



# Global Health Care Profile

## OVERVIEW

TimesSquare Capital Management, LLC (TimesSquare) offers a Global Health Care strategy managed by a team of experienced professionals with a comprehensive strategy for identifying quality health care companies.

## STRATEGY

The TimesSquare Global Health Care Fund focuses on global opportunities primarily within the small and mid cap space. TimesSquare believes its specialized research skills, which place an emphasis on the assessment of management quality and an in-depth understanding of business models, enable it to build a portfolio of global health care stocks designed to capture inefficiencies across long and short positions. The portfolio is prudently diversified across sub-sectors.

## TEAM

**David Ferreiro**, Ph.D., Lead Portfolio Manager

17 Years Experience

*Past Experience:* GMT Capital, Oppenheimer, JMP Securities

*Education:* B.A. in Biology, Middlebury College; M.S., Ph.D., in Microbiology and Immunology, the Albert Einstein College of Medicine

**Bret D. Jones**, CFA, Co-Portfolio Manager

19 Years Experience

*Past Experience:* Allianz Global, Pura Vida Investments, Oppenheimer

*Education:* B.S. in Finance, Florida State University; M.B.A., Kelley School of Business, Indiana University

**Margot Waldron**, Research Associate

7 Years Experience

*Past Experience:* Ivy Investments

*Education:* B.S. in Business Administration, American University; M.B.A., Cornell SC Johnson College of Business, Cornell University

## ASSETS UNDER MANAGEMENT

As of 09/30/23, TimesSquare managed \$28.9 million in Global Health Care assets.

## TYPICAL PORTFOLIO GUIDELINES

Gross Exposure	100 - 150%
Net Exposure	10 - 40%
# of Positions	25 - 70
# of Long Positions	15 - 30
# of Short Positions	10 - 40

## PRIMARY ANALYSIS

### I. Long Criteria

- **Quality management**
  - Clear goals and viable business models
  - Experience and integrity
  - Track record of success
- **Distinct competitive advantage**
  - Proprietary advantages
  - High barriers to entry
  - Patents
- **Strong, consistent growth**
  - Focus on unmet medical needs and large market opportunities
  - Growth rate potential unidentified
  - Commitment to sustainable profitability and margin expansion

### II. Short Criteria

- **Deteriorating market positions**
  - Inexperienced or unproven management
  - Increasingly competitive landscape
  - Negative change in pricing or reimbursement dynamics
- **Binary events where risk is mispriced**
  - Crowded trades where risk/reward is skewed
  - Scientific evidence does not support the likelihood of positive clinical outcome
- **Custom baskets**
  - Used to implement short ideas thematically
  - Reduces single stock risk

## GLOBAL HEALTH CARE FUND As of 09/30/23

Portfolio Characteristics	
Gross Exposure (% of NAV)	91.8
Net Exposure (% of NAV)	11.3
Average Net Exposure S.I.	20.0
Long Exposure (% of NAV)	51.6
Short Exposure (% of NAV)	40.3
# of Positions	40
# of Long Positions	24
# of Short Positions	16

Net Exposure (% of NAV) by Subsector	
Subsectors	Net Exposure
Health Care Providers & Services	7.53
Biotechnology	2.22
Life Sciences Tools & Services	1.19
Pharmaceuticals	0.41
Health Care Technology	0.15
Health Care Equipment & Supplies	-0.15

Source: FactSet

## PERFORMANCE

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
<b>2020</b>													
Gross				0.20%	1.94%	3.21%	2.05%	0.06%	6.87%	0.18%	3.23%	6.23%	26.38%
Net				0.06%	1.45%	2.48%	1.55%	-0.05%	5.47%	0.04%	2.54%	5.03%	20.00%
<b>2021</b>													
Gross	-1.78%	4.72%	-2.36%	1.40%	-4.15%	2.11%	-3.26%	0.96%	3.70%	1.98%	-4.15%	1.71%	0.34%
Net	-1.91%	4.07%	-1.99%	1.11%	-4.12%	1.99%	-3.38%	0.83%	3.57%	1.66%	-4.09%	1.58%	-1.15%
<b>2022</b>													
Gross	-5.71%	2.33%	-0.45%	-1.90%	-1.19%	2.48%	-2.95%	4.11%	1.15%	2.78%	-1.35%	-1.04%	-2.13%
Net	-5.83%	2.21%	-0.58%	-2.03%	-1.31%	2.36%	-3.07%	3.99%	1.03%	2.66%	-1.47%	-1.16%	-3.59%
<b>2023</b>													
Gross	-0.07%	0.53%	0.79%	3.69%	0.05%	1.32%	2.68%	1.06%	-1.56%				8.72%
Net	-0.19%	0.40%	0.67%	3.56%	-0.08%	1.20%	2.08%	0.84%	-1.24%				7.40%

Inception Date: 4/01/2020

Past performance does not indicate future results.

## FUND STATISTICS

Inception to Date\* Ending September 30, 2023

	Global Health Care Fund	MSCI World Small Cap Health Care Index
Annualized Return	6.05%	0.94%
Standard Deviation	8.77%	21.15%
Sharpe Ratio	0.51	-0.03
Sortino Ratio	0.79	-0.04
Max Drawdown (2/2021 - 7/2022)	-11.10%	-30.99%
Correlation	0.40	1.00
Beta	0.17	1.00

\*Inception Date: 4/01/2020. Annualized for periods over 12 Months.

Fund statistics based on monthly returns sourced from eVestment.

Sharpe and Sortino ratios are calculated using FTSE 3 Month T-Bill Index (TR) as the risk-free return.

Beta and correlation statistics are calculated using the MSCI World Small Cap Health care Index.

**TERMS**

Management Fee:	1.50%	Early Exit Fee:	2%
Incentive Allocation:	20%	Withdrawal Frequency:	Quarterly
Soft Lock Up:	12 Months	Notice Period:	45 days
High Water Mark:	Yes	Founders Interests/Shares:	Available

*The terms set forth are subject to change. Any investment decision should only be based on the information set forth in the offering memorandum, and, in the case of any inconsistency between the description of terms herein and the offering memorandum, the offering memorandum shall control.*

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*An investment in the fund is speculative and involves a high degree of risk. Opportunities for withdrawal/redemption and transferability of interests are restricted, so investors may not have access to capital when it is needed. There is no secondary market for the interests and none is expected to develop. The portfolio, which is under the sole trading authority of the general partner/investment manager, is primarily concentrated in the health care industry and this lack of diversification may result in higher risk. A substantial portion of the trades executed may take place on non-U.S. exchanges. Leverage may be employed in the portfolio, which can make investment performance volatile. An investor should not make an investment, unless it is prepared to lose all or a substantial portion of its investment. The fees and expenses charged in connection with this investment may be higher than the fees and expenses of other investment alternatives and may offset profits.*

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