

## Trust Fact Sheet

28 February 2018



### Trust Facts

#### Ordinary Shares

Share Price	191.00p
NAV per share	203.51p
Premium	-
Discount	-6.15%
Capital	122,750,000 shares of 25p

#### ZDP Shares

Share Price	104.00p
NAV per share	101.86p
Premium	2.10%
Discount	-
Capital	32,128,437 shares of 1p

#### Assets & Gearing <sup>2</sup>

Total Gross Assets	£281.9m
Total Net Assets	£249.8m
AIC Gearing Ratio	7.67%
AIC Net Cash Ratio	0.00%

**Historic Yield (%)** **1.39**

#### Dividends (p/share)

February 2018 (paid)	1.00
May 2017 (paid)	1.65
February 2017 (paid)	0.75
November 2016 (paid)	0.75

#### Benchmark

MSCI All Country World Index / Healthcare (Sterling)

#### Fees <sup>3, 4, 5, 6</sup>

Management	0.85%
Performance	10% over performance hurdle
Ongoing Charges	1.01%

#### Risk Warning

Your capital is at risk. You may not get back the full amount you invested. Please note the Important Information at the end of this document and the Investment Policy and full Risk Warnings set out in the Prospectus, Annual Report and/or Investor Disclosure Document.

#### Discount Warning

The shares of investment trusts may trade at a discount or a premium to Net Asset Value for a variety of reasons including market sentiment and market conditions. On a sale you could realise less than the Net Asset Value and less than you initially invested.

## Company Profile

### Investment Objective

The Company's investment objective is to generate capital growth by investing in a global portfolio of healthcare stocks.

### Investment Policy

The Company seeks to achieve this objective by investing in a diversified global portfolio consisting primarily of listed equities issued by healthcare companies involved in pharmaceuticals, medical services, medical devices and biotechnology. The portfolio is expected to be diversified by factors such as geography, industry sub-sector and investment size.

### Dividends

The Company pays two dividends a year.

### Life of Company

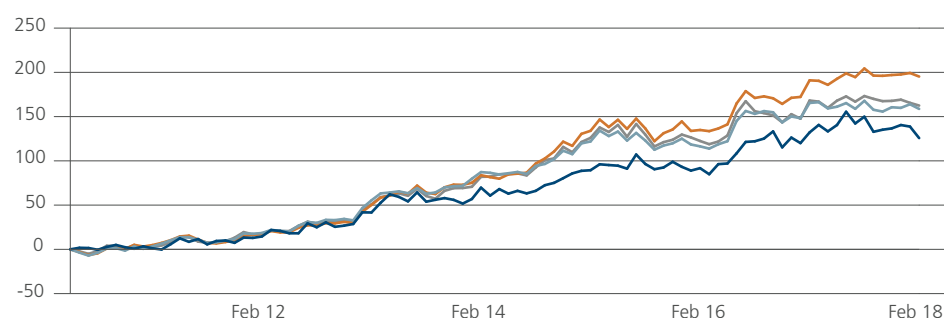
The Company will propose a special resolution for voluntary winding up at its 14th AGM expected to be held around 1 March 2025.

### Zero Dividend Preference Shares (ZDPs)

Through its wholly owned subsidiary, PCGH ZDP plc, the Company issued 32,128,437 ZDP shares, which entitles ZDP shareholders to a pre-determined redemption value of 122.99p per ZDP share on 19 June 2024.

## Performance

### Performance Since Launch (%)



	1 Month	3 Months	6 Months	1 Year	Since Launch
Ordinary Share Price (TR) <sup>1</sup>	-5.45	-4.62	-9.67	-2.76	125.71
NAV per Share (TR) <sup>7</sup>	-1.99	-0.72	-3.41	-2.54	158.77
MSCI ACWI / Healthcare TR	-1.34	-0.58	-2.99	1.47	195.26
NYSE Arca Pharmaceutical CR	-1.15	-1.97	-3.94	-2.12	160.55

### Discrete Performance (%)

	29/09/17 28/02/18	30/09/16 29/09/17	30/09/15 30/09/16	30/09/14 30/09/15	30/09/13 30/09/14
Ordinary Share Price (TR) <sup>1</sup>	-3.06	3.41	18.18	10.46	10.56
NAV per Share (TR) <sup>7</sup>	0.37	0.60	20.54	8.12	19.69
MSCI ACWI / Healthcare TR	-0.37	8.60	22.80	9.63	24.76
NYSE Arca Pharmaceutical CR	-2.80	6.34	17.41	7.65	26.80

Source: Bloomberg & HSBC Securities Services (UK) Limited, percentage growth, Net of Fees in GBP terms. Past performance is not indicative or a guarantee of future results.

