

## Trust Fact Sheet

31 August 2018



### Trust Facts

#### Ordinary Shares

Share Price	222.00p
NAV per share	240.74p
Premium	-
Discount	-7.78%
Capital	122,470,000 shares of 25p

#### ZDP Shares

Share Price	105.00p
NAV per share	103.62p
Premium	1.33%
Discount	-
Capital	32,128,437 shares of 1p

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

Total Gross Assets	£327.0m
Total Net Assets	£294.8m
AIC Gearing Ratio	8.06%
AIC Net Cash Ratio	0.00%

**Historic Yield (%)** **0.90**

#### Dividends (p/share)

July 2018 (paid)	1.00
February 2018 (paid)	1.00
May 2017 (paid)	1.65
February 2017 (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

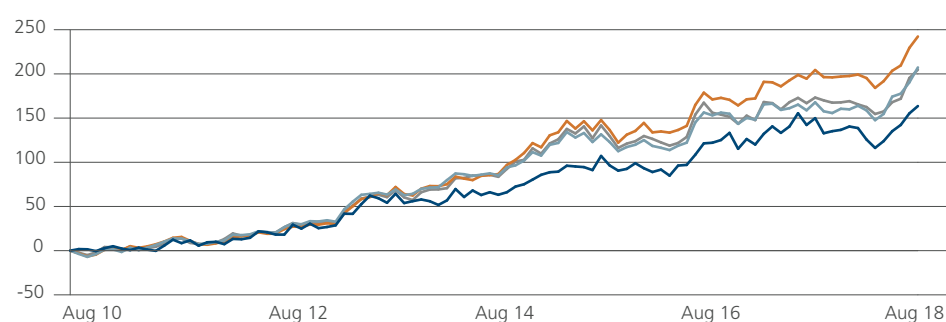
The Company will propose a special resolution for voluntary winding up at its 14th AGM expected to be held around 1 March 2025.

### 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 month	6 month	1 year	Since Launch
■ Ordinary Share Price (TR) <sup>1</sup>	3.26	12.09	16.78	5.49	163.59
■ NAV per Share (TR) <sup>7</sup>	5.82	12.04	18.79	14.74	207.38
■ MSCI ACWI / Healthcare TR	3.92	12.77	15.94	12.47	242.32
■ NYSE Arca Pharmaceutical CR	3.18	13.71	16.09	11.51	202.46

### Discrete Performance (%)

	29.09.17 31.08.18	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>	13.21	3.41	18.18	10.46	10.56
NAV per Share (TR) <sup>7</sup>	19.23	0.60	20.54	8.12	19.69
MSCI ACWI / Healthcare TR	15.51	8.60	22.80	9.63	24.76
NYSE Arca Pharmaceutical CR	12.84	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 and reinvested at the ex-dividend date.
  - 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.
- 1-7. For further detail please refer to the Annual Report.

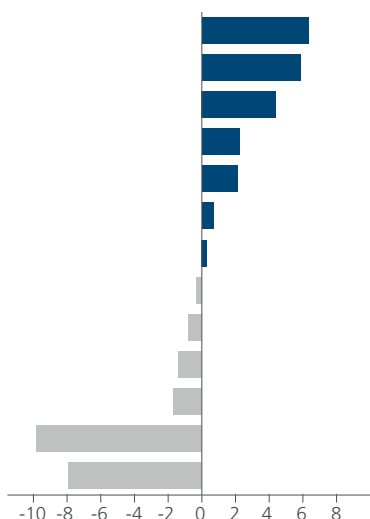
# Polar Capital Global Healthcare Trust plc

## Portfolio Exposure

As at 31 August 2018

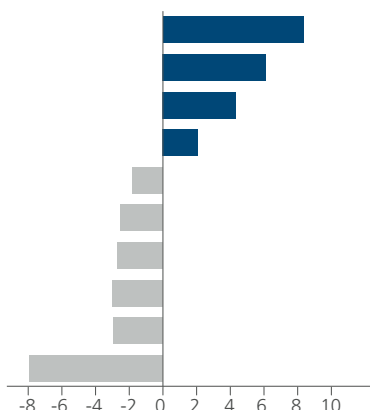
### Sector Exposure - Top Overweights & Underweights Relative to Index (%)

	Fund (%)	Relative (%)
Biotechnology	22.2	6.3
Healthcare Equipment	22.1	5.9
Life Sciences Tools & Services	9.4	4.4
Healthcare Facilities	3.7	2.2
Managed Healthcare	11.5	2.1
Healthcare Services	3.5	0.7
Education Services	0.3	0.3
Healthcare Supplies	2.0	-0.3
Healthcare Technology	0.0	-0.8
Drug Retail	0.0	-1.4
Healthcare Distributors	0.0	-1.7
Pharmaceuticals	33.1	-9.8
Cash	-7.9	-7.9



