

# Polar Capital: Interim Results

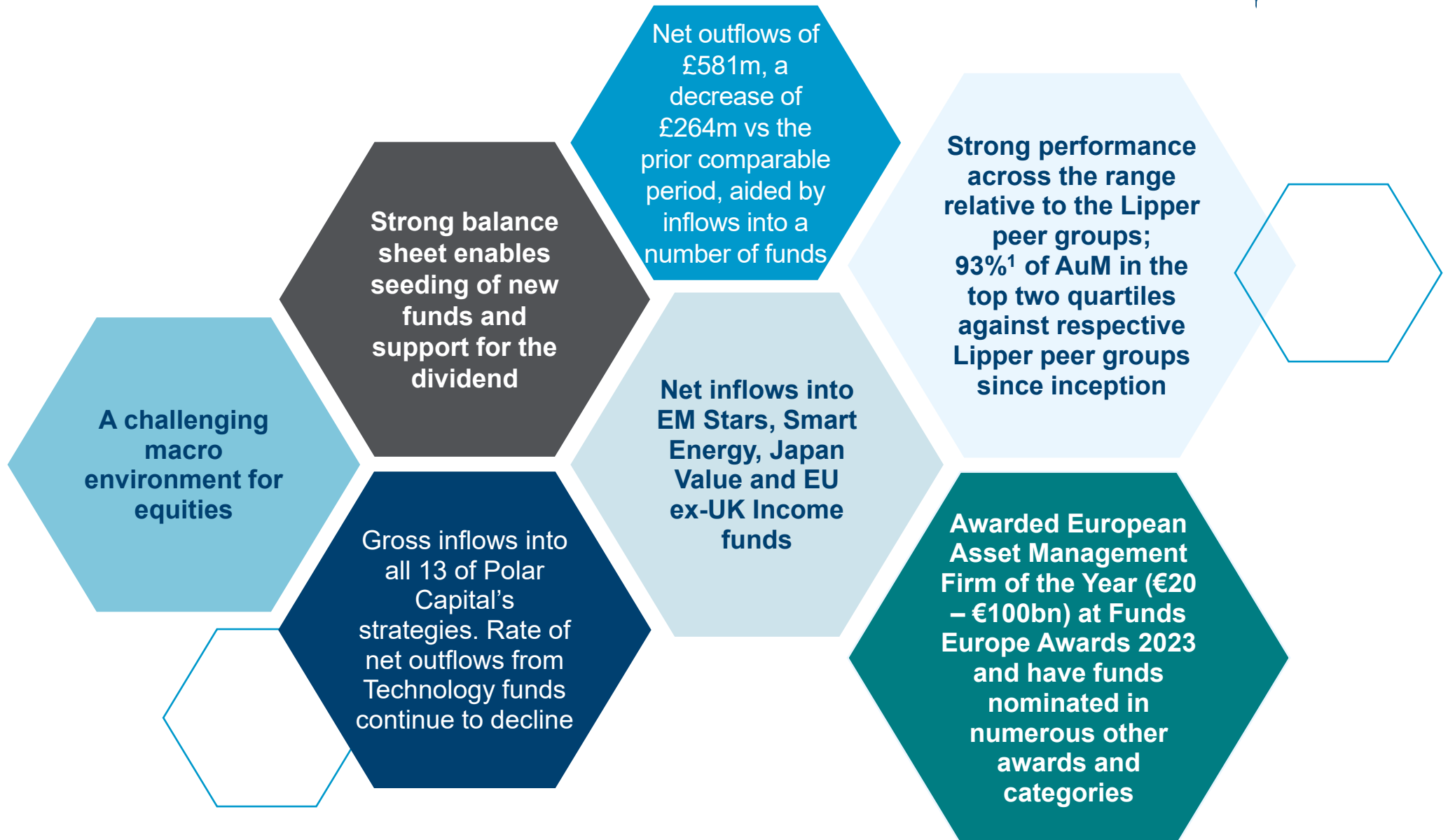
September 2023



[polarcapitalfunds.com](http://polarcapitalfunds.com)