- The ordinary share price has been adjusted for dividends paid in the period in GBP.
- Gearing calculations are exclusive of current year Revenue/Loss.
- All fees, with the exception of performance fees, are allocated 80% to capital and 20% to income. Performance fees are allocated 100% to capital.
- The management fee is based on the lower of the Group Market Capitalisation or Adjusted NAV (which includes all assets referable to the ZDP Shares).
- The performance fee hurdle is equal to the relaunch NAV multiplied by the benchmark total return plus 1.5% compounded annually.
- Ongoing charges are calculated at the latest published year end date, excluding any performance fees.
- The NAV per share is adjusted to show dividends reinvested on the payment date in ordinary shares at their Net Asset Value; to remove the dilution of the exercise of the subscription rights and, to remove any effects from any issuance or repurchase of ordinary shares. This is the metric used by the company when assessing the investment manager's performance.
- For further detail please refer to the Annual Report.

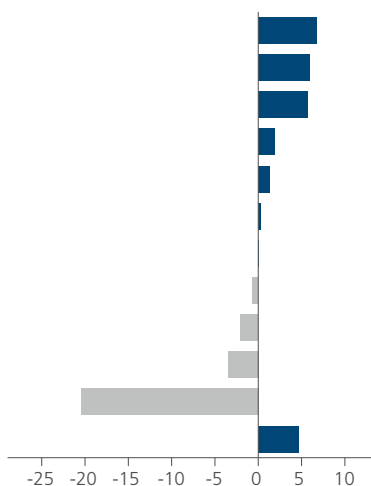
# Polar Capital Global Healthcare Trust plc

## Portfolio Exposure

As at 28 February 2018

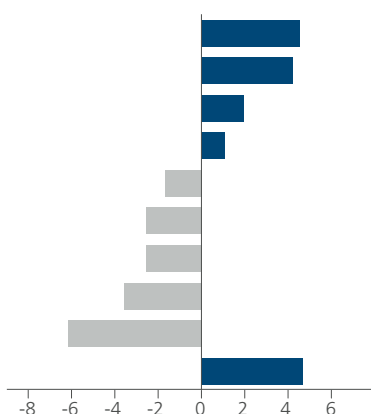
### Sector Exposure - Top Overweights & Underweights Relative to Index (%)

	Fund (%)	Relative (%)
Life Sciences Tools & Services	11.3	6.8
Healthcare Equipment	21.3	6.0
Managed Healthcare	14.8	5.7
Healthcare Facilities	3.3	1.9
Healthcare Services	4.4	1.3
Education Services	0.3	0.3
Healthcare Technology	0.8	0.0
Healthcare Supplies	1.6	-0.7
Healthcare Distributors	0.0	-2.1
Biotechnology	13.7	-3.5
Pharmaceuticals	23.7	-20.5
Cash	4.7	4.7



### Geographic Exposure - Top Overweights & Underweights Relative to Index (%)

	Fund (%)	Relative (%)
United States	68.1	4.6
United Kingdom	8.1	4.2
Germany	5.4	2.0
Sweden	1.2	1.1
Australia	0.0	-1.7
France	0.0	-2.6
Denmark	0.0	-2.6
Ireland	0.0	-3.6
Other	12.6	-6.2
Cash	4.7	4.7



The column headed "Fund (%)" refers to the percentage of the Fund's assets invested in each sector. The column headed "Relative (%)" refers to the extent to which the Fund is overweight or underweight in each sector compared (relative) to the index.

## Investing in the Trust and Shareholder Information

### Trust Characteristics

Launch Date	15 June 2010
Year End	30 September
Results Announced	Mid December
Next AGM (8th)	February 2019
Listed	London Stock Exchange

### Market Purchases

The ordinary shares are listed and traded on the London Stock Exchange. Investors may purchase shares through their stockbroker, bank or other financial intermediary.