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

	Fund (%)	Relative (%)
United States	73.1	8.3
United Kingdom	10.1	6.1
Ireland	8.2	4.3
Spain	2.2	2.1
Australia	0.0	-1.8
France	0.0	-2.5
Switzerland	4.8	-2.7
Germany	0.0	-3.0
Other	9.5	-2.9
Cash	-7.9	-7.9



The column headed "Fund (%)" refers to the percentage of the Fund's net 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

#### Custodian

HSBC Plc is the Depositary 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

### Codes

#### Ordinary Shares

ISIN	GB00B6832P16
SEDOL	B6832P1
London Stock Exchange	PCGH

#### ZDP Shares

ISIN	GB00BDHXP963
SEDOL	BDHXP96
London Stock Exchange	PGHZ

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

Johnson & Johnson	7.2
Medtronic	5.8
UnitedHealth Group	5.6
Novartis	4.8
Merck & Co	4.5
Abbott Laboratories	3.7
HCA Holdings	3.7
Becton Dickinson	3.7
Thermo Fisher Scientific	3.6
Eli Lilly & Co	3.6

**Total** **46.2**

**Total Number of Positions** **46**

### Market Capitalisation Exposure (%)

Large Cap (>\$5bn)	88.5
Mid Cap (\$1bn - \$5bn)	2.4
Small Cap (<\$1bn)	9.1

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.

# Polar Capital Global Healthcare Trust plc

## Fund Manager Comments

As at 31 August 2018

Momentum for healthcare continued into August, with the sector outperforming the broader market. The Company's NAV was up 5.8% in August and outperformed the benchmark (Morgan Stanley Global Healthcare Index), which was up 3.9% for the month. The relative outperformance was driven by strength in positions in the biotechnology, managed care and services sub-sectors.

August was relatively quiet in terms of healthcare-specific newsflow, with trade war tensions, pressure in emerging markets and foreign-exchange fluctuations grabbing more of the headlines. September, however, has had a busy start and will get even busier with multiple investor conferences in the team's calendar. We are also expecting the focus on the US mid-term elections to intensify, with healthcare likely to be high on the agendas of both parties.

Positive contributors in the month were Alnylam Pharmaceuticals (Alnylam), Centene and HCA Holdings. Alnylam's performance reflects the market's increasing confidence in the commercial outlook for lead asset, Onpattro, following an underwhelming update from a competing asset developed by Pfizer. While expected, the successful closure of the Fidelis acquisition in July underpins Centene's near-term earnings profile – a positive. HCA Holdings also had a strong month as the company continues to execute on its strategy of delivering patient-centred healthcare.

Detractors in the period were Jazz Pharmaceuticals (Jazz), Gilead Sciences (Gilead) and Zogenix. Jazz's performance reflects the market's near-term concerns for its oncology asset, Vyxeos, concerns that we believe are unwarranted. Gilead struggled in August with the leadership changes announced in Q2 continuing to overshadow what was a pretty robust set of financial results. Zogenix acted poorly during the month following a financing as investors took profits following a strong run.

In terms of positioning, a more defensive stance was adopted as Johnson & Johnson and Amgen were added to the portfolio. After a difficult start to the year, Johnson & Johnson's pharmaceutical and medical device divisions are picking up momentum. The investment in Amgen reflects a business with a strong balance sheet, a solid underlying business and a new drug launch (Aimovig for migraine) that appears to be progressing nicely. We took profits in Baxter International and also exited our position in Fresenius Medical Care, reflecting concerns on the profitability of the company's services business in California.

August saw very few changes on the innovation side of the Trust, with little by way of share price moves or newsflow to change our investment thesis. We did, however, reduce our exposure to US medical devices company Viveve Medical during the month. This reflects not only the seasonality in the business (Q3 tends to be the softest quarter), but also a desire to reduce our exposure to the stock's volatility.

In terms of the near-term outlook for healthcare, apprehension ahead of the upcoming mid-term elections in the US could impact sentiment, with drug pricing an issue that has bipartisan support. Looking further out, however, we believe the strong, underlying fundamentals of the healthcare industry should be rewarded, as should the sector's defensive profile.

**Dan Mahony & Gareth Powell**

7 September 2018

## Fund Managers



**Daniel Mahony**

**Fund Manager**

Daniel has managed the Trust since launch, he joined Polar Capital in 2007 and has 27 years of industry experience.



**Gareth Powell**

**Fund Manager**

Gareth has managed the Trust since launch, he joined Polar Capital in 2007 and has 20 years of industry experience.



**James Douglas**

**Deputy Fund Manager**

James joined Polar Capital in 2015 and has 19 years of industry experience.

# Polar Capital Global Healthcare Trust plc

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