

James Douglas, Fund Manager Polar Capital Global Healthcare Trust

Gary Corcoran (GC), Head of Content & Corporate Communications, Polar Capital:

Jamie, the healthcare sector has lagged global equity markets over the past couple of years, but since August/September of last year, things have turned more positive. Why? What has driven that change?

James Douglas (JD), Fund Manager, Polar Capital Global Healthcare Team:

There is never one single reason for that sort of turn, so I'll maybe answer it by referring to both healthcare-specific reasons and more macro ones. On the healthcare-specific reasons, we are seeing some really interesting, exciting new product stories and they are driving positive revisions both at the top and the bottom line of P&Ls. That is the first thing. The second thing is we are seeing earnings breadth improve and that is quite important as we spend a lot of time looking at earnings revisions. Third, M&A is picking up. We have mentioned this before: if you look at the pharmaceutical industry, they are losing patent protection on a lot of drugs and they need to replace those and replenish their pipelines and so we are starting to see M&A pick up as well. They are probably three of the biggest reasons, and this was all coming off a sector that was attractively valued and pretty unloved, we thought, by the market.

On the more macro side, what we started to see was policy fear easing, particularly in the US. What I am specifically referring to is things like tariffs – a lot of large-cap pharmaceutical companies were going to the US administration and trying to broker deals that would protect them from those tariff headwinds. Finally, there had been some concerns about disruption at the regulatory bodies like the FDA, but actually we are seeing that body functioning well.

So those are all the ingredients we think were key behind driving the recovery.

GC: With that positive backdrop, where are you finding the most compelling opportunities now and where are you more cautious?

JD: Healthcare is very diverse and so we should be able to find interesting things at any point in any economic or regulatory cycle. Where we are positively disposed at the moment is biotechnology. We think the understanding of human biology is still very strong. We are seeing lots of exciting new product cycles. As I mentioned earlier, M&A is picking up as well. We are positive on healthcare services as well, or any subsector that will benefit from patient volumes and demand for products and services so we have some attractive opportunities there.

Where we are a bit more cautious at the moment, certainly relative to a couple of years ago, is healthcare equipment. It is not because there are not good companies, but we just feel valuations are a bit rich and some of the companies are maybe struggling to maintain top-line momentum. So, I would point to those three subsectors.

GC: Something else you have talked about as well is innovation, often seen as a long-term driver for the healthcare sector. What is different about this innovation cycle?

JD: I think they are all different. The thing that is really intriguing about this current one is the size of the markets these companies are going for: diseases like obesity and associated co-morbidities, such as fatty liver disease which would be one good example. Irregular heart rhythm is a very big market too and there is lots of innovation there. Another area is respiratory disorders.

We are seeing lots of innovation in areas where there are huge commercial opportunities and that is really one of the things that is so exciting at the moment.

GC: Bringing everything together, how do you think the healthcare sector is positioned for the next 12-24 months?

JD: We are optimistic. As you mentioned right at the beginning, we have had a challenging two or three years and that has really started to turn. What is that optimism based on? I think it is based on the fact that the fundamentals are strong, and by that we are referring to innovation and to the demand for products and services. The second thing is we are starting to see an inflection point both on an absolute and relative basis and hopefully that momentum can continue. Then, as I said, the policy fear in the US has been easing and we are heading into a mid-term cycle. If you look at history – and caveats apply – the mid-term years tend to be quite good for healthcare. They are all the ingredients we are looking at. We are not afraid of valuations at these levels and so that all adds up to something we think is quite optimistic.

GC: Wonderful, Jamie. Thank you.

James Douglas, Fund Manager

Polar Capital Global Healthcare Trust

January 2026

Polar Capital Global Healthcare Trust plc (the "Company")

The Company is an investment company with investment trust status and its shares are excluded from the Financial Conduct Authority's ("FCA") restrictions on the promotion of non-mainstream investment products. The Company conducts its affairs, and intends to continue to conduct its affairs, so that the exemption will apply.

The Company is an Alternative Investment Fund under the EU's Alternative Investment Fund Managers Directive 2011/61/EU as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018.