### Corporate Contacts

#### Registered Office and Website

16 Palace Street, London SW1E 5JD  
[www.polarcapitalhealthcaretrust.co.uk](http://www.polarcapitalhealthcaretrust.co.uk)

#### Custodian

HSBC Plc is the Depository and provides global custody of all the company's investments

#### Registrar

Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA  
[www.shareview.co.uk](http://www.shareview.co.uk)

### Top 10 Holdings (% of net assets)

Johnson & Johnson	5.8
Novartis	5.6
UnitedHealth Group	4.4
Abbott Laboratories	3.9
Danaher	3.8
Takeda Pharmaceutical	3.6
Fresenius Medical Care AG & Co	3.6
Becton Dickinson	3.6
Vertex Pharmaceuticals	3.5
Anthem	3.3

**Total** **41.1**

**Total Number of Positions** **50**

### Market Capitalisation Exposure (%)

Large Cap (>\$5bn)	82.5
Mid Cap (\$1bn - \$5bn)	3.9
Small Cap (<\$1bn)	8.9
Cash	4.7

The entire investment portfolio is published in the annual and semi annual reports and as part of the interim management statement.

It should not be assumed that recommendations made in future will be profitable or will equal performance of the securities in this list. A list of all recommendations made within the immediately preceding 12 months is available upon request.

Note: Totals may not sum due to rounding.

## Fund Manager Comments

As at 28 February 2018

February was a roller-coaster ride for investors with a big sell-off in global markets at the beginning of the month followed by a bounce towards the end of the month. The Company's NAV was down 2.0% in February and underperformed the benchmark (Morgan Stanley Global Healthcare Index), which was down 1.3% for the month. The relative performance was driven by weakness in some of the pharmaceutical and biotechnology stocks in the portfolio.

February was reasonably light on newsflow – both clinical and business development – with year-end financial results the dominant theme. We continued to see positive momentum in the life sciences and tools subsector, with both Agilent Technologies ("Agilent") and Bio-Rad Laboratories ("Bio-Rad") posting strong figures in the month. Agilent recorded Q1'18 organic revenue growth of nearly 10% whilst Bio-Rad ended 2017 with currency-neutral sales growth north of 5%. Importantly, Bio-Rad offered both sales and margin guidance for 2018 that we believe were ahead of consensus expectations. With end-markets continuing to show signs of strength, plus innovative new product cycles, we continue to be constructive on the life sciences and tools sub-sector and continue to be overweight compared to the benchmark.

Within the pharmaceutical and biotechnology sectors, updates during the month were a little more mixed. Starting with the positives, AstraZeneca's immuno-oncology asset, Imfinzi, was approved by the FDA for an early-stage form of lung cancer known as Stage III and the company also received positive opinion from the EU regulator for its ovarian cancer asset, Lynparza. In the US, biotechnology company Vertex Pharmaceuticals ("Vertex") continues to progress its late-stage pipeline for cystic fibrosis, initiating a Phase III for its novel triple combination regimen, an update that was ahead of market expectation. These are both significant holdings in the portfolio.

By contrast, Vertex's US peer Biogen, revealed that it has increased the size of a Phase III trial in Alzheimer's disease based on observed variability around the primary end-point, which caused the shares to pullback as it increased the perceived risk of this trial. In addition, Celgene, which we no longer hold in the portfolio, received a Refuse-to-File from the Food and Drug Administration (FDA) for its drug candidate to treat multiple sclerosis. As a result, negative sentiment weighed heavily on the biotechnology sub-sector, especially for the larger companies.

The other major negative contributors were Novartis and Bayer. Novartis had a decent set of results and we believe the growth outlook looks favourable with a potential turnaround in the Alcon business. Nevertheless, the share price depreciated with the downturn at the beginning of the month and with little appetite for defensive growth currently looks very attractive. Bayer was down on the back of disappointing results and earnings downgrades driven by foreign exchange. We expect Bayer to close the deal with Monsanto in the next few months and believe that the equity story will become clearer over the course of 2018.

We made a couple of changes to the growth portfolio over the course of February. We added to our position in AstraZeneca. We think this could be the trough year for earnings and some of our proprietary market survey work suggests that revenue expectations for certain key drugs may be too low. We also sold our position in Biogen with a view to replacing this position with a number of smaller biotechnology companies to keep our biotechnology weighting in-line with the benchmark.

As a result, in the innovation portfolio we added new positions in three biotechnology companies Acceleron Pharma, Loxo Oncology and Zogenix Inc. Following a period of very strong performance, we sold down our position in Nektar Therapeutics with a view to exit the position completely. Outside of biotechnology, we added new positions in iRhythm Technologies, Foundation Medicine and Viveve Medical.

The pull-back in February was probably healthy given the strength of global markets in January. However, with geopolitical risk beginning to rise – not least with threats of trade tariffs – we expect the market to remain volatile in the coming months. In this respect, healthcare, with its low relative and reasonable absolute valuation, may prove to be a safe haven. We continue to see growth opportunities within life sciences tools, medical technology and managed care and remain optimistic on the outlook.

