



USD Class R Acc | ISIN: IE00BKSBD942

**NAV per Share**

USD Class R Acc US\$60.43

**Fund Details**

Fund Size	US\$1,865.3 m
Base Currency	USD
Denominations	USD/GBP/EUR
Fund Structure	UCITS
Domicile	Ireland
Listing	Euronext Dublin
Launch Date	30 November 2007
Investment Manager	Polar Capital LLP

**Fund Managers**

**Gareth Powell**  
 Head of Healthcare

Gareth has worked on the fund since he joined Polar Capital in 2007 and has 23 years of industry experience.

**Fund Profile**
**Investment Objective**

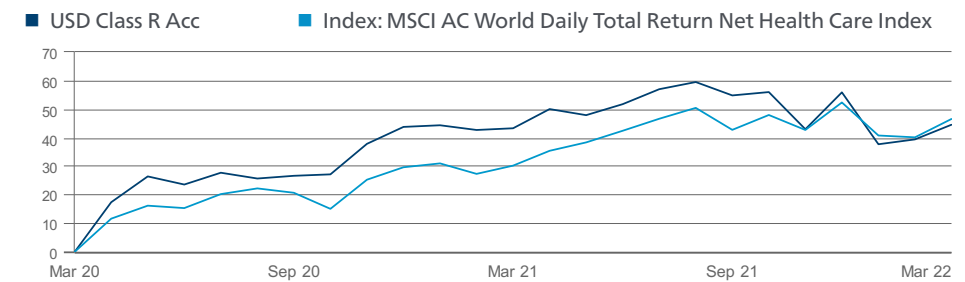
The Fund aims to preserve capital and achieve long-term growth by investing in a globally-diversified portfolio of companies within the healthcare industry.


**Key Facts**

- Team of eight sector specialists
- The team has 175+ years of combined industry experience
- Typically 40-45 positions
- No benchmark or tracking error constraints
- Fundamentally-driven analysis and stock selection

**Fund Ratings**


Ratings are not a recommendation. Please see below for further information.

**Share Class Performance**
**Performance Since Launch (%)**


	1m	3m	YTD	1yr	3yrs	5yrs	Since Launch	
							Cum.	Ann.
USD Class R Acc	3.69	-7.27	-7.27	0.87	-	-	44.53	20.22
Index	4.60	-3.79	-3.79	12.56	-	-	46.55	21.06

**Discrete Annual Performance (%)**

12 months to	31.03.22	31.03.21	31.03.20	29.03.19	29.03.18
USD Class R Acc	0.87	43.29	-	-	-
Index	12.56	30.21	-	-	-

**Performance relates to past returns and is not a reliable indicator of future returns.**

Performance for the USD Class R Acc. The class launched on 31 March 2020. Performance data is shown in USD. Source: Northern Trust International Fund Administration Services (Ireland) Ltd. Benchmark performance shown in USD. Source: Bloomberg.

If this is not your local currency, exchange rate fluctuations may cause performance to increase or decrease when converted into your local currency.

Performance data takes account of fees paid by the fund but does not take account of any commissions or costs you may pay when subscribing for or redeeming shares or any taxes or securities account charges that you may pay on your investment in the fund. Such charges will reduce the performance of your investment.

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## Portfolio Exposure & Attribution

As at 31 March 2022

### Top 10 Positions (%)

Horizon Pharma	3.9
Cytokinetics	3.7
Boston Scientific Corp	3.5
Uniphar	3.4
Biohaven Pharmaceutical Holdings	3.3
CVS Health Corp	3.2
UCB	3.2
Steris	3.1
Molina Healthcare	3.0
Cooper	2.8

**Total** 33.2

**Total Number of Positions** 45

**Active Share** 91.75%

### Geographic Exposure (%)

United States	62.5
United Kingdom	5.9
Japan	5.4
India	4.7
Ireland	4.4
Belgium	3.2
Germany	2.6
Netherlands	2.5
Sweden	2.0
Denmark	1.2
Canada	1.1
Switzerland	0.5
Cash & Cash Equivalents	3.9

### Market Capitalisation Exposure (%)

Large Cap (>US\$10 bn)	37.0
Mid Cap (US\$1 bn - 10 bn)	50.6
Small Cap (<US\$1 bn)	8.4
Cash & Cash Equivalents	3.9

### Performance Attribution - 1 Month (%)

#### Top Contributors

	Active Weight	Attrib. Effect
Revance Therapeutics	1.97	0.61
Horizon Pharma	4.21	0.48
Uniphar	3.13	0.23
Swedish Orphan Biovitrum AB	1.29	0.23
Acadia Healthcare	2.44	0.23

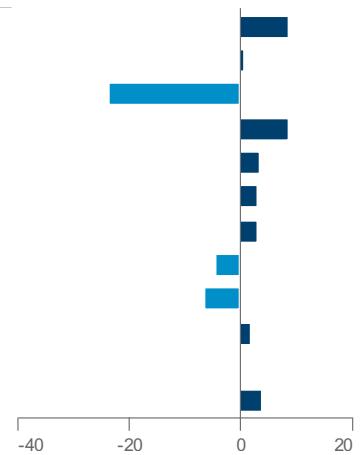
#### Top Detractors

	Active Weight	Attrib. Effect
Ship Healthcare	1.59	-0.36
AngioDynamics	2.22	-0.30
Bio-Rad Laboratories	1.81	-0.29
Cash and others	2.29	-0.27
Eli Lilly & Co	-2.93	-0.27

Performance attribution is calculated in USD on a relative basis over the month.