The Investment Manager

Polar Capital LLP is the investment manager of the Company (the "Investment Manager"). The Investment Manager is authorised and regulated by the FCA and is a registered investment adviser with the United States' Securities and Exchange Commission.

Key Risks

- **Investors' capital is at risk and there is no guarantee the Company will achieve its objective.**
- **Past performance is not a reliable guide to future performance.**
- The value of investments may go down as well as up.
- Investors might get back less than they originally invested.
- The value of an investment's assets may be affected by a variety of uncertainties such as (but not limited to): (i) international political developments; (ii) market sentiment; and (iii) economic conditions.
- The shares of the Company may trade at a discount or a premium to Net Asset Value.
- The Company may use derivatives which carry the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions.
- The Company invests in assets denominated in currencies other than the Company's base currency and changes in exchange rates may have a negative impact on the value of the Company's investments.
- The Company invests in a concentrated number of companies based in one sector. This focused strategy can lead to significant losses. The Company may be less diversified than other investment companies.
- The Company may invest in emerging markets where there is a greater risk of volatility than developed economies, for example due to political and economic uncertainties and restrictions on foreign investment. Emerging markets are typically less liquid than developed economies which may result in large price movements to the Company.

Important Information

Not an offer to buy or sell:

This document is not an offer to buy or sell or a solicitation of an offer to buy or sell any security, and under no circumstances is it to be construed as a prospectus or an advertisement. This document does not constitute, and may not be used for the purposes of, an offer of the securities of, or any interests in, the Company by any person in any jurisdiction in which such offer or invitation is not authorised.

Information subject to change: Any opinions expressed in this document may change.

Not Investment Advice: This document does not contain information material to the investment objectives or financial needs of the recipient. This document is not advice on legal, taxation or investment matters. Prospective investors must rely on their own examination of the consequences of an investment in the Company. Investors are advised to consult their own professional advisors concerning the investment.

No reliance: No reliance should be placed upon the contents of this document by any person for any purposes whatsoever. None of the Company, the Investment Manager or any of their respective affiliates accepts any responsibility for providing any investor with access to additional information, for revising or for correcting any inaccuracy in this document.

Performance and Holdings: All data is as at the document date unless indicated otherwise. Company holdings and performance are likely to have changed since the report date. Company information is provided by the Investment Manager.

Benchmark: The Company is actively managed and uses the MSCI All Country World Index/Healthcare as a performance target. The benchmark is considered to be representative of the investment universe in which the Company invests. The performance of the Company is likely to differ from the performance of the benchmark as the holdings, weightings and asset allocation will be different. Investors should carefully consider these differences when making comparisons. Further information about the benchmark can be found at: www.msci.com.

Third-party Data: Some information contained in this document has been obtained from third party sources and has not been independently verified. Neither the Company nor any other party involved in compiling, computing or creating the data makes any warranties or representations with respect to such data, and all such parties expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any data contained within this document.

Country Specific Disclaimers

United States: The information contained within this document does not constitute or form a part of any offer to sell or issue, or the solicitation of any offer to purchase, subscribe for or otherwise acquire, any securities in the United States or in any jurisdiction in which such an offer or solicitation would be unlawful. The Company has not been and will not be registered under the United States Investment Company Act of 1940, as amended (the "Investment Company Act") and, as such, 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 Company 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 in this document, will not be accepted. Any failure to comply with the above restrictions may constitute a violation of such securities laws.

Further Information about the Company:

Investment in the Company is an investment in the shares of the Company and not in the underlying investments of the Company. Further information about the Company and any risks can be found in the Company's Key Information Document, the Annual Report and Financial Statements and the Investor Disclosure Document which are available on the Company's website, found at: <https://www.polarcapitalglobalhealthcaretrust.co.uk>

Find out more



**Client
Services**

E investor-relations@polarcapitalfunds.com

T +44 (0) 20 7227 2721

F +44 (0) 20 7227 2799

[polarcapitalglobalhealthcaretrust.co.uk](https://www.polarcapitalglobalhealthcaretrust.co.uk)

This is a marketing communication.
For non-US Investor use only