

United Global Healthcare Fund

- 1. Investing in the future of Healthcare**
- 2. New Ideas and Approach**
- 3. Track Record of 20 years**

Why now?

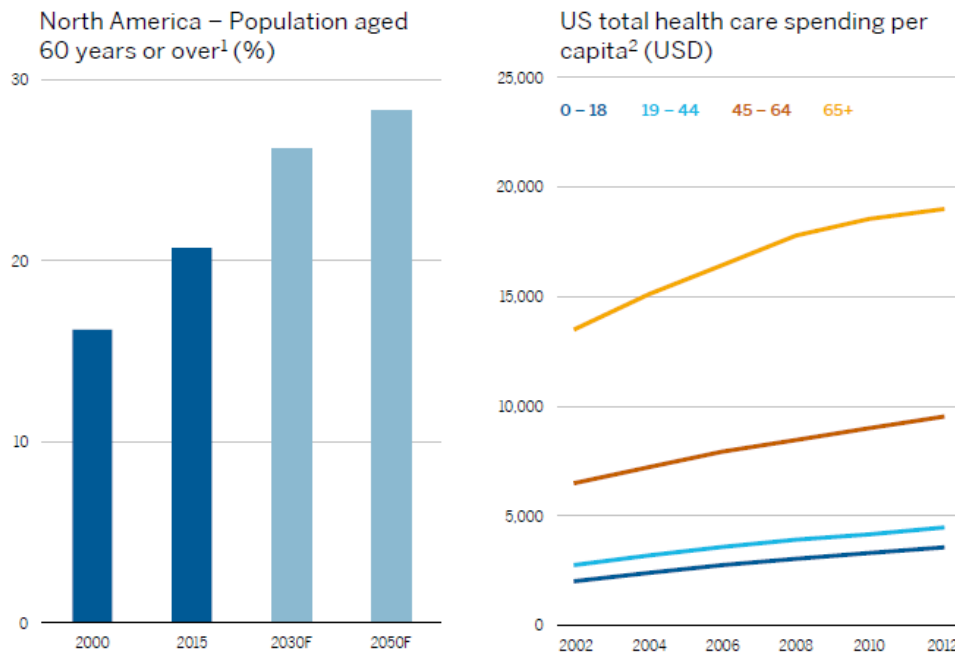
Global markets remain under pressure, as the human and economic impact of COVID-19 continues to worsen. The number of fatalities in Italy recently surpassed China, and the United States currently ranks highest in total confirmed cases as shown on Business Insider Singapore as of 27th March 2020. Availability of testing kits in the US has improved and will continue, but the likely total number of exposures and clinical cases remains unclear. An aggressive federal response is warranted, and we are hopeful that sound health policy decisions will supersede short-run economic considerations.

As such we expect market volatility to persist as investors continue to evaluate the global impact of the outbreak. At the same time, we are mindful that progress is being made in identifying possible therapies that could be used in the treatment of the most acute COVID-19 cases, as well as antibody combinations that could conceivably provide some amount of temporary immunity while we await an approved vaccine. We currently own positions in a small number of companies involved in both efforts and recognize that the availability of either could result in an improvement to market sentiment. Our view that a vaccine will not be available in the US this year remains unchanged.

Within medical technology and services, we continue to identify opportunities and are emphasizing companies we think will be beneficiaries of increasing demand for testing, infection control, and patient monitoring. We are underweight companies we expect to be negatively impacted by supply chain disruptions, hospital systems facing both revenue and margin pressures, and companies likely to be impacted by the deferral of elective medical procedures. As always, we will seek to take advantage of differences in relative sub-sector performance to reallocate capital opportunistically.

1. Investing in the future of Healthcare

A study done by the United Nations in 2017 shows that the global population aged 60 years or over numbered 962 million, which was more than twice as large as in 1980 when there were 382 million older persons worldwide. The number of older persons is expected to double again by 2050, when it is projected to reach nearly 2.1 billion. An aging population is therefore a powerful, sustainable demographic trend, which will result in increased healthcare consumption as one ages.



Source: ¹United Nations World Population Prospects: The 2017 Revision. Actual data is presented through 2015. Any data shown after that represents forecasts. Actual results may vary, perhaps significantly from the forecasted data presented. ²The Office of the Actuary, Centers for Medicare and Medicaid Services. Chart data 2002 – 2012

Multi-cap Approach

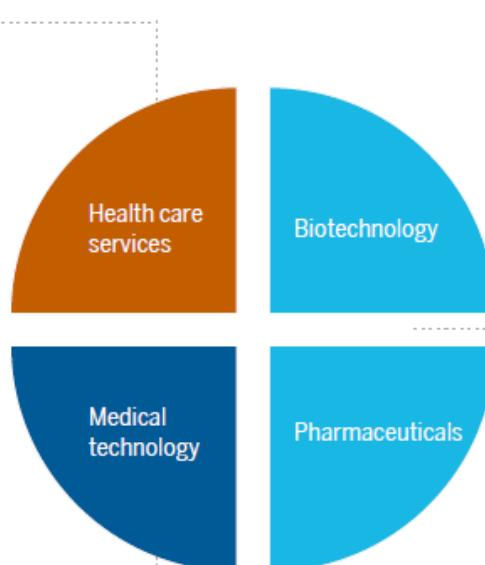
Investment philosophy – The fund invests across healthcare sub-sectors