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

	Fund	Relative
Biotechnology	22.1	8.9
Healthcare Equipment	19.9	0.7
Pharmaceuticals	15.4	-23.6
Healthcare Facilities	10.1	8.6
Healthcare Services	7.5	3.7
Healthcare Supplies	5.3	3.2
Healthcare Distributors	4.8	3.3
Life Sciences Tools & Services	4.1	-4.5
Managed Healthcare	3.0	-6.3
Metal & Glass Containers	2.0	2.0
Healthcare Technology	1.7	0.1
Cash & Cash Equivalents	3.9	3.9



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.

Note: Totals may not sum due to rounding. 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.

## Share Class Information

Share Class	Bloomberg	ISIN	SEDOL	Minimum Investment	OCF <sup>†</sup>	Ann. Fee	Perf. Fee <sup>††</sup>
USD R Dist	PCHCORU ID	IE00B3NLTK32	B3NLTK3	-	1.62%	1.50%	10%
USD R Acc	POHORUA ID	IE00BKSBD942	BKSBD94	-	1.62%	1.50%	10%
GBP R Dist	PCHCORS ID	IE00B3NM2Q33	B3NM2Q3	-	1.62%	1.50%	10%
EUR R Dist	PCHCORE ID	IE00B3NLSS43	B3NLSS4	-	1.62%	1.50%	10%
USD I Dist	PCHCOIU ID	IE00B3K93X10	B3K93X1	USD 1m	1.12%	1.00%	10%
GBP I Dist	PCHCOIS ID	IE00B3NLDF60	B3NLDF6	USD 1m	1.12%	1.00%	10%
EUR I Dist	PCHCOIE ID	IE00B3K83P04	B3K83P0	USD 1m	1.12%	1.00%	10%
EUR I Acc	PCHOIED ID	IE00BF12WY77	BF12WY7	USD 1m	1.12%	1.00%	10%
EUR I Acc Hdg	POHOIEH ID	IE00BKSBD835	BKSBD83	USD 1m	1.12%	1.00%	10%
USD Dist*	PCHSOPPU ID	IE00B28YJN35	B28YJN3	-	1.62%	1.50%	10%
GBP Dist*	PCHSOPPG ID	IE00B28YJP58	B28YJP5	-	1.62%	1.50%	10%
EUR Dist*	PCHSOPPE ID	IE00B28YJQ65	B28YJQ6	-	1.62%	1.50%	10%

\*These share classes are closed to new investors.

<sup>†</sup>Ongoing Charges Figure (OCF) is the latest available, as per the date of this factsheet.

<sup>††</sup>Performance Fee 10% of outperformance of MSCI World Daily TR Net Health Care Index.

## Fund Manager's Comments

Stock markets moderated in March, as investor sentiment adjusted to the conflict in Ukraine and the wild volatility which was the hallmark of February subsided. Concerns over inflation and interest rates continued to impact investor thinking. Healthcare outperformed other markets generally and at both the large and small/mid-cap level. Large-cap pharma was particularly strong, given its defensive nature and historical outperformance during periods of stagflation, which we may well be approaching, if not already experiencing.

In previous commentaries we have expressed optimism that a shift to endemic COVID-19 would actually be positive for companies exposed to elective surgeries – products, services and auxiliary services. Early signs are encouraging in the US as feedback from the American Academy of Orthopaedic Surgeons annual conference confirmed sequential monthly increases in procedural volumes mainly driven by fewer cancellations. That said, headwinds remain on the cost side from inflation and supply side as China's zero COVID-19 policy is being stress-tested with a new outbreak. Concerns over output are growing and access to semiconductors remains challenged, affecting not only the technology industry but healthcare as well.

### Fund activity

During the month, two new positions were initiated in Swedish Orphan Biovitrum AB (SOBI) and Bayer AG. We also added to Argen-X SE and Max Healthcare Institute Limited. Argen-X SE reported positive phase 3 top-line data from a subcutaneous efgartigimod trial which demonstrated non-inferiority to the recent FDA-approved intravenous version thus offering a much more convenient dosing regimen to drive further market penetration. The company will file for approval by year end. Following the announcement, Argen-X SE launched an accelerated book build in which we participated. Max Healthcare Institute Limited, a leading speciality hospital group in India which is doubling its bed capacity over the next five years, completed a secondary placing.

