



USD Class S Acc | ISIN: IE00BJXT2C20

NAV per Share

USD Class S Acc US\$14.34

Fund Details

| | |
|---------------------|-------------------|
| Fund Size | US\$9.3 m |
| Base Currency | USD |
| Denominations | USD/GBP |
| Fund Structure | UCITS |
| Domicile | Ireland |
| Launch Date | 31 January 2020 |
| Investment Manager | Polar Capital LLP |
| SFDR Classification | Article 8 |

Fund Managers



Deane Donnigan

Fund Manager

Deane has managed the fund since launch, she joined Polar Capital in 2013 and has 26 years of industry experience.

Fund Profile

Investment Objective

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

Key Facts

- Team of seven sector specialists
- Team with 135+ years of combined industry experience
- Typically 60-80 positions
- Focused on small caps from across the healthcare sector
- Fundamentally-driven analysis and stock selection

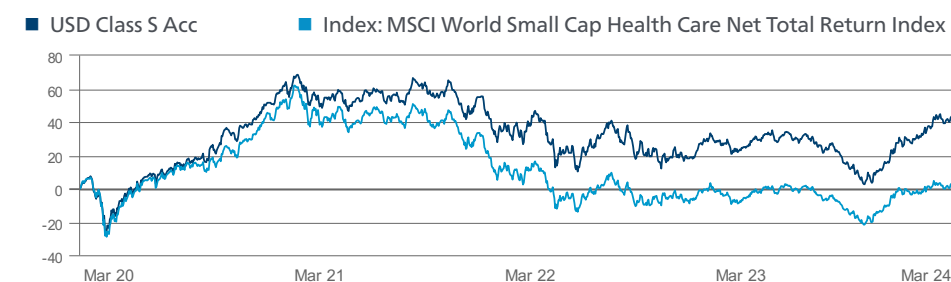
Fund Ratings



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 S Acc | 1.27 | 11.25 | 11.25 | 14.72 | -5.97 | - | 43.40 | 9.05 |
| Index | 0.81 | 3.78 | 3.78 | 9.21 | -27.56 | - | 2.52 | 0.60 |

Discrete Annual Performance (%)

| 12 months to | 28.03.24 | 31.03.23 | 31.03.22 | 31.03.21 | 31.03.20 |
|-----------------|----------|----------|----------|----------|----------|
| USD Class S Acc | 14.72 | -12.77 | -6.03 | 74.09 | - |
| Index | 9.21 | -17.07 | -20.01 | 67.95 | - |

Calendar Year Performance (%)

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|-----------------|------|--------|-------|------|------|------|------|------|------|------|
| USD Class S Acc | 8.41 | -23.49 | 3.05 | - | - | - | - | - | - | - |
| Index | 5.79 | -29.12 | -6.78 | - | - | - | - | - | - | - |

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

Performance for the USD Class S Acc. The class launched on 31 January 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 to third parties 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. A 5% subscription fee can be charged at the Investment Managers discretion.

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Portfolio Exposure & Attribution

As at 28 March 2024

Top 10 Positions (%)

| | |
|-------------------------|-----|
| Zealand Pharma A/S | 5.3 |
| Natera | 4.9 |
| Shockwave Medical | 4.8 |
| ConvaTec Group | 4.0 |
| iRhythm Technologies | 3.9 |
| Celldex Therapeutics | 3.6 |
| Xenon Pharmaceuticals | 3.1 |
| Acadia Healthcare | 3.0 |
| Apellis Pharmaceuticals | 2.8 |
| Amvis Holdings | 2.7 |

Total **38.2**
Total Number of Positions **67**
Active Share **77.73%**

Geographic Exposure (%)

| | |
|----------------|------|
| United States | 59.6 |
| United Kingdom | 7.7 |
| Denmark | 6.8 |
| Japan | 6.3 |
| Ireland | 3.8 |
| Canada | 3.1 |
| Germany | 2.1 |
| Switzerland | 2.0 |
| Sweden | 1.6 |
| Costa Rica | 1.6 |
| India | 1.4 |
| France | 1.2 |
| Spain | 0.8 |
| Netherlands | 0.7 |
| Cash | 1.3 |

Market Capitalisation Exposure (%)

| | |
|----------------------------|------|
| Large Cap (> \$10bn) | 11.8 |
| Mid Cap (>\$5bn - \$10bn) | 28.1 |
| Small Cap (>\$1bn - \$5bn) | 46.5 |
| Micro Cap (<\$1bn) | 12.4 |
| Cash | 1.3 |

Performance Attribution - 1 Month (%)

Top Contributors

| | Active Weight | Attrib. Effect |
|--------------------------|---------------|----------------|
| Shockwave Medical | 2.66 | 0.61 |
| ConvaTec Group | 3.65 | 0.48 |
| Avadel Pharmaceuticals | 1.63 | 0.41 |
| Standard BioTools Inc | 1.52 | 0.25 |
| Supernus Pharmaceuticals | 1.64 | 0.20 |

Performance attribution is calculated in USD on a relative basis over the month. Attribution effect is shown gross of fees.