Health care services

- Comprised of ~15 subsectors, each with unique opportunities to create incremental alpha and manage risk
- Volatility of the sector is often unappreciated and can be exploited by investors
- Quality of management is crucial
- Seek high-quality companies with attractive fundamentals
- Seek turnaround stories
- Valuation always matters

Medical technology

- Seek companies with accelerating earnings and multiple expansion
- Value companies based on returns and growth prospects
- Buy good companies at perceivably great prices
- Focus on the long term



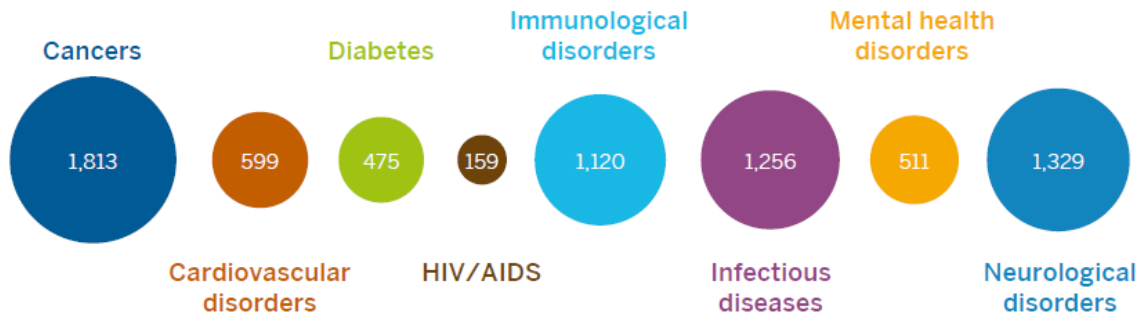
Biotechnology and Pharmaceuticals

- Development programmes are primary drivers of value-creation in pharmaceuticals
- Seek to invest in drugs that will matter
- Technology assessment is key
- Identify companies with high probability drug development programmes
- Valuation matters

2. New Ideas and Approach

Impetus of innovation in healthcare sub-sectors such as Biopharma, Medical Technology and Healthcare services. We have identified unprecedented scientific advancements in biopharmaceutical development such as breakthroughs in disease biology commanding premium pricing, how highly innovation drugs are changing the standard of care, and how immune-oncology is changing the treatment of cancer.

The number of pipeline line of medicines in development in Biopharma:

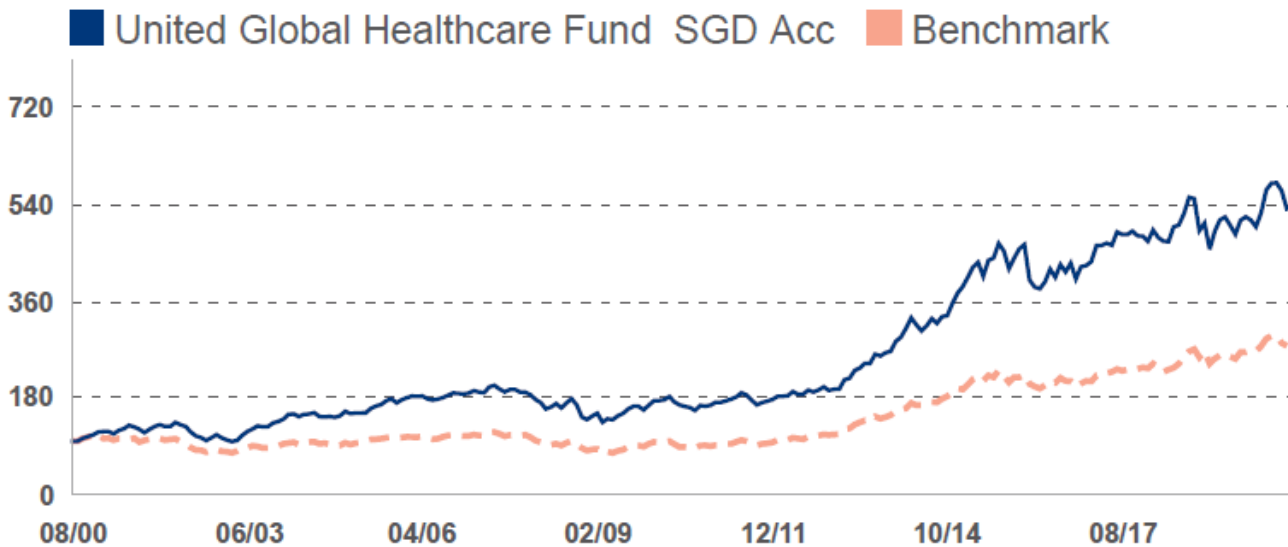


Source: Adis R&D Insight Database | As of February 2015

3. Track Record of 20 years

The fund has a proven track record since its launch 20 years ago, as well as withstanding events of adversity such as the dot-com bubble, the subprime mortgage crisis, the European debt crisis and outperforming the benchmark at the same time.

Fund Performance since inception (21st of August 2000) in base currency



Source: Morningstar. Performance as at 31 March 2020, SGD basis, with dividends and distributions reinvested, if any. Performance figures for 1 month till 1 year show the %change, while performance figures above 1 year show the average annual compounded returns. Since inception performance under 1 year is not annualised. Fund performance is calculated on a NAV to NAV basis. Benchmark: MSCI ACWI Healthcare

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