

Healthcare & Life Sciences Fund Commentary

March 31, 2022

AT A GLANCE

Manager: Dr. Finny Kuruvillea

Joy Ghosh, PhD, ceased his role as a portfolio manager for Eventide Healthcare & Life Sciences Fund effective June 14, 2022.

Fund Objective: Seeks to provide long-term capital appreciation.

About the Fund: A diversified mutual fund seeking long-term capital appreciation in the healthcare and life sciences sectors (≥80%). Concentrates investments in the drug-related industries (≥25%). May invest in illiquid securities (≤15%).

Benchmarks: S&P 500 Total Return Index, S&P Biotechnology Select Industry Index

Morningstar Category: US Fund Health

Lipper Category: Health/Biotech

Net Assets: \$1.58 billion

Inception Date: December 27, 2012

Healthcare and life sciences companies include those companies that derive or are expected to derive 50% or more of their revenue from healthcare and life science products and services including, but not limited to, biotechnology, pharmaceuticals, diagnostics, life science tools, medical devices, healthcare information technology, healthcare services, synthetic biology, agricultural and environmental management, and pharmaceutical manufacturing products and services. These companies include smaller development-stage companies.

Eventide Asset Management, LLC

One International Place, Suite 4210
Boston, MA 02110
877-771-EVEN (3836)

WWW.EVENTIDEFUNDS.COM

Class I: ETIHX | Class A: ETAHX | Class C: ETCHX | Class N: ETNHX

Review

The Eventide Healthcare and Life Sciences Fund (Class I)¹ posted a total return of -23.22% for the first quarter of 2022, compared with the S&P 500 Total Return Index of -4.60% and the S&P Biotechnology Select Industry Index total return of -19.55%. The Fund (Class I) posted a total return of -30.71% for the 12 months ending 3/31/2022 compared to the S&P 500 Total Return Index of 15.65% and the S&P Biotechnology Select Industry Index of -33.54%.

Contributors

In the first quarter of 2022, the largest positive contributors to performance were: Kura Oncology Inc, DICE Therapeutics, Neurocrine Biosciences Inc, Collegium Pharmaceutical Inc, and Pharvaris NV. Kura Oncology saw positive sentiment after the FDA removed the clinical hold on the company's trial in cancer. Dice Therapeutics had a successful Initial Public Offering (IPO) with good aftermarket performance. Neurocrine Biosciences raised guidance for 2022 sales on their flagship product, Ingrezza. Collegium Pharmaceutical made an accretive acquisition. Pharvaris is a tightly held company and executed the quarter well.

Top Five Contributors² (%)

Q1 2022

Company	Ticker	Industry	Average Weight	Contribution to Return	Total Return ³
Kura Oncology Inc	KURA	Biotechnology	1.62	0.29	14.86
DICE Therapeutics	DICE	Pharmaceuticals	0.71	0.14	12.53
Neurocrine Biosciences Inc	NBIX	Biotechnology	1.25	0.13	10.07
Collegium Pharmaceutical Inc	COLL	Pharmaceuticals	1.53	0.11	8.99
Pharvaris NV	PHVS	Pharmaceuticals	0.31	0.04	26.03

Detractors

In the first quarter of 2022, the largest negative detractors to performance were: Praxis Precision Medicines Inc, Essa Pharma Inc, Nurix Therapeutics Inc, Annexon Inc, and Zymeworks Inc. A competitor company had lackluster clinical trial results, which has implications for Praxis' upcoming clinical trial readout. Essa Pharma delayed reading out their clinical trial results to mid 2022 from year end 2021. Nurix Therapeutics delayed reading out their clinical trial results to year-end 2022 from mid 2022. Annexon's Huntington disease data was sub-par and stock suffered. Zymeworks has a new CEO who implemented organizational restructuring.

Top Five Detractors² (%)

Q1 2022

Company	Ticker	Industry	Average Weight	Contribution to Return	Total Return ³
Praxis Precision Medicines Inc	PRAX	Biotechnology	2.11	-1.23	-48.17
Essa Pharma Inc	EPIX	Biotechnology	1.84	-1.23	-56.48
Nurix Therapeutics Inc	NRIX	Biotechnology	2.09	-1.46	-51.61
Annexon Inc	ANNX	Biotechnology	1.35	-1.53	-76.24
Zymeworks Inc	ZYME	Biotechnology	2.55	-2.19	-60.04

Macro Commentary and Outlook

Healthcare and biotech had another difficult quarter. While healthcare is comparatively insulated from the Russian invasion of Ukraine and inflation, small- and mid-cap biotech, diagnostics, and medtech have been treated as a "risk on" industries and thus experienced a substantial amount of selling. In addition, mergers & acquisitions continues to be anemic and we have not had powerful data catalysts year to date. On the positive front, an FDA commissioner, Rob Califf, was finally approved who is industry friendly. More importantly, valuations are also extremely attractive now with many companies trading at historic lows, sometimes below cash. Once the fear dissipates, we believe that many companies within healthcare have the potential for substantial upside.

