

## Fund Fact Sheet

29 January 2021

US\$ Class Dist  
ISIN: IE00B28YJN35

### NAV per Share

US\$ Class Dist US\$42.68

### Fund Particulars

Fund Size US\$2,144.4 million  
Base Currency US\$  
Denominations US\$ / GBP / EUR  
Fund Structure Open-ended UCITS  
Domicile Dublin, Ireland  
Listing Irish Stock Exchange  
Launch Date 30 November 2007  
Management Polar Capital LLP

### Fund Managers



#### Gareth Powell

#### Co-head of healthcare

Gareth has managed the Fund since he joined Polar Capital in 2007 and has 22 years of industry experience.

## Fund Profile

### Investment Objective

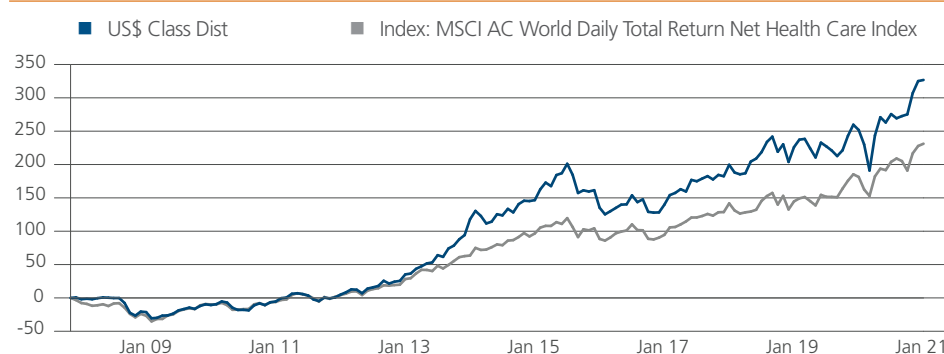
The Fund aims to preserve capital and achieve long-term growth by investing in a globally-diversified portfolio of companies within the healthcare industry.

### Key Facts

- Team of 6 sector specialists
- The team has 130+ years of combined industry experience
- Typically 40-45 positions
- No benchmark or tracking error constraints
- Fundamentally-driven analysis and stock selection

## Share Class Performance

### Performance Since Launch (%)



	Since Launch								
	1 month	3 month	YTD	1 year	3 years	5 years	10 years	Ann.	Cum.
US\$ Class Dist	0.40	13.75	0.40	21.35	42.46	81.46	351.16	11.64	326.80
Index	1.04	13.84	1.04	17.74	37.01	75.80	252.81	9.52	231.20

### Discrete Annual Performance (%)

	12 months to	29.01.21	31.01.20	31.01.19	31.01.18	31.01.17
US\$ Class Dist		21.35	7.88	8.81	24.94	1.96
Index		17.74	15.01	1.18	24.26	3.27

Source: Northern Trust International Fund Administration Services (Ireland) Ltd, monthly percentage growth, US\$ and has been calculated to account for the deduction of fees. Fund performance does not take account of any commissions or costs incurred by investors when subscribing for or redeeming shares. The US\$ Class Dist was launched on 30 November 2007. The index performance figures are sourced from Bloomberg and are in US\$ terms. These figures refer to the past. Investments in funds are subject to risk. **Past performance is not a reliable indicator of future returns.** The money invested in a fund can increase and decrease in value and past performance is not a reliable indicator that you will get back the full amount invested. The performance calculation is based on US\$. If the currency in which the past performance is displayed differs from the currency of the country in which you reside, then you should be aware that due to exchange rate fluctuations the performance shown may increase or decrease if converted into your local currency. Please see the Important Information on the last page of this document for further information on the risks to your investment.