Top Detractors

| | Active Weight | Attrib. Effect |
|-----------------------|---------------|----------------|
| Celldex Therapeutics | 3.49 | -0.48 |
| Medley | 2.81 | -0.40 |
| Xenon Pharmaceuticals | 2.80 | -0.29 |
| Privia Health Group | 1.68 | -0.24 |
| Stereotaxis | 1.91 | -0.22 |

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

| | Fund | Relative |
|--------------------------------|------|----------|
| Biotechnology | 36.3 | 2.3 |
| Healthcare Equipment | 15.6 | 0.2 |
| Pharmaceuticals | 9.6 | -3.2 |
| Healthcare Facilities | 9.3 | 2.5 |
| Life Sciences Tools & Services | 8.3 | 0.2 |
| Healthcare Supplies | 7.9 | 0.7 |
| Healthcare Technology | 4.8 | 1.2 |
| Healthcare Services | 3.3 | -4.1 |
| Managed Healthcare | 2.6 | 1.1 |
| Healthcare Distributors | 1.1 | -2.1 |
| Specialty Chemicals | 0.0 | -0.1 |
| Cash | 1.3 | 1.3 |



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 [†] | Ann. Fee | Perf. Fee ^{††} |
|-------------|------------|--------------|---------|--------------------|------------------|----------|-------------------------|
| GBP I Acc | PHDSIGA ID | IE00BJXT2B13 | BJXT2B1 | - | 1.20% | 1.00% | 10% |
| USD I Acc | PHDSIUA ID | IE00BJXT2996 | BJXT299 | - | 1.20% | 1.00% | 10% |
| GBP S Acc | PHDSSGA ID | IE00BJXT2D37 | BJXT2D3 | USD 5m | 0.85% | 0.65% | 10% |
| USD S Acc | PHDSUA ID | IE00BJXT2C20 | BJXT2C2 | USD 5m | 0.85% | 0.65% | 10% |

[†]Ongoing Charges Figure (OCF) is the latest available, as per the date of this factsheet. The Ongoing Charges Figure is based upon the expenses incurred by the Fund for the previous 12 month period. The OCF incorporates the Annual Fee charged by the Fund.

^{††}Performance Fee 10% of outperformance of MSCI World Small Cap Health Care Net Total Return Index.

Fund Manager's Comments

March capped a scorching first quarter performance for smaller-cap healthcare investors, though afforded little additional traction. From a macro perspective, neither the data nor the FOMC meeting materially changed the picture; economic growth remains in the frame with the job market and inflation lending further support to a 'Goldilocks' scenario. Market participation continued to broaden versus the narrow participation seen over the bulk of last year. Both the large and small-cap indices handily outperformed the NASDAQ 100 Index and small-caps came in ahead of large. Specific to sector performance, healthcare was more of a mixed bag – large-caps outperformed small and those areas witnessing increased utilisation such as healthcare facilities and equipment did best, with emerging growth areas such as biotechnology seeing some pullback after a rapid ascent from the lows of last year.

Fund performance and activity

For the month, the Fund (USD I Acc Share Class) was slightly ahead of the benchmark, posting 1.2% versus 0.8% for the MSCI World Small Health Care Net Total Return Index (both figures in dollar terms).

Allocation was better for attribution to performance however we struggled with selection effect, more in small and micro-caps. While Europe was the regional star by some measure, Japan detracted, likely expected after surpassing an epic policy and market milestone. Foreign exchange was a slight positive.

Further to subsector selection, pharmaceuticals were a clear positive while our healthcare technology selection disappointed. Rounding out with stock selection, one of our largest medical equipment holdings, Shockwave Medical, was the leading stock contribution to performance as ongoing bid discussions with Johnson & Johnson were reported in the Wall Street Journal. While nothing material may transpire, the business rationale makes sense for Johnson & Johnson but others too, Medtronic and Boston Scientific potentially, so we are inclined to sit tight.

On the flipside, Celldex Therapeutics detracted. Having reported strong results for their chronic hives clinical program at the end of February, the shares responded accordingly and, as we entered March, the company announced and completed a follow-on fundraise. The biotechnology consolidation that ensued shortly thereafter in conjunction with an overweight position weighed against us.

