

GLOBAL LIFE SCIENCES EQUITY FUND

At a glance

Performance*

The Fund returned 13.29%, the Index returned 6.20% and the Peer Group returned 10.37%.

Contributors/detractors

Fund performance was mainly driven by stock selection in the biotechnology sub-sector. An underweight position in healthcare services modestly detracted.

Outlook

We see a positive backdrop that we believe could enable the healthcare sector to trade more on its innovation, which is at the core of our investment process.

Portfolio management



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Investment environment

- Healthcare stocks outperformed the broader market during the second quarter as investors switched away from technology and artificial intelligence (AI)-related stocks. Healthcare services stocks led the gains, supported by the US government's proposed increase in 2027 Medicare Advantage reimbursement rates, which helped ease concerns around profit margins.
- Despite the resignation of US Food and Drug Administration (FDA) Commissioner Marty Makary and other senior officials, the FDA has remained active, as the agency approved 23 novel drugs in the first half of 2026 - the strongest first-half performance in three years. The FDA also introduced initiatives aimed at accelerating drug development and approvals, including guidance designed to shorten development timelines, greater flexibility in late-stage approval requirements, continued approvals across multiple therapeutic areas, and a more supportive stance toward rare disease therapies.
- FDA approval activity remained strong, highlighted by several first-in-class and first-ever therapies across obesity, cardiovascular disease, oncology, rare diseases, and genetic disorders. Notable approvals included Eli Lilly's oral glucagon-like peptide-1 (GLP-1) weight-loss therapy, innovative treatments for uncontrolled hypertension and hepatitis delta, and the first gene therapy for inherited deafness. This all

underscored the continued innovation across the healthcare sector.

- Merger and acquisition (M&A) and investment activity also remained active, with companies pursuing acquisitions and strategic investments to strengthen pipelines and expand into high-growth areas. Transactions spanned infectious diseases, gene therapy, rare diseases, cardiovascular technologies, and digital pathology, reflecting sustained demand for innovative assets with compelling commercial potential. Several portfolio holdings were acquired during the quarter, including Apogee Therapeutics and Soleno Therapeutics, which reflected our sustained interest in high-quality healthcare assets with attractive long-term prospects.

Portfolio review

Revolution Medicines was the leading contributor to performance after the clinical-stage oncology company released the full trial results for its pancreatic cancer drug, daraxonrasib, which more than doubled overall survival rates compared with chemotherapy, while demonstrating a manageable safety profile. Additional endpoints included improved quality of life and a significant reduction in pain, strengthening investors' expectations for a successful commercial launch following approval. The company also has multiple phase 3 programs underway, including several mutant-specific inhibitors, positioning Revolution

Marketing communication

Past performance does not predict future returns.

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*For benchmark/usage and peer group, if applicable, refer to Fund details on page 3. For relevant descriptions, risks and the Fund's investment policy statement, refer to Additional fund information on page 4.

Medicines to potentially build multiple revenue streams over time.

Traverse Therapeutics also contributed. During the quarter, Traverse's treatment FILSPARI was granted the first product approval for the progressive kidney condition focal segmental glomerulosclerosis (FSGS), which could represent a blockbuster opportunity for the company. FILSPARI originally was approved in 2023 for the treatment of IgA nephropathy, another kidney disease.

The fund's underweight position in Eli Lilly detracted from relative performance. The company has continued to benefit from strategic acquisitions and a robust pipeline of clinical innovation. At the June American Diabetes Association conference, Eli Lilly highlighted positive updates on its oral weight-loss pill, Foundayo, positive data from its amylin-based therapy program, and strong efficacy results for retatrutide, its investigational triple agonist for weight management and diabetes. Eli Lilly remains one of the portfolio's largest holdings and we continue to have conviction in its long-term growth prospects. However, we remain disciplined on position sizing following the recent significant appreciation of the share price.

Our position in Boston Scientific detracted after the medical device-maker lowered its growth outlook amid rising competition in pulsed field ablation (PFA), a fast-growing segment of the atrial fibrillation market. While the company remains a leader in left atrial appendage closure (LAAC) and has expanded its PFA presence, its FARAPULSE system lost more market share than expected. Investors were also disappointed that positive WATCHMAN clinical trial results may not translate into meaningful incremental growth. We believe these challenges are temporary and that the market reaction has been excessive, particularly given the stock's multi-year low valuation.

Manager outlook

While the conflict between the US and Iran and the re-emergence of investor enthusiasm for the AI theme dominated market sentiment in the first half of 2026, encouraging signs have emerged across the healthcare

landscape, which we believe may be creating an attractive opportunity for patient investors.

Following the departure of Dr. Marty Makary as head of the FDA, the healthcare industry is anticipating a more predictable and less volatile regulatory environment. While his departure, along with that of other senior officials, has created a leadership void, the agency remains functional and approvals have continued. We continue to monitor developments and await the appointment of permanent leadership, ideally industry veterans who can prioritise scientific rigor and help reduce regulatory inconsistency.

While managed care stocks began the year trading at discounted valuations, improved visibility into federal reimbursement rates has helped stabilise expectations for company earnings and margins. Meanwhile, medical technology stocks have come under pressure amid broad concerns about AI-related disruption and softer utilisation trends. We believe these risks may be overstated and are best assessed on a company-specific basis. With valuations now at levels not seen in more than a decade, the recent pullback has created what we view as a compelling opportunity for long-term investors.

Capital-raising activity has remained robust, and deal flow this year has included several multi-billion-dollar transactions (including several fund holdings), as cash-rich pharmaceutical companies continue to bolster their pipelines by acquiring emerging biotech firms. The biotech sector remains a critical source of innovation for pharmaceutical companies, particularly as they face looming patent cliffs.