# Polar Capital Funds plc - Healthcare Opportunities Fund

## Portfolio Exposure & Attribution

As at 29 January 2021

### Performance Attribution - 1 Month (%)

#### Top Contributors

Name	Active Weight	Attrib. Effect
Oxford Immunotec Global	0.34	0.33
Surgery Partners	1.10	0.29
UnitedHealth Group	-4.65	0.28
Option Care Health	1.76	0.28
Quotient	1.85	0.26

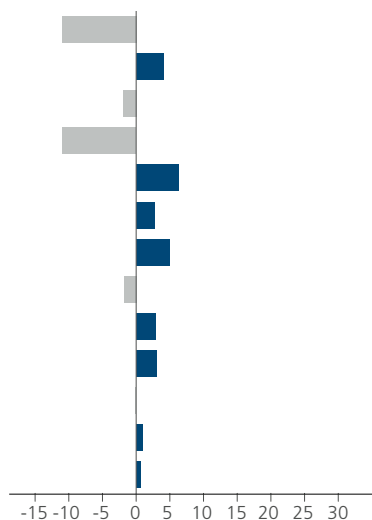
#### Top Detractors

Name	Active Weight	Attrib. Effect
Eli Lilly & Co	-2.23	-0.46
Abbott Laboratories	-2.75	-0.33
Immunovant Inc	1.78	-0.31
Essilor International SA	2.91	-0.31
Zealand Pharma A/S	2.25	-0.28

Performance attribution is calculated in US\$ on a relative basis.

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

	Fund (%)	Relative (%)
Pharmaceuticals	27.1	-11.0
Life Sciences Tools & Services	12.7	4.1
Biotechnology	12.0	-1.9
Healthcare Equipment	9.5	-10.9
Healthcare Supplies	9.0	6.4
Healthcare Services	6.6	2.8
Healthcare Distributors	6.4	5.0
Managed Healthcare	5.3	-1.8
Healthcare Facilities	4.2	2.9
Apparel, Accessories & Luxury Goods	3.0	3.0
Healthcare Technology	2.5	-0.1
Metal & Glass Containers	1.0	1.0
Cash & Cash Equivalents	0.6	0.6



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.

### Top 10 Positions (%)

Johnson & Johnson	8.2
Roche	5.4
Align Technology	3.8
AstraZeneca	3.8
Bio-Rad Laboratories	3.7
Horizon Pharma	3.7
Avantor	3.2
Humana	3.1
Essilor International SA	3.0
Catalent	3.0

**Total** 40.9

**Total Number of Positions** 46

**Active Share** 84.79%

### Market Capitalisation Exposure (%)

Large Cap (>US\$5 billion)	61.7
Mid Cap (US\$1 billion - US\$5 billion)	30.3
Small Cap (<US\$1 billion)	7.4
Cash & Cash Equivalents	0.6

### Geographic Exposure (%)

United States	70.3
Switzerland	8.3
United Kingdom	4.3
Japan	3.6
Denmark	3.6
Ireland	3.4
France	3.0
Hungary	1.9
Canada	0.9
Cash & Cash Equivalents	0.6

## Share Class Information

### Codes & Fees

Share Class	Bloomberg	ISIN	SEDOL	OCF	Annual Fee
US\$ Class R Dist	PCHCORU ID	IE00B3NLTK32	B3NLTK3	1.64%	1.50%
GBP Class R Dist	PCHCORS ID	IE00B3NM2Q33	B3NM2Q3	1.64%	1.50%
EUR Class R Dist	PCHCORE ID	IE00B3NLSS43	B3NLSS4	1.64%	1.50%
US\$ Class I Dist	PCHCOIU ID	IE00B3K93X10	B3K93X1	1.14%	1.00%
GBP Class I Dist	PCHCOIS ID	IE00B3NLDF60	B3NLDF6	1.14%	1.00%
EUR Class I Dist	PCHCOIE ID	IE00B3K83P04	B3K83P0	1.14%	1.00%
US\$ Class Dist*	PCHSOPPU ID	IE00B28YJN35	B28YJN3	1.64%	1.50%
GBP Class Dist*	PCHSOPPG ID	IE00B28YJP58	B28YJP5	1.64%	1.50%
EUR Class Dist*	PCHSOPPE ID	IE00B28YJQ65	B28YJQ6	1.64%	1.50%
EUR Class I Acc	PCHOIED ID	IE00BF12WY77	BF12WY7	1.14%	1.00%

**Minimum Investment: Class I Shares;** US\$1 million (or its foreign currency equivalent).

**Class R Shares;** No minimum subscription. \*These share classes are closed to new investors.

**Performance Fee** 10.00% of outperformance of MSCI AC World Daily Total Return Net Health Care Index.

**Ongoing Charges Figure (OCF)** is the latest available, as per the date of this factsheet.

### Administrator Details

Northern Trust International Fund  
Administration Services (Ireland) Ltd

**Telephone** +353 1 434 5007

**Fax** +353 1 542 2889

**Dealing** Daily

**Cut-off** 15:00 Dublin time

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.

