businesses that supply them have exceptional economic moats around them, including high barriers to entry, making it difficult to disrupt a leading device and the business that manufactures it.

The investment strategy for the Fund to exploit these drivers is based on observable technological advances and demographic changes that are fundamentally changing society. Cordis believes these tailwinds will drive robust growth in the earnings of these businesses for the next decade or more.

The Cordis investment team is advised by our Medical Advisory Panel of leading clinical physicians and medical device specialists, which provides inimitable insight from frontline of medical practice and principles. It is this resource that differentiates our research process from our competitors and provides us with a sustainable competitive advantage.

Our intense focus and specialisation in the sector allows us to understand the nuances of Healthcare, and ultimately generate sustainable returns over the long-term.

FUND FACTS

Fund Manager: Cordis Asset Management Pty Ltd
 Issuer: Equity Trustees Limited as Responsible Entity for Cordis Global Medical Technology Fund
 Structure: Australian Unit Trust
 Admin & Custodian: Mainstream Fund Services Pty Ltd
 Sub Custodian: J.P. Morgan Chase Bank, N.A. (Sydney)
 APIR Code: ETL4642AU
 ISIN: AU60ETL46421
 Fund Auditors: Ernst & Young
 Minimum Investment: A\$50,000
 Liquidity: Daily

BENCHMARKS AND FEES

Benchmark: S&P Global 1200 Healthcare Index in AUD
Management Fee: 1.2% p.a (including GST/RITC) of the monthly Net Asset Value

Performance Fee: 15% (incl GST/RITC) of the increase in net asset value of the Fund above the Benchmark, calculated and accrued monthly, paid annually in arrears, subject to highwater mark

INVESTMENT PORTFOLIO

Number of Securities: 20-40

Maximum Cash Holding: 10%

Currency Exposure: Unhedged

To invest: Ask your advisor or see us at
<https://cordisam.com>

Disclaimers

This report was prepared by Cordis Asset Management Pty Ltd ABN 68 637 078 490 a corporate authorised representative (No. 1282680) of Avenir Capital Pty Ltd ACN 150 790 355, AFSL 405469 ("Cordis"), the investment manager for the Cordis Medical Technology Fund ("Fund"). Equity Trustees Limited ("Equity Trustees") ABN 46 004 031 298 AFSL No. 240975, is a subsidiary of EQT Holdings Limited ABN 22 607 797 615, a publicly listed company on the Australian Securities Exchange (ASX:EQT), and is the Responsible Entity of the Fund. This document has been prepared for the purpose of providing general information only, without taking account of any individual person's investment objectives, financial circumstances or needs. Whilst every care has been taken in the production of this document, no warranty is given as to its accuracy and persons relying on this information do so at their own risk. The information contained in this document is not intended to be relied upon as a forecast and is not a recommendation, offer or solicitation to buy or sell any securities or to adopt any investment strategy, nor is it investment advice. Any forwarding-looking statements or forecasts are based on reasonable assumptions, but cannot be relied upon as guarantees or representation as to what future performance will actually occur. Unless otherwise specified, the information contained in this document is current as at the date of issue and all amounts are in Australian Dollars (AUD). You should consider the Product Disclosure Statement ("PDS") in deciding whether to acquire, or continue to hold, the product. A PDS and application form is available at www.cordisam.com. Cordis and Equity Trustees do not guarantee the performance of the Fund or the repayment of the investor's capital. To the extent permitted by law, neither Equity Trustees, Cordis, nor any of their related parties including its employees, directors, consultants, advisers, officers or authorised representatives, are liable for any loss or damage (including consequential loss or damage) arising directly or indirectly as a result of reliance placed on the contents of this report. Past performance is not indicative of future performance. The unit price performance calculation methodology follows the FSC Standard No.6: Investment Option Performance - Calculation of Returns (July 2018). Total returns are calculated based on changes in net asset values, at the exit price after the deduction of fees and expenses. Due to individual circumstances, your net returns may differ from the net returns quoted above.

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