

## Trust Fact Sheet

31 May 2017



### Trust Facts

#### Ordinary Shares

Share Price	204.50p
NAV per share	208.13p
Premium	-
Discount	-1.74%
Capital	120,475,000 shares of 25p

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

Total Net Assets	£250.7m
AIC Gearing Ratio	0.00%
AIC Net Cash Ratio	6.40%

**Historic Yield (%)** **2.76**

### Dividends (p/share)

February 2017 (paid)	0.75
November 2016 (paid)	0.75
August 2016 (paid)	2.00
May 2016 (paid)	0.65

### Benchmark

MSCI All Country World Index / Healthcare (Sterling)

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

Management	0.85%
Performance	10% over performance hurdle

### 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 aims to generate capital growth and income 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 diversified by geographic location and size of investee companies.

### Dividends

The Company pays four dividends a year and has a policy to increase the dividend on an annual basis progressively but there is no guarantee this will be achieved.

### Fixed Life

The Company has a fixed life to the 7th AGM which is expected to be held in January 2018.

## Performance

### Performance Since Launch (%)



	1 Month	3 Months	6 Months	1 Year	Since Launch
■ Ordinary Share Price (TR) <sup>1</sup>	3.08	3.60	11.72	22.05	140.47
■ NAV per Share (TR) <sup>5</sup>	0.74	-1.62	7.26	17.54	161.22
Total Return for Shareholders <sup>6</sup>	-	-	-	-	154.11
■ MSCI ACWI / Healthcare TR	2.38	0.59	10.72	21.35	192.69
■ NYSE Arca Pharmaceutical CR	3.13	-0.06	10.04	17.22	166.04

### Discrete Performance (%)

	30/09/16 31/05/17	30/09/15 30/09/16	30/09/14 30/09/15	30/09/13 30/09/14	28/09/12 30/09/13
Ordinary Share Price (TR) <sup>1</sup>	6.81	18.18	10.46	10.56	19.57
NAV per Share (TR) <sup>5</sup>	1.93	20.54	8.12	19.69	23.28
MSCI ACWI / Healthcare TR	7.26	22.80	9.63	24.76	25.38
NYSE Arca Pharmaceutical CR	5.54	17.41	7.65	26.80	19.59

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 are allocated 80% to capital and 20% to income. Further details can be found in the Report and Accounts.
- The management fee is based on the lower of the market cap or NAV. The performance fee is subject to a cap.
- 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 Full details please refer to the Annual Report.
- The Total Return for Shareholders since Inception calculation is adjusted for any dividends to have been reinvested on the payment date in ordinary shares at the prevailing share price and assumes that all investors have exercised their subscription rights.

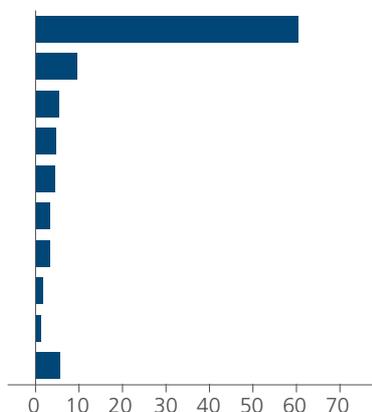
# Polar Capital Global Healthcare Growth and Income Trust plc

## Portfolio Exposure

As at 31 May 2017

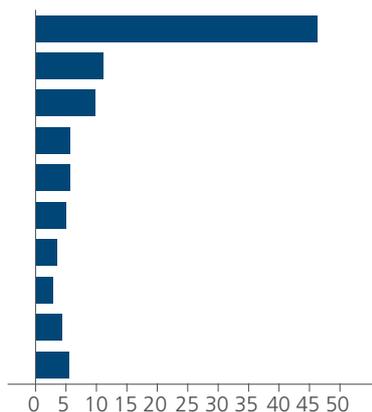
### Sector Exposure (%)

Pharmaceuticals	60.4
Healthcare Equipment	9.5
Healthcare REITs	5.5
Biotechnology	4.7
Healthcare Services	4.5
Managed Healthcare	3.4
Healthcare Facilities	3.3
Healthcare Supplies	1.7
Other	1.4
Cash	5.6



### Geographic Exposure (%)

United States	46.3
United Kingdom	11.1
Switzerland	9.8
Japan	5.7
France	5.7
Germany	5.1
Ireland	3.6
Australia	2.8
Other	4.3
Cash	5.6



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

Merck & Co	7.4
Pfizer	7.1
Johnson & Johnson	6.3
Sanofi	5.7
GlaxoSmithKline	5.3
Novartis	4.8
Merck KGaA	4.5
Roche	4.2
Astellas Pharma	3.3
Bristol Myers Squibb	3.2