### Dan Mahony & Gareth Powell

5 March 2018

#### Fund Managers



**Daniel Mahony**

#### Fund Manager

Daniel has managed the Trust since launch, he joined Polar Capital in 2007 and has 26 years of industry experience.



**Gareth Powell**

#### Fund Manager

Gareth has managed the Trust since launch, he joined Polar Capital in 2007 and has 19 years of industry experience.

# Polar Capital Global Healthcare Trust plc

## Important Information

**Important Information** This document is provided for the sole use of the intended recipient and is not a financial promotion it shall not and does not constitute an offer or solicitation of an offer to make an investment into any Fund or Company managed by Polar Capital. It may not be reproduced in any form without the express permission of Polar Capital and is not intended for private investors. This document is only made available to professional clients and eligible counterparties. The law restricts distribution of this document in certain jurisdictions; therefore, it is the responsibility of the reader to inform themselves about and observe any such restrictions. It is the responsibility of any person/s in possession of this document to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. Polar Capital Global Healthcare Trust plc and its subsidiary, PCGH ZDP plc are investment companies with investment trust status and as such their shares are excluded from the FCA's (Financial Conduct Authority's) restrictions which apply to non-mainstream investment products. The Companies conduct their affairs and intend to continue to do so for the foreseeable future so that the exclusion continues to apply. It is not designed to contain information material to an investor's decision to invest in Polar Capital Global Healthcare Trust plc or PCGH ZDP plc, Alternative Investment Funds under the Alternative Investment Fund Managers Directive 2011/61/EU ("AIFMD") managed by Polar Capital LLP the appointed Alternative Investment Manager. In relation to each member state of the EEA (each a "Member State") which has implemented the AIFMD, this document may only be distributed and shares may only be offered or placed in a Member State to the extent that (1) the Fund is permitted to be marketed to professional investors in the relevant Member State in accordance with AIFMD; or (2) this document may otherwise be lawfully distributed and the shares may otherwise be lawfully offered or placed in that Member State (including at the initiative of the investor). As at the date of this document, the Companies have been approved, notified or registered in accordance with the AIFMD for marketing to professional investors in Ireland only. The Companies have not been approved notified or registered in accordance with the AIFMD for marketing to professional investors in any other member state of the EEA. However, additional such approval may be sought or additional such notification or registration may be made in the future. **Therefore this document is only transmitted to an investor in an EEA Member State at such investor's own initiative.** SUCH INFORMATION, INCLUDING RELEVANT RISK FACTORS, IS CONTAINED IN THE COMPANIES OFFERING DOCUMENTS WHICH MUST BE READ BY ANY PROSPECTIVE INVESTOR.

**Statements/Opinions/Views** All opinions and estimates constitute the best judgment of Polar Capital as of the date hereof, but are subject to change without notice, and do not necessarily represent the views of Polar Capital. This material does not constitute legal or accounting advice; readers should contact their legal and accounting professionals for such information. All sources are Polar Capital unless otherwise stated.

**Third-party Data** Some information contained herein has been obtained from third party sources and has not been independently verified by Polar Capital. Neither Polar Capital nor any other party involved in or related to compiling, computing or creating the data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any data contained herein.

**Holdings** Portfolio data is "as at" the date indicated and should not be relied upon as a complete or current listing of the holdings (or top holdings) of the Companies. The holdings may represent only a small percentage of the aggregate portfolio holdings, are subject to change without notice, and may not represent current or future portfolio composition. Information on particular holdings may be withheld if it is in the Companies' best interest to do so. It should not be assumed that recommendations made in future will be profitable or will equal performance of the securities in this document. A list of all recommendations made within the immediately preceding 12 months is available upon request. This document is not a recommendation to purchase or sell any particular security. It is designed to provide updated information to professional investors to enable them to monitor the Companies.

**Benchmarks** The following benchmark index is used: MSCI All Country World Index/Healthcare. This benchmark is generally considered to be representative of the Healthcare Equity universe. This benchmark is a broad-based index which is used for comparative/illustrative purposes only and has been selected as it is well known and is easily recognizable by investors. Please refer to [www.msicibarra.com](http://www.msicibarra.com) for further information on this index. Comparisons to benchmarks have limitations as benchmarks volatility and other material characteristics that may differ from the Companies. Security holdings, industry weightings and asset allocation made for the Companies may differ significantly from the benchmark. Accordingly, investment results and volatility of the Companies may differ from those of the benchmark. The indices noted in this document are unmanaged, unavailable for direct investment, and are not subject to management fees, transaction costs or other types of expenses that the Companies may incur. The performance of the indices reflects reinvestment of dividends and, where applicable, capital gain distributions. Therefore, investors should carefully consider these limitations and differences when evaluating the comparative benchmark data performance. Information regarding indices is included merely to show general trends in the periods indicated and is not intended to imply that the Companies was similar to the indices in composition or risk. The benchmark used to calculate the performance fee is provided by an administrator on the

ESMA register of benchmarks which includes details of all authorised, registered, recognised and endorsed EU and third country benchmark administrators together with their national competent authorities.

