

## Trust Fact Sheet

30 June 2017



### Trust Facts

#### Ordinary Shares

Share Price	217.25p
NAV per share	209.70p
Premium	3.60%
Discount	-
Capital	121,974,256 shares of 25p

#### ZDP Shares

Share Price	101.00p
NAV per share	100.09p
Premium	0.91%
Capital	32,128,437 shares of 1p

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

Total Gross Assets	£287.9m
Total Net Assets	£255.8m
AIC Gearing Ratio	10.58%
AIC Net Cash Ratio	0.00%

**Historic Yield (%)** **2.60**

#### Dividends (p/share)

May 2017 (paid)	1.65
February 2017 (paid)	0.75
November 2016 (paid)	0.75
August 2016 (paid)	2.00

#### 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'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

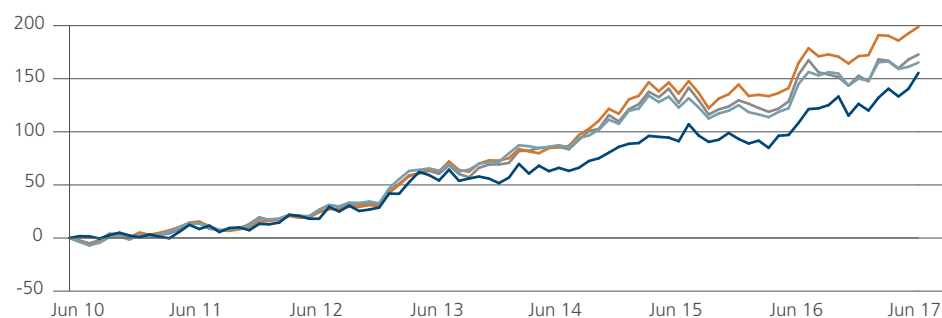
The Company will propose a special resolution for voluntary winding up at its 14th AGM expected to be held around 1 March 2025.

### 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>	6.23	6.19	12.89	22.53	155.47
■ NAV per Share (TR) <sup>5</sup>	1.57	-0.38	6.05	8.25	165.33
■ MSCI ACWI / Healthcare TR	2.09	2.88	10.18	12.83	198.81
■ NYSE Arca Pharmaceutical CR	1.81	2.22	7.95	7.46	170.84

### Discrete Performance (%)

	30/09/16 30/06/17	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>	13.47	18.18	10.46	10.56	19.57
NAV per Share (TR) <sup>5</sup>	3.54	20.54	8.12	19.69	23.28
MSCI ACWI / Healthcare TR	9.50	22.80	9.63	24.76	25.38
NYSE Arca Pharmaceutical CR	7.45	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 Group Market Capitalisation or Adjusted NAV (which includes all assets referable to the ZDP Shares).
- 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.

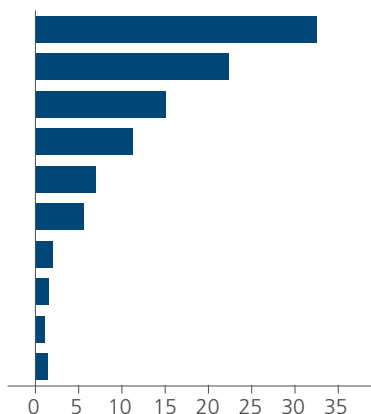
# Polar Capital Global Healthcare Trust plc

## Portfolio Exposure

As at 30 June 2017

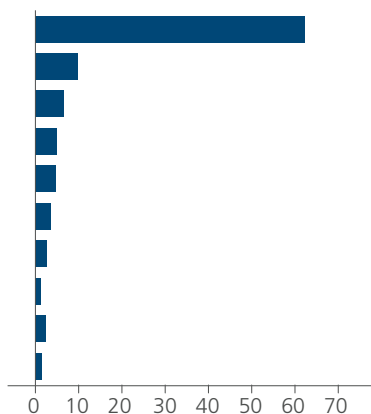
### Sector Exposure (%)

Pharmaceuticals	32.5
Healthcare Equipment	22.3
Managed Healthcare	15.1
Biotechnology	11.3
Healthcare Services	7.0
Healthcare Facilities	5.6
Life Sciences Tools & Services	2.0
Healthcare Supplies	1.5
Other	1.1
Cash	1.4