Looking ahead, we remain optimistic about the sector, which has continued to trade at a price-to-earnings (P/E) ratio below its long-term average relative to the S&P 500 Index (at the time of writing). The rapid pace of data releases is expected to continue, with the potential for significant new opportunities across oncology, cardiovascular, and neurological diseases, as well as in specialised areas such as myotonic dystrophy and achondroplasia.

Performance (%)

Returns	Cumulative				Annualised			
	1 Month	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	Since inception (14/09/23)
I Acc (Net)	10.07	13.29	9.45	43.19	—	—	—	11.49
Index	6.67	6.20	3.54	20.41	—	—	—	5.12
Peer Group	8.20	10.37	5.49	27.93	—	—	—	6.18

12 month rolling

	Jun 2025-Jun 2026	Jun 2024-Jun 2025	Jun 2023-Jun 2024	Jun 2022-Jun 2023	Jun 2021-Jun 2022
I Acc (Net)	43.19	-16.33	—	—	—
Index	20.41	-12.48	—	—	—
Peer Group	27.93	-14.57	—	—	—

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Fund charges will impact the value of your investment. In particular, the ongoing charges applicable to each fund will dilute investment performance, particularly over time. For further explanation of charges please visit our Fund Charges page at www.janushenderson.com.

Note that any differences among portfolio securities currencies, share class currencies and costs to be paid or represented in currencies other than your home currency will expose you to currency risk. Costs and returns may increase or decrease as a result of currency and exchange rate fluctuations.

Investment objective

The Fund aims to provide capital growth over the long term (5 years or more). Performance target: To outperform the MSCI World Health Care Index by 2% per annum, before the deduction of charges, over any 5 year period.

For the fund's investment policy, refer to the Additional fund information on page 4.

Past performance does not predict future returns.

Fund details

Inception date	14 September 2023
Total net assets	84.88m
Asset class	Equities
Domicile	United Kingdom
Structure	OEIC
Base currency	GBP
Index	MSCI World Health Care Index
Peer group	IA Healthcare

For benchmark/usage description, refer to Additional fund information on page 4.

Additional fund information

Tax assumptions and reliefs depend upon an investor's particular circumstances and may be subject to change. Availability of share classes shown may be limited by law in certain jurisdictions. Performance records are detailed on the specific KIID, fees and charges may vary and further information can be found in the fund's prospectus and KIID which must be reviewed before investing. Please consult your local sales representative if you have any further queries. These are the views of the author at the time of publication and may differ from the views of other individuals/teams at Janus Henderson Investors. Any securities, funds, sectors or indices mentioned within this article do not constitute or form part of any offer or solicitation to buy or sell them. The information in this commentary does not qualify as an investment recommendation. Investment into the fund will acquire units/shares of the fund itself and not the underlying assets owned by the fund. Cash balances and exposures are based on settled and unsettled trades as at the reporting date.

The Fund is actively managed with reference to the MSCI World Health Care Index, as this forms the basis of the Fund's performance target. The Investment Association (IA) groups funds with similar geographic and/or investment remit into sectors. The fund's ranking within the sector (as calculated by a number of data providers) can be a useful performance comparison against other funds with similar aims.

Investment policy

The Fund invests at least 80% of its assets in a portfolio of shares (also known as equities) of companies that have a "Life Sciences" orientation. The Fund may invest in companies of any size, including smaller capitalization companies, in any country. The Fund may also invest in Collective Investment Schemes, money market instruments, and cash. The Investment Manager may use derivatives (complex financial instruments), with the aim of making investment gains in line with the Fund's objective, to reduce risk or to manage the Fund more efficiently. The Fund is actively managed with reference to the MSCI World Health Care Index, as this forms the basis of the Fund's performance target. The Investment Manager has discretion to choose investments for the Fund with weightings different to the index or not in the index. As an additional means of assessing the performance of the Fund, the IA Healthcare sector average, which is based on a peer group of broadly similar funds, may also provide a useful comparator.

Investment strategy

The Investment Manager seeks to identify innovative companies addressing high unmet medical needs across fields including biotechnology, pharmaceuticals, healthcare services and medical technology. The investment process makes use of proprietary statistical models to analyse the probability of a company's success, focusing on products they believe can overcome the rigours of clinical development. Additional tools, such as physician surveys and prescription models, attempt to more accurately predict commercial viability.

Fund specific risks

Shares can lose value rapidly, and typically involve higher risks than bonds or money market instruments. The value of your investment may fall as a result. Shares of small and mid-size companies can be more volatile than shares of larger companies, and at times it may be difficult to value or to sell shares at desired times and prices, increasing the risk of losses. High exposure to a particular country or geographical region carries a higher level of risk than a more broadly diversified portfolio. The Fund is focused towards particular industries or investment themes and may be heavily impacted by factors such as changes in government regulation, increased price competition, technological advancements and other adverse events. If the Fund holds assets in currencies other than the base currency of the Fund, or you invest in a share/unit class of a different currency to the Fund (unless hedged, i.e. seeks to mitigate exchange rate movements between the share/unit class currency and the base currency of the Fund), the value of your investment may be impacted by changes in exchange rates. Derivatives may be used to help achieve the investment objective. This can result in leverage (higher levels of debt), which can magnify an investment outcome. Gains or losses may therefore be greater than the cost of the derivative. Derivatives also introduce other risks, in particular, that a derivative counterparty may not meet its contractual obligations. Securities could become hard to value or to sell at a desired time and price, especially in extreme market conditions when asset prices may be falling, increasing the risk of investment losses. Losses could be incurred if a counterparty became unwilling or unable to meet its obligations, or as a result of failure or delay in operational processes or the failure of a third party provider.

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Source: Janus Henderson Investors, as at 30 June 2026, unless otherwise noted.

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