In terms of trading, we were active over the month in both directions. We added several new holdings including Fortrea Holdings, a clinical research organisation that was spun out of the large diagnostic company Labcorp, and RxSight, a medical supply company in the early launch of their light-adjustable lens into the premium cataract lens marketplace which should take market share as well as expand the market opportunity.

We sold positions in personal, home health and hospice provider Addus HomeCare and the remainder of our position in Karuna Therapeutics, acquired by Bristol Myers Squibb. We added to Encompass Health, the rehabilitation facility company which we recently highlighted as a newly initiated holding, as well as Valneva, having had a thorough update with management. We crystallised some recent outperformance for Arcutis Biotherapeutics and Y-mAbs Therapeutics, both smaller biopharmaceutical companies,

to manage exposure having topped up positions late last year when valuations suggested little to no success.

Outlook

As noted in last month's commentary, after a very good run the market was likely nearing overbought conditions. While the healthcare sector seemed to see a relative pause, the fundamental news, be it financial results and guidance, clinical data, regulatory or bid activity, seemed to pick up pace and, on balance, was positive. As small and mid-size companies wrapped up Q4 results and guidance, there was a slight edge to large-cap earnings revisions compared with those down the market-cap scale. In addition, smaller healthcare companies had been gaining positive revision momentum relative to small-cap index sectors more broadly, though they have slipped slightly so are worth monitoring as the year progresses.

Even so, the more likely bother is the ongoing macro debate that continues to unsettle investors. On that note, the recession doomsday camp has quietened somewhat and for those calling this a recovery, it is certainly one of the most odd and confusing, at least in US equity market history.

Meanwhile, there are several structural themes driving asset markets which should not be overlooked. If history serves as any guide investors should look to be present as this applies to the healthcare arena and further afield. As such, we will look to use any interim market gyrations to pick up shares in quality companies being offered at a discount and to crystallise gains when investor exuberance gets too frothy, to further add to performance.

Deane Donnigan

4 April 2024

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 before investing.**
- **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 as there is no guarantee in place.**
- 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 invests in the shares of companies, and share prices can rise or fall due to several factors affecting global stock markets.
- The Fund uses derivatives which carry the risk of reduced liquidity, substantial loss, and increased volatility in adverse market conditions, such as failure amongst market participants.
- The Fund invests in assets denominated in currencies other than the Fund's base currency. Changes in exchange rates may have a negative impact on the Fund's investments. If the share class currency is different from the currency of the country in which you reside, exchange rate fluctuations may affect your returns when converted into your local currency.
- The Fund invests in emerging markets where there is a greater risk of volatility due to political and economic uncertainties, restrictions on foreign investment, currency repatriation and currency fluctuations.

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Investment in the Fund is an investment in the shares of the Fund and not in the underlying investments of the Fund. Further information about fund characteristics and any associated risks can be found in the Fund's Key Investor Document or Key Investor Information Document ("KID" or "KIID"), the Prospectus (and relevant Fund Supplement), the Articles of Association and the Annual and Semi-Annual Reports. Please refer to these documents before making any final investment decisions. These documents are available free of charge at Polar Capital Funds plc, Georges Court, 54-62 Townsend Street, Dublin 2, Ireland, via email by contacting Investor-Relations@polarcapitalfunds.com or at www.polarcapital.co.uk. The KID is available in the languages of all EEA member states in which the Fund is registered for sale; the Prospectus, Annual and Semi-Annual Reports and KIID are available in English.

The Fund promotes, among other characteristics, environmental or social characteristics and is classified as an Article 8 fund under the EU's

Sustainable Finance Disclosure Regulation (SFDR). For more information, please see the Prospectus and relevant Fund Supplement.

ESG and sustainability characteristics are further detailed on the investment manager's website: (<https://www.polarcapital.co.uk/ESG-and-Sustainability/Responsible-Investing/>).

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. This document is provided and approved by both Polar Capital LLP and Polar Capital (Europe) SAS.

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Benchmark The Fund is actively managed and uses the MSCI World Small Cap Health Care Net Total Return 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

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 Irish time |

Developing markets are typically less liquid which may result in large price movements to the Fund.

- The Fund invests in a relatively concentrated number of companies and industries based in one sector. This focused strategy can produce high gains but can also lead to significant losses. The Fund may be less diversified than other investment funds.

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.mscibarra.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.

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Important Information (contd.)

Switzerland The principal fund documents (the prospectus, KID/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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