### Geographic Exposure (%)

United States	62.3
Germany	9.9
Ireland	6.6
Switzerland	4.9
France	4.7
United Kingdom	3.5
Japan	2.7
Canada	1.3
Other	2.5
Cash	1.4



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

Johnson & Johnson	7.3
Medtronic	4.9
Sanofi	4.7
Merck & Co	4.3
Novartis	4.2
Becton Dickinson	3.9
Merck KGaA	3.9
HCA Holdings	3.7
UnitedHealth Group	3.7
Celgene	3.6

**Total** **44.2**

**Total Number of Positions** **49**

### Market Capitalisation Exposure (%)

Large Cap (>\$5bn)	88.8
Mid Cap (\$1bn - \$5bn)	1.8
Small Cap (<\$1bn)	8.0
Cash	1.4

## 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)	February 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

#### ZDP Shares

ISIN	GB00BDHXP963
SEDOL	BDHXP96
London Stock Exchange	PGHZ

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 30 June 2017

Global stock markets delivered a modest positive return during June with the healthcare sector a relative out-performer. At the sector level, there was a pronounced shift in leadership away from technology and utilities towards financials, energy and healthcare. For June, the NAV was up 1.6% compared to the 2.1% increase reported for the benchmark (Morgan Stanley Global Healthcare Index).

The renewed interest in healthcare seemed to coincide with political moves in Washington. The Republican leadership in the Senate made progress on producing a draft healthcare bill that could repeal and replace the Affordable Care Act (also known as Obamacare). However, the divisions between the moderate and conservative wings of the Republican Party continue to prevent a bill being brought to the floor of the Senate for a vote.

In addition, a leaked memo suggested that the President is close to publishing an executive order on drug pricing that is unlikely to be as onerous to pharmaceutical companies as had been originally feared. As specialist investors, we believe that the concerns over drug pricing have been overblown but it has clearly been a major issue for generalist investors. The leaked memo was the catalyst for a rapid move in healthcare stocks – especially pharma and biotech – and it seems as though the healthcare sector is breaking out from a two-year malaise.

The M&A theme continued in June with a number of small deals announced in the medical technology and life sciences tools space. Stryker announced the acquisition of Novadaq, which has developed a real-time imaging technology for surgery, for US\$700 million; Philips revealed its intention to acquire Spectranetics, which has developed minimally invasive surgical products for cardiovascular disease, for US\$1.9 billion; and PerkinElmer acquired privately held EUROIMMUN, a leader in autoimmune testing, for US\$1.3 billion. Large companies continue to look to acquire smaller companies with innovative products that they can distribute down existing sales channels.

In terms of clinical data, there were two major surprises in the month. Novartis released Phase III data from the CANTOS study, which had enrolled over 10,000 patients with a prior myocardial infarction to evaluate the use of canakinumab to reduce major cardiovascular events. At the end of the month, Merck announced positive data from the REVEAL study, which had enrolled 30,000 patients to assess the effectiveness of anacetrapib in combination with statins to reduce major coronary events. These were both large outcomes studies where investor expectations were reasonably low. We await more detailed data from both studies at clinical meetings later in the year but these are pipeline assets that may be underestimated by the market.

As we highlighted last month, the Company's Board of Directors published a shareholder circular outlining the future plans for the Company at the beginning of May. All the proposed resolutions were passed at the General Meeting at the beginning of June and the Company completed the tender offer and offering of new ordinary shares and zero dividend preference shares in the middle of the month.

The investment focus of the Company is now to generate capital growth by investing in a range of healthcare companies with no particular sub-sector focus. To achieve this, the Company's investments are now split into a growth portfolio, comprising large companies with a market capitalisation greater than US\$5 billion, and an innovation portfolio, comprising companies with a market-capitalisation of US\$5 billion or less.

As a result, we have made a large number of changes to the Company's investment portfolio during the last two weeks of the month as we have sold a number of our positions in the large pharmaceutical companies. The growth portfolio is now invested across 27 healthcare companies and accounted for 90% of the Company's gross assets as of the end of June. We expect to make further changes to the innovation portfolio over the coming months – we will continue to hold some of our positions in smaller companies but expect to make new additions to the portfolio.

We believe that interest in healthcare is beginning to increase not least because the political risks appear to be dissipating. Valuations continue to look attractive, on both a relative and absolute basis, and we are optimistic on the outlook going into the second-half of the year.

### Dan Mahony & Gareth Powell

11 July 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 Trust plc

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