

TRANSACTION RATIONALES

Sales / Reductions

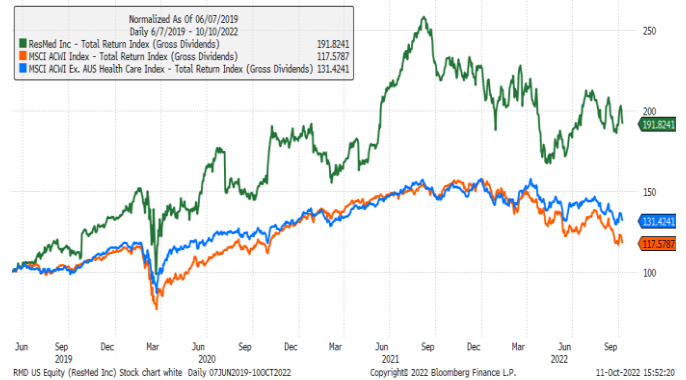
Resmed: Reduce a position that has outperformed a lot and has a low margin of safety

ResMed stock has outperformed substantially since the initial purchase and it has performed relatively well YTD (-15%). That leaves the company with a limited relative upside and a below average margin of safety.

We think that Resmed will continue to gain market share as it benefits from the issues facing its main competitor and we think it operates in a space that will continue to develop structurally. Resmed's technologies are critical to the people suffering heavy sleep apnea and other breathing disorders given the serious long-term health effect/comorbidities triggered by such conditions.

While we believe that the favorable long-term prospects for the company are intact, they are already well baked into the price. Therefore, we take partial profit to make room for investment alternatives that offer more relative upside which the current market volatility is likely to create.

Chart since inception: ResMed vs. the MSCI World and the Sector



Source: Bloomberg
Total return in USD
Data range: 07.06.2019 – 11.10.2022
Note: past performance is not a reliable indicator of future results

With kind regards,

Emerald Wealth Partners AG, Investment Office

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