

# Lapis Global Medical Devices 25 Dividend Yield Index



# Health is one of the most important global megatrends

## Introduction

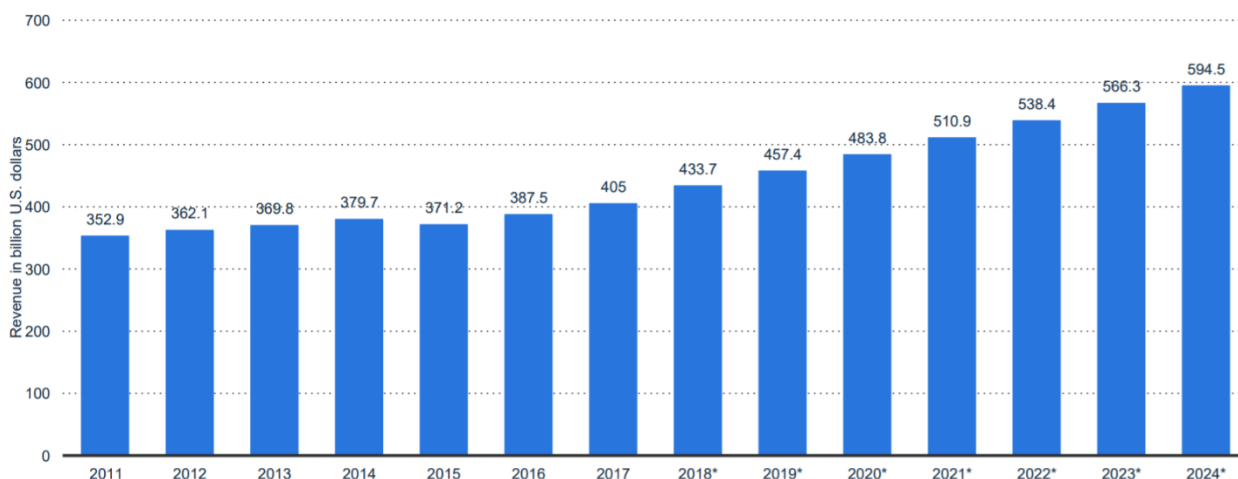
The medical devices or medical technology sector plays a crucial role in the healthcare industry. According to the World Health Organization (WHO) medical devices are any article, instrument, apparatus or machine that is used in the prevention, diagnosis or treatment of illness or disease or for detecting, measuring, restoring, correcting or modifying the structure or function of the body for some health purpose. The European Union guideline defines medical devices as any instrument, apparatus, software, material, or other article, whether used alone or in combination, intended by the manufacturer to be used for human beings for the following purposes:

- diagnosis, prevention, monitoring, treatment or alleviation of disease;
- diagnosis, monitoring, treatment, alleviation or compensation of injuries or disabilities;
- investigation, replacement, modification or support of the anatomy or of a physiological process;
- control of conception.

## Market Overview

The United States and Western Europe have so far been the centres of the medical devices industry. However, Asia and especially China will increasingly gain market share and play a more prominent role in the coming years. The global market size (revenues) for medical devices was around USD 430 billion at the end of 2018 and is estimated to increase to approximately USD 600 billion by 2025. This corresponds to a growth rate of more than 5 percent per year which exceeds the global economic growth rate by a significant amount.

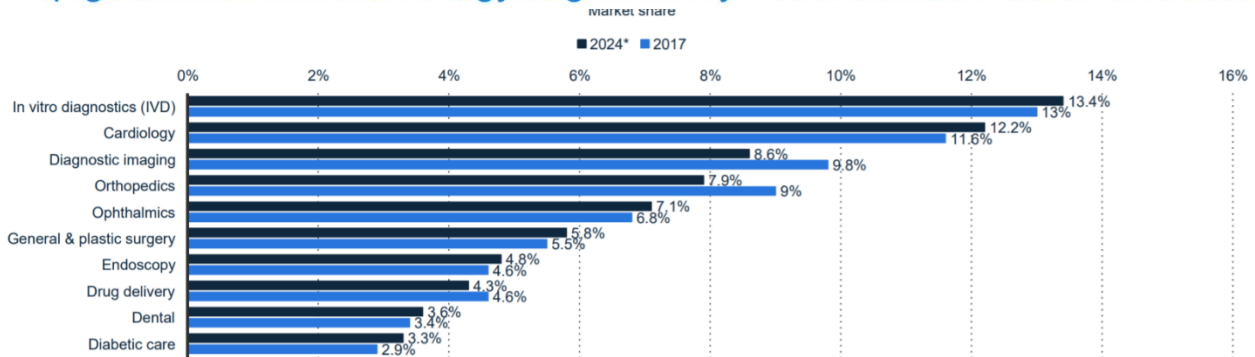
### Total global medical technology revenue from 2011 to 2024 (in billion U.S. dollars)



Source: Statista

The following chart visualizes the 10 largest segments of the medical devices industry by market share in 2017 and 2024:

## Top global medical technology segments by market share in 2017 and 2024



Source: Statista

Companies in the medical technology sector generally benefit from attractive margins on medical devices due to a high willingness to pay on the part of their customers and a difficult market entry for potential competitors. On the other hand, medical devices are subject to strong regulation (e.g. Medical Devices Regulation in Europe) and require companies to invest a lot of money in research and development.

Given that the healthcare services will always be of great importance, the medical devices industry is deemed to look forward to a promising future. In addition, it might benefit from a tendency towards an increasing demand for medical devices which is driven by factors such as the following:

- Rising world population and access to medical services in emerging markets
- Increasing life expectancy and associated population ageing
- Tendency towards less physical work and increasing obesity
- Potential viruses that spread globally (e.g. Covid-19)

## Lapis Investment Solution

Lapis Asset Management developed and launched several proprietary equity indices with dividend focus. All equity indices are rule-based and use scientifically proven selection criteria. To reduce risk, we apply quarterly rebalancing and optimal diversification. For this reason, our equity indices show an attractive risk/return ratio which is especially worthwhile in the long term. To provide our private and institutional clients with a unique access to the promising medical devices industry, we have developed and calculated the **Lapis Global Medical Devices 25 Dividend Yield Index**.

## Lapis Global Medical Device 25 Dividend Yield Index

This unique equity index is composed of 25 worldwide companies based on an international recognized classification. All companies in our equally weighted equity index have a market capitalization greater than USD 5 billion of which 80 % have paid uninterrupted and continuously increasing dividends over the last 5 years. The remaining 20 % of these companies that form part of our unique equity index do not apply a strict dividend payment policy and have paid their dividends for less than 5 years. Our rule-based criteria for selecting the most promising companies are applied during the quarterly rebalancing process (end of January, April, July, and October).

We offer our existing customers and prospects the following access to our unique Lapis Global Medical Devices 25 Dividend Yield Index:

- Mandates (segregated accounts)
- Lapis funds (not yet available) or white-label financial products
- Certificates or other index-based financial products

We would be pleased to explain the advantages of our unique equity indices in a personal advisory meeting to determine a long-term and optimal investment strategy that matches with your risk profile and is able to meet your investment goals. Further information on the performance and relevant financial ratios of our equity indices will be provided upon request. Please visit our website: [www.lapis.finance](http://www.lapis.finance).

Kind regards,

Andreas Wueger  
CEO

Prof Ernesto Turnes  
Chairman

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