**Regulatory Status** Polar Capital LLP is a limited liability partnership number OC314700. It is authorised and regulated by the UK Financial Conduct Authority ("FCA") and is registered as an investment adviser with the US Securities & Exchange Commission ("SEC"). A list of members is open to inspection at the registered office, 16 Palace Street, London, SW1E 5JD. FCA authorised and regulated managers are expected to write to investors in funds they manage with details of any side letters they have entered into. The FCA considers a side letter to be an arrangement known to the Investment Manager which can reasonably be expected to provide one investor with more materially favourable rights, than those afforded to other investors. These rights may, for example, include enhanced redemption rights, capacity commitments or the provision of portfolio transparency information which are not generally available. The Companies and the Investment Manager are not aware of, or party to, any such arrangement whereby an investor has any preferential redemption rights. However, in exceptional circumstances, such as where an investor seeds a new fund or expresses a wish to invest in the Companies over time, certain investors have been or may be provided with portfolio transparency information and/or capacity commitments which are not generally available. Investors who have any questions concerning side letters or related arrangements should contact the Polar Capital Desk at the Registrar on 0800 876 6889. The Companies are prepared to instruct the custodian of the Companies, upon request, to make available to investors portfolio custody position balance reports monthly in arrears.

**Information Subject to Change** The information contained herein is subject to change, without notice, at the discretion of Polar Capital and Polar Capital does not undertake to revise or update this information in any way.

**Forecasts** References to future returns are not promises or estimates of actual returns Polar Capital may achieve. Forecasts contained herein are for illustrative purposes only and does not constitute advice or a recommendation. Forecasts are based upon subjective estimates and assumptions about circumstances and events that have not and may not take place.

**Performance/Investment Process/Risk** Performance is shown net of fees and expenses and includes the reinvestment of dividends and capital gain distributions. Factors affecting the Companies' performance may include changes in market conditions (including currency risk) and interest rates and in response to other economic, political, or financial developments. The Companies' investment policy allows for it to enter into derivatives contracts. Leverage may be generated through the use of such financial instruments and investors must be aware that the use of derivatives may expose the Companies to greater risks, including, but not limited to, unanticipated market developments and risks of illiquidity, and is not suitable for all investors. Those in possession of this document must read the Companies Investment Policy and Annual Report for further information on the use of derivatives. Past performance is not a guide to or indicative of future results. Future returns are not guaranteed and a loss of principal may occur. Investments are not insured by the FDIC (or any other state or federal agency), or guaranteed by any bank, and may lose value. No investment process or strategy is free of risk and there is no guarantee that the investment process or strategy described herein will be profitable.

**Allocations** The strategy allocation percentages set forth in this document are estimates and actual percentages may vary from time-to-time. The types of investments presented herein will not always have the same comparable risks and returns. Please see the private placement memorandum or prospectus for a description of the investment allocations as well as the risks associated therewith. Please note that the Companies may elect to invest assets in different investment sectors from those depicted herein, which may entail additional and/or different risks. Performance of the Companies is dependent on the Investment Manager's ability to identify and access appropriate investments, and balance assets to maximize return to the Companies while minimizing its risk. The actual investments in the Companies may or may not be the same or in the same proportion as those shown herein.

**Country Specific Disclaimers** The Companies have not been and will not be registered under the U.S. Investment Company Act of 1940, as amended (the "Investment Company Act") and the holders of its shares will not be entitled to the benefits of the Investment Company Act. In addition, the offer and sale of the Securities have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"). No Securities may be offered or sold or otherwise transacted within the United States or to, or for the account or benefit of U.S. Persons (as defined in Regulation S of the Securities Act). In connection with the transaction referred to in this document the shares of the Companies will be offered and sold only outside the United States to, and for the account or benefit of non U.S. Persons in "offshore- transactions" within the meaning of, and in reliance on the exemption from registration provided by Regulation S under the Securities Act. No money, securities or other consideration is being solicited and, if sent in response to the information contained herein, will not be accepted. Any failure to comply with the above restrictions may constitute a violation of such securities laws.