Gavin Rochussen, Chief Executive Officer  
Samir Ayub, Group Finance Director

# Overview And Highlights



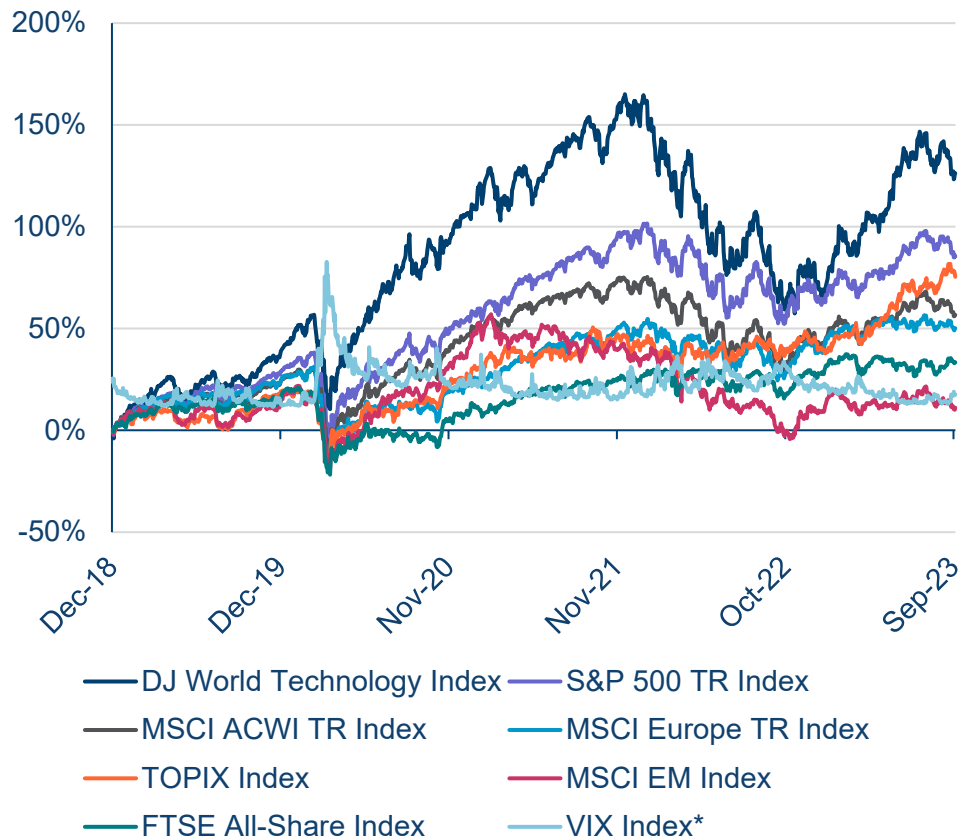
Past performance is not indicative or a guarantee of future results. Source: Polar Capital, as at 30 September 2023. 1. Lipper, data as at 30 September 2023.