**Total** **51.8**

**Total Number of Positions** **62**

### Market Capitalisation Exposure (%)

Large Cap (>\$5bn)	78.3
Mid Cap (\$1bn - \$5bn)	6.5
Small Cap (<\$1bn)	9.6
Cash	5.6

## Investing in the Trust and Shareholder Information

### Trust Characteristics

Launch Date	15 June 2010
Year End	30 September
Results Announced	Mid December
Next AGM (7th)	January 2018
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 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](http://www.shareview.co.uk)

### Codes

#### Ordinary Shares

ISIN	GB00B6832P16
SEDOL	B6832P1
London Stock Exchange	PCGH

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 Growth and Income Trust plc

## Fund Manager Comments

As at 31 May 2017

At the beginning of May, the Company's Board of Directors published a shareholder circular outlining the future plans for the Company. The circular and the prospectus detailing the proposals can be found at the Company's website [www.polarcapitalhealthcaretrust.co.uk](http://www.polarcapitalhealthcaretrust.co.uk)

The healthcare team has spent most of the month meeting shareholders across the UK discussing the proposed changes and the outlook for the healthcare sector. The two key changes in the proposals were (i) an extension of the Company's life from January 2018 to March 2025 and (ii) a change to the investment policy. The new investment policy changes the focus of the portfolio away from large pharmaceutical companies to a broader growth-oriented strategy that invests across all sub-sectors of healthcare – the proposed portfolio will continue to be heavily weighted towards large market capitalisation companies.

At the Extraordinary General Meeting (EGM) on 1 June, PCGH shareholders approved resolutions that proposed both of these changes. In addition, as part of these proposals, all shareholders were offered the opportunity to tender their shares for cash – something that was an important component of our original investment proposition when we launched the Company in June 2010. On 1 June, the Company announced that 22% of the outstanding shares had been validly tendered.

The proposed changes and tender offer are contingent on the Company's estimated Net Asset Value (NAV) immediately following the completion of the tender offer and the new share issue being no less than £200 million. If this is achieved in mid-June, then we expect to implement a number of changes to the portfolio towards the end of June.

The healthcare sector outperformed in May with strength in large-cap healthcare as the market took on a more defensive bias owing to fears over the potential for slowing growth in the US. Strength was notable in European pharmaceuticals whilst the bullish trends in medical devices and managed care continued.

Positive performers for the month included Fresenius Medical Care, Regeneron, Agilent. Fresenius Medical Care experienced a strong move higher driven by improving sentiment ahead of their analyst day being held in June, and potentially better news from Washington on regulatory issues that had previously been an overhang on the shares. Regeneron outperformed significantly on the excitement surrounding the impressive early launch of its new product, Dupixent to treat atopic dermatitis. Agilent surpassed analyst expectations handily for their results driven by in part a major new product cycle, causing the stock to move higher.

Negative performing stocks included Alexion and Hologic on an absolute basis, and the lack of a holding in AstraZeneca was negative on a relative basis over the month. Alexion suffered due to further management turnover and fears over an investigation in Brazil of the company sales practices. Hologic produced a messy quarter with investors surprised in particular over the sales-force turnover in the company that they had recently acquired. Management assured that this was in fact likely to be a temporary issue. Lastly, AstraZeneca outperformed with superior results from a clinical trial in lung cancer which was stopped early because of the outstanding efficacy. Whilst full results are yet to be presented, this caused the stock to surge on the news.

The only major change to the portfolio during the month was the sale of the holding in Incyte ahead of a major binary event for one of their cancer drugs in development. We also sold our position in Circle Holdings as part of the cash offer made by Toscafund originally announced in March.

Healthcare remains out of favour despite decent performance from the sector year-to-date. We believe that the earnings revisions of healthcare relative to the market appear to be turning after a steep decline over the last 18 months, potentially a very bullish signal. Moreover, the relative valuation of the sector to the broader market does not reflect the relative long-term growth opportunities, in our view, and so presents an opportunity that could lead to superior investment returns over the next few years.

**Dan Mahony & Gareth Powell**

12 June 2017

### Fund Managers



**Daniel Mahony**

**Fund Manager**

Daniel has managed the Trust since launch, he joined Polar Capital in 2007 and has 25 years of industry experience.



**Gareth Powell**

**Fund Manager**

Gareth has managed the Trust since launch, he joined Polar Capital in 2007 and has 18 years of industry experience.

# Polar Capital Global Healthcare Growth and Income Trust plc

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**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 Company. Security holdings, industry weightings and asset allocation made for the Company may differ significantly from the benchmark. Accordingly, investment results and volatility of the Company 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 Company 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 Fund was similar to the indices in composition or risk.

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