# Polar Capital Funds plc - Healthcare Opportunities Fund

## Fund Managers Comments

As at 29 January 2021

The healthcare sector outperformed global markets in January with continued solid fundamentals driving outperformance. Small and mid-caps were strongest again and M&A activity started the year off at an elevated level with the Fund benefitting from a bid for Oxford Immunotec at a decent premium. Markets sold off at the end of the month, with movements more severe beneath the surface than indicated by the overall stock market indices. This was exacerbated by the retail activity highlighted in the media which caused hedge fund de-grossing in an aggressive manner.

The JPMorgan Annual Healthcare Conference occurred in January for the first time in a virtual setting. We had many updates with companies from all over the world that were generally very positive on fundamentals across the board. January also provided political clarity in the US and the focus as expected has been on efforts to fight the pandemic by the new Joe Biden administration. There have also been executive actions by the new president which have reversed some of the negative overhangs created by the previous leadership on Obamacare which should increase access to healthcare in the US, a positive for the sector. On M&A, there have been a significant number of deals announced, with Haemonetics and Steris, both companies held in the Fund, announcing acquisitions so far this year.

As highlighted, Oxford Immunotec agreed to be acquired by PerkinElmer for an approximate premium of 28%. Other positive contributors included Surgery Partners which is an ambulatory surgical centre operator which has benefitted from the shift in trend of procedures away from larger hospitals, which matches one of the major themes in the Fund today. Also, ModivCare, a non-emergency transport operator and personal care provider, outperformed as investors increasingly appreciated the merits of a recent transaction.

Underperformers included Immunovant, Zealand Pharma and Humana. Immunovant suffered from profit-taking and was also likely impacted by the hedge fund de-grossing that was witnessed at the end of January. Zealand Pharma suffered as it raised funds right in the middle of the market weakness which caused an outsized negative move on the stock price. Last, Humana highlighted there would be some pressure on earnings in 2021 due to reimbursement changes which would normalise during the year causing the stock to underperform.

On COVID-19, more vaccine data from Johnson & Johnson and Novavax looks very positive while concern continues to linger on new variants of the virus, particularly the one that appears to have originated in South Africa. The most encouraging take-away for us, even with the South African strain, is the dramatic impact the vaccines are having on severe disease, hospitalisation and deaths. With regards to new variants, we expect the vaccine developers to quickly develop boosters with the mRNA technology particularly advantageous on this front in terms of speed to approval. Also, development time should be a lot faster as vast phase 3 trials should not be needed.

The sentiment levels as we have previously highlighted had reached extreme levels towards the end of 2020 and into the start of the year. However, the significant volatility at the end of January created a fresh opportunity to buy stocks at more attractive levels. There are certainly areas of froth in the market, such as high growth and the most speculative areas of biotech driven in part by flows into thematic ETFs, but outside these, we believe that there are many opportunities in healthcare to invest in at attractive valuation levels and thus we remain very optimistic on the outlook for the sector.

**Gareth Powell**

3 February 2021



Source & Copyright: CITYWIRE. Gareth Powell has been awarded a Plus rating by Citywire for his 3 year risk-adjusted performance for the period 31/12/2017 - 31/12/2020.

©2020 Morningstar. All Rights Reserved. Rating representative of the I USD Dist Share Class, as at 31/12/2020. Ratings may vary between share classes. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. For more detailed information about the Morningstar Rating or Morningstar Analyst rating, including its methodology, please go to: <http://corporate1.morningstar.com/AnalystRating/>.

FE Crown Fund Ratings do not constitute investment advice offered by FE and should not be used as the sole basis for making any investment decision. All rights reserved.