Positive contributors to performance in March included Revance Therapeutics and Acadia Healthcare Company. Revance Therapeutics, a biotech company focused on dermatology and aesthetics, resubmitted a Biologics License Application (BLA) after generating additional manufacturing data. Shares have languished since October when the company received a negative regulatory decision from the FDA but, with the refiling confirmed, the shares responded positively. Acadia Healthcare Company's shares rose on the back of strong results, a more positive financial outlook than expected as labour trends improved and optimism at the appointment of a new CEO.

Negative performers included Ship Healthcare Holdings and Bio-Rad Laboratories. Ship Healthcare Holdings cut guidance for FY22 as supply-chain disruption relating to semiconductors and other materials led to order delays and elective surgeries were cancelled as Omicron infections took hold in Japan. Bio-Rad Laboratories weakened as part of the de-rating in life sciences tools and services stocks. These companies generated revenues associated with efforts made during the pandemic to develop vaccines etc, and now face tough year-on-year growth comparisons in the shorter term. However Bio-Rad Laboratories did not benefit significantly and thus has been unfairly punished, in our opinion.

### Outlook

There is no doubt that geopolitical instability remains the dominant market factor with fear in the EU over access to gas supplies, talk of gas rationing, and with COVID-19 cases in Asia affecting supply

chains it is likely to remain volatile. It is worth noting that valuations across the market-cap range in the healthcare sector remain attractive alongside fundamentals which remain robust, and balance sheets strong. Tactically, a stagflationary environment favours healthcare and in particular large caps over small and mid-caps. We continue to find exciting companies trading at attractive valuations, which, if we add the potential for M&A, drives optimism that in the current market healthcare will continue to outperform.

**Gareth Powell**

4 April 2022

## Risks

- Capital is at risk and there is no guarantee the Fund will achieve its objective. Investors should make sure their attitude towards risk is aligned with the risk profile of the Fund.
- Past performance is not a reliable guide to future performance. The value of investments may go down as well as up and you might get back less than you originally invested.
- The value of a fund's assets may be affected by uncertainties such as international political developments, market sentiment, economic conditions, changes in government policies, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investment may be made. Please see the Fund's Prospectus for details of all risks.
- The Fund may enter into a derivative contract. The Fund's use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as failure amongst market participants.
- The use of derivatives will result in the Fund being leveraged (where market exposure and the potential for loss exceeds the amount the Fund has invested) and in these market conditions the effect of leverage will magnify losses. The Fund makes extensive use of derivatives.
- If the currency of the share class is different from the local currency in the country in which you reside, the figures shown in this document may increase or decrease if converted into your local currency.

## Important Information

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A decision may be taken at any time to terminate the marketing of the Fund in any EEA Member State in which it is currently marketed. Shareholders in the affected EEA Member State will be given notification of any decision and provided the opportunity to redeem their interests in the Fund, free of any charges or deductions, for at least 30 working days from the date of the notification.

Further information and any associated risks can be found in the Fund's Key Investor Information Document ("KIID"), the Prospectus, the Articles of Association and the annual and semi-annual reports. These documents are available free of charge at Polar Capital Funds PLC, Georges Court, 54-62 Townsend Street, Dublin 2, via email by contacting [Investor-Relations@polarcapitalfunds.com](mailto:Investor-Relations@polarcapitalfunds.com) or at [www.polarcapital.co.uk](http://www.polarcapital.co.uk). The KIID is available in Danish, Dutch, English, French, German, Italian, Spanish and Swedish; the Prospectus is available in English.

A summary of investor rights associated with investment in the Fund is available online at the above website, or by contacting the above email address.

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**Benchmark** The Fund is actively managed and uses the MSCI AC World Daily Total Return Net Health Care Index as a performance target and to calculate the performance fee. The benchmark has been chosen as it is generally considered to be representative of the investment universe in which the Fund invests. The performance of the Fund 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 [www.msccibarra.com](http://www.msccibarra.com). The benchmark is provided by an administrator on the European Securities and Markets Authority (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.

## Administrator Details

Northern Trust International Fund Administration Services (Ireland) Ltd

Telephone	<b>+(353) 1 434 5007</b>
Fax	<b>+(353) 1 542 2889</b>
Dealing	<b>Daily</b>
Cut-off	<b>15:00 Irish time</b>

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**Spain** The Fund is registered in Spain with the Comisión Nacional del Mercado de Valores ("CNMV") under registration number 771.

**Switzerland** The principal fund documents (the prospectus, KIIDs, memorandum and articles of association, annual report and semi-annual report) of the Fund may be obtained free of charge from the Swiss Representative. The Fund is domiciled in Ireland. The Swiss representative and paying agent is BNP Paribas Securities Services, Paris, succursale de Zurich, Selnaustrasse 16, CH-8002 Zurich, Switzerland.

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