Performance is historical and does not guarantee future results.

Trailing Returns ⁴ (%)		31 Mar 2022							
	YTD	3-mos	1-year	3-year ⁵	5-year ⁵	10-year	Since Inception ⁶	Inception Date ⁶	
<i>Eventide Healthcare & Life Sciences Fund</i>									
Class I	-23.22	-23.22	-30.71	1.15	12.43	—	16.55	12/27/2012	
Class A without load	-23.26	-23.26	-30.88	0.90	12.13	—	16.25	12/27/2012	
Class A with 5.75% load ⁶	-27.68	-27.68	-34.86	-1.07	10.81	—	15.51	12/27/2012	
Class C ⁷	-23.42	-23.42	-31.42	0.13	11.29	—	15.39	12/27/2012	
Class N	-23.26	-23.26	-30.85	0.94	12.19	—	16.33	12/27/2012	
<i>Benchmarks</i>									
S&P 500 Total Return Index ⁸	-4.60	-4.60	15.65	18.92	15.99	—	15.60	12/27/2012	
S&P Biotechnology Select Industry Index ⁸	-19.55	-19.55	-33.54	-0.06	5.52	—	13.12	12/27/2012	

Performance is historical and does not guarantee future results. Investment return and principal value will fluctuate with changing market conditions so that when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the data quoted. Investors cannot directly invest in an index, and unmanaged index returns do not reflect any fees, expenses, or sales charges. The volatility of an index may be materially different than that of the Fund, and investors should not expect the Fund to achieve the same results as a listed index. Performance data current to the most recent month-end may be obtained by calling 1-877-771-EVEN (3836).

Eventide Healthcare & Life Sciences Fund total annual fund operating expenses: Class I: 1.29%; Class A: 1.54%; Class C: 2.29%; Class N: 1.49%.

- Prior to Q4 2020, Class N shares were displayed.
- Source: Bloomberg PORT Attribution Report. Allocation percentages are subject to change at any time, and should not be considered investment advice.
- The total return percentage listed is impacted by the Fund's transactions and transacted price levels of the holding during the quarter.
- The returns shown do not reflect the deduction of taxes that a shareholder would pay on fund distributions or on the redemption of fund shares. Because of ongoing market volatility, fund performance may be subject to substantial short-term changes.
- Performance figures for periods greater than 1 year are annualized. Annualized since inception figures use an inception date of 12/27/2012.
- In the case of investments at or above the \$1 million breakpoint (where you do not pay an initial sales charge), a 1.00% contingent deferred sales charge ("CDSC") may be assessed on shares redeemed within eighteen months of purchase. The CDSC for these Class A shares is based on the NAV at the time of purchase. The holding period for the CDSC begins on the day you buy your shares. Some intermediaries may waive or discount the CDSC under certain circumstances.
- A 1.00% contingent deferred sales charge ("CDSC") may be assessed on C-shares redeemed within twelve months of purchase.
- The S&P 500 is an index created by Standard & Poor's of American stocks with the largest market capitalization. The S&P Biotechnology Select Industry Index represents the biotechnology sub-industry portion of the S&P Total Markets Index.

The opinions expressed herein are those of the Fund's portfolio management team as of 3/31/2021 and are subject to change. There is no guarantee that such views are correct or that the outlook opinions will come to pass. Specific companies mentioned are for performance attribution informational purposes only and should not be construed as buy or sell advice. Reliance upon the views expressed herein is at the sole discretion of the reader.

Mutual funds involve risk including the possible loss of principal. Past performance does not guarantee future results. The Fund's ethical values screening criteria could cause it to under-perform similar funds that do not have such screening criteria. The Fund can invest in smaller-sized companies which may experience higher failure rates than larger companies and normally have a

lower trading volume than larger companies. The Fund can have risk associated with the biotechnology and pharmaceutical industry in which these companies may be heavily dependent on clinical trials with uncertain outcomes and decisions made by the U.S. Food and Drug Administration. The Fund can have risk related to option investing. There are special risks associated with investments in foreign companies including exposure to currency fluctuations, less efficient trading markets, political instability and differing auditing and legal standards. The Fund can invest in private companies. Private investments include various risks including but not limited to lack of liquidity, capital commitment risk, and valuation risk. Private companies may not be financially profitable and have uncertain futures, subjecting them to additional risks.

Investors should consider a fund's investment objectives, risks, charges and expenses carefully before investing or sending money. This and other important information can be found in the prospectus, which can be obtained at <https://www.eventidefunds.com/prospectus> or by calling 1-877-771-EVEN (3836). Please read the prospectus carefully before investing. Eventide Mutual Funds are distributed by Northern Lights Distributors, LLC, Member FINRA/SIPC, which is not affiliated with Eventide Asset Management, LLC.