*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.*

# Polar Capital Funds plc - Healthcare Opportunities Fund

## Important Information

**Important Information:** This document is provided for the sole use of the intended recipient and is not a financial promotion. Healthcare Opportunities Fund (the "Fund") is a sub-fund of Polar Capital Funds plc -which is authorised by the Central Bank of Ireland as an Undertaking for Collective Investment in Transferable Securities under the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. 352/2011), as amended. This document has been prepared by Polar Capital for informational purposes only for the sole use of the intended recipient. It does not seek to make any recommendation to buy or sell any particular security (including shares in the Fund) or to adopt any specific investment strategy. This document does not contain information material to an investor's decision to invest in the Fund. Shares in the Fund are offered only on the basis of information contained in the prospectus, key investor information document ("KIID"), and the latest annual audited accounts. Copies are available free of charge from Polar Capital at the below address or on [www.polarcapital.co.uk](http://www.polarcapital.co.uk). The KIID is available in Danish, Dutch, English, French, German, Italian, Norwegian, Spanish and Swedish. The prospectus is available in English.

**Regulatory Status:** Polar Capital LLP is a limited liability partnership (OC314700), authorised and regulated by the UK Financial Conduct Authority and is registered as an investment adviser with the US Securities & Exchange Commission. A list of members is open to inspection at 16 Palace Street, London, SW1E 5JD. FCA authorised and regulated Investment Managers are expected to write to investors in funds they manage with details of any side letters they have entered into. The FCA considers a side letter to be an arrangement known to the investment manager which can reasonably be expected to provide one investor with more materially favourable rights, than those afforded to other investors. These rights may, for example, include enhanced redemption rights, capacity commitments or the provision of portfolio transparency information which are not generally available. The Fund and the Investment Manager are not aware of, or party to, any such arrangement whereby an investor has any preferential redemption rights. However, in exceptional circumstances, such as where an investor seeds a new fund or expresses a wish to invest in the Fund over time, certain investors have been or may be provided with portfolio transparency information and/or capacity commitments which are not generally available. Investors who have any questions concerning side letters or related arrangements should contact the Polar Capital Desk at the Administrator on (+353) 1 434 5007. The Fund is prepared to instruct the custodian of the Fund, upon request, to make available to investors portfolio custody position balance reports monthly in arrears.

**Third-party Data:** Some information contained herein has been obtained from third party sources and has not been independently verified by Polar Capital. Neither Polar Capital nor any other party involved in or related to compiling, computing or creating the data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any data contained herein.

**Holdings:** Portfolio data is "as at" the date indicated and should not be relied upon as a complete or current listing of the holdings (or top holdings) of the fund. The holdings may represent only a small percentage of the aggregate portfolio holdings, are subject to change without notice, and may not represent current or future portfolio composition. Information on particular holdings may be withheld if it is in the fund's best interest to do so. A historic complete list of the portfolio holdings may be made available upon request. 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. This document is designed to provide updated information to professional investors to enable them to monitor the Fund. No other persons should rely upon it. The information provided in this document should not be considered a recommendation to purchase or sell any particular security.

**Information Subject to Change:** The information contained herein is subject to change, without notice, at the discretion of Polar Capital and Polar Capital does not undertake to revise or update this information in any way.

**Forecasts:** References to future returns are not promises or estimates of actual returns Polar Capital may achieve, and should not be relied upon. The forecasts contained herein are for illustrative purposes only and are not to be relied upon as advice or interpreted as a recommendation. Forecasts are based upon subjective estimates and assumptions about circumstances and events that may not yet have taken place and may never do so.

**Statements/Opinions/Views:** All opinions and estimates constitute the best judgment of Polar Capital as of the date hereof, but are subject to change without notice, and do not necessarily represent the views of Polar Capital. This material does not constitute legal or accounting advice; readers should contact their legal and accounting professionals for such information. All sources are Polar Capital unless otherwise stated.

**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.msicbarra.com](http://www.msicbarra.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.

**Performance:** The performance shown has been calculated to account for the deduction of fees and expenses and includes the reinvestment of dividends and capital gain distributions. £ or GBP/US\$/JPY/EUR/CHF = Currency abbreviations of: British Pound sterling/US Dollar/Japanese Yen/Euro/Swiss Franc, respectively.

**Allocations:** The strategy allocation percentages set forth in this document are estimates and actual percentages may vary from time-to-time. The types of investments presented herein will not always have the same comparable risks and returns. Please see the private placement memorandum for a description of the investment allocations as well as the risks associated therewith. Please note that the Fund may elect to invest assets in different investment sectors from those depicted herein, which may entail additional and/or different risks. Performance of the Fund is dependent on the Investment Manager's

ability to identify and access appropriate investments, and balance assets to maximize return to the Fund while minimizing its risk. The actual investments in the Fund may or may not be the same or in the same proportion as those shown herein.