## Market Perspective

# Market Perspective

## Global indices vs volatility

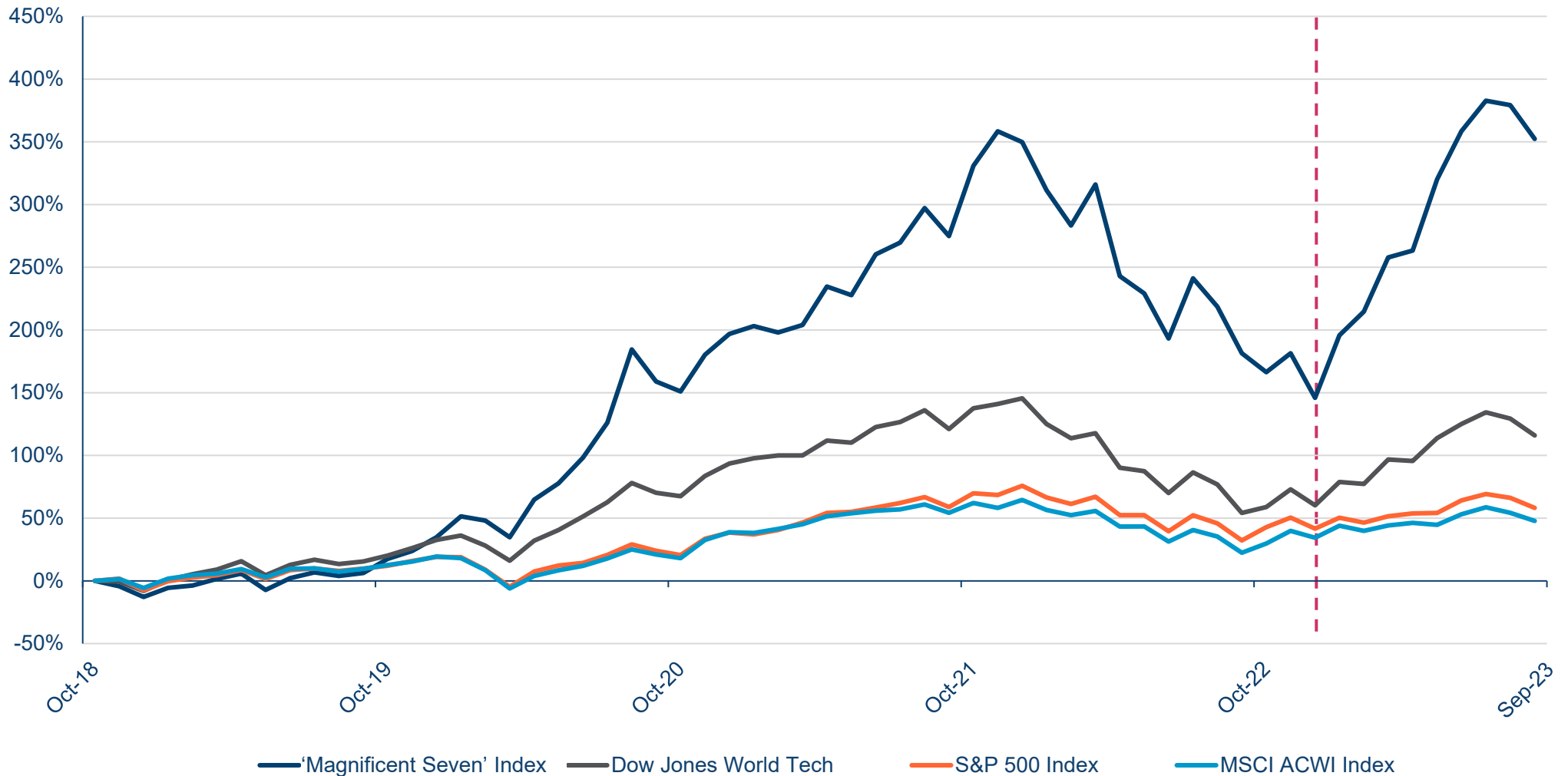


**Past performance is not indicative or a guarantee of future results.**

**Source:** Polar Capital and Bloomberg, 30 September 2023. Index currency is denominated in local currency terms. Some information contained herein has been obtained from third party sources and has not been independently verified by Polar Capital. Neither Polar Capital nor any other party involved makes any express or implied warranties or representations. \*The Vix Index is a financial benchmark designed to be an up to the minute market estimate of the expected volatility of the S&P 500 Index, and is calculated by using midpoint of real time S&P 500 Index (SPX) option bid/ask quotes. All opinions and estimates constitute the best judgment of Polar Capital as of the date hereof, but are subject to change without notice, and do not necessarily represent the views of Polar Capital.

- The rate of inflation has reduced
- US inflation peaked at 9% and is currently below 4%
- This follows the steepest policy rate rises for 40 years
- Investor sentiment on equity markets remains close to record lows
- Technology stocks, driven by a narrow set of mega caps, have lifted the S&P 500 and MSCI ACWI indices over the period
- The 'Magnificent Seven' - Apple, Microsoft, Meta, Tesla, Alphabet, Nvidia and Amazon - have a combined weighting of 28% in the S&P 500
- Japan's TOPIX has been the best performing developed equity market
- Equity volatility has remained below recent peaks