**Risk: Factors affecting fund performance may include changes in market conditions (including currency risk) and interest rates, as well as other economic, political, or financial developments. The Fund's investment policy allows for it to enter into derivatives contracts. Leverage may be generated through the use of such financial instruments and investors must be aware that the use of derivatives may expose the Fund to greater risks, including, but not limited to, unanticipated market developments and risks of illiquidity, and is not suitable for all investors. Past performance is not a guide to or indicative of future results. Future returns are not guaranteed and a loss of principal may occur. Polar Capital may also receive a performance fee based on the appreciation in the NAV per share and accordingly the performance fee will increase with regard to unrealised appreciation, as well as realised gains. The performance fee may create an incentive for Polar Capital to make investments for Polar Capital Funds plc which are riskier than would be the case in the absence of a fee based on the performance of Polar Capital Funds plc.**

**Country Specific Disclaimers:** It is the responsibility of any person/s in possession of this document to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. Neither Polar Capital nor Polar Capital Funds plc shall be liable for, and accept no liability for, the use or misuse of this document. If such a person considers an investment in Shares of the Fund, they should ensure that they have been properly advised about the suitability of an investment. Please be aware that not every sub-fund of Polar Capital Funds plc or share class is available in all jurisdictions.

**Australia:** Neither Polar Capital nor Polar Capital Funds plc are registered as a foreign company in Australia. The provision of this document to any person does not constitute an offer of shares of Polar Capital Funds plc to any person or an invitation to any person to apply for shares of Polar Capital Funds plc. Any such offer or invitation will only be extended to a person in Australia if that person is a sophisticated or professional investor for the purposes of section 708 of the Corporations Act 2001 of Australia ("Corporations Act") and a "wholesale client" for the purposes of section 761G of the Corporations Act. This document is not intended to be distributed or passed on, directly or indirectly, to any other class of persons in Australia. This document is not a disclosure document under Chapter 6D of the Corporations Act or a Product Disclosure Statement under Part 7.9 of the Corporations Act. It is not required to, and does not, contain all the information which would be required in a disclosure document or a Product Disclosure Statement. It has not been lodged with the Australian Securities and Investments Commission. Any person to whom shares of Polar Capital Funds plc are issued or sold must not, within 12 months after the issue, offer, transfer or assign those shares to investors in Australia except in circumstances where disclosure to investors is not required under the Corporations Act.

**Hong Kong:** The Fund is a collective investment scheme as defined in the Securities and Futures Ordinance (Cap. 571) (the "SFO") but is not authorised under Section 104 of the SFO by the Securities and Futures Commission of Hong Kong ("SFC"). This document does not constitute an offer or invitation to the public in Hong Kong to acquire interests in the Fund. In addition, this document has not been approved by the SFC nor has a copy of it been registered with the Registrar of Companies in Hong Kong, and therefore may only be issued or possessed for the purpose of issue to persons who are "professional investors" under the SFO and any rules made under that Ordinance or as otherwise permitted by the SFO.

**The Netherlands:** This factsheet is for professional client use only in the Netherlands and it is intended that the Fund will only be marketed to professional clients in the Netherlands. Polar Capital Funds plc is authorized to offer shares in the Healthcare Opportunities Fund to investors in the Netherlands on a cross border basis and is registered as such in the register kept by the Dutch Authority for the Financial Markets ("AFM") [www.afm.nl](http://www.afm.nl).

**Portugal:** The Healthcare Opportunities Fund has been passported into Portuguese jurisdiction pursuant to Directive 65/2009/EU of the European Parliament and of the Council, of 13 July 2009 and Regulation 584/2010, of 1 July 2010, and are registered with the Portuguese Securities Commission (CMVM) for marketing in Portugal.

**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. In respect of the shares distributed in Switzerland, the place of performance and the place of jurisdiction is at the registered office of 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.

**Austria / Denmark (professional only) / Finland / Germany / Ireland / Italy (professional only) / Luxembourg / Norway / Spain / Sweden and the United Kingdom:** The Fund is registered for sale to all investors in these countries. Investors should make themselves aware of the relevant financial, legal and tax implications if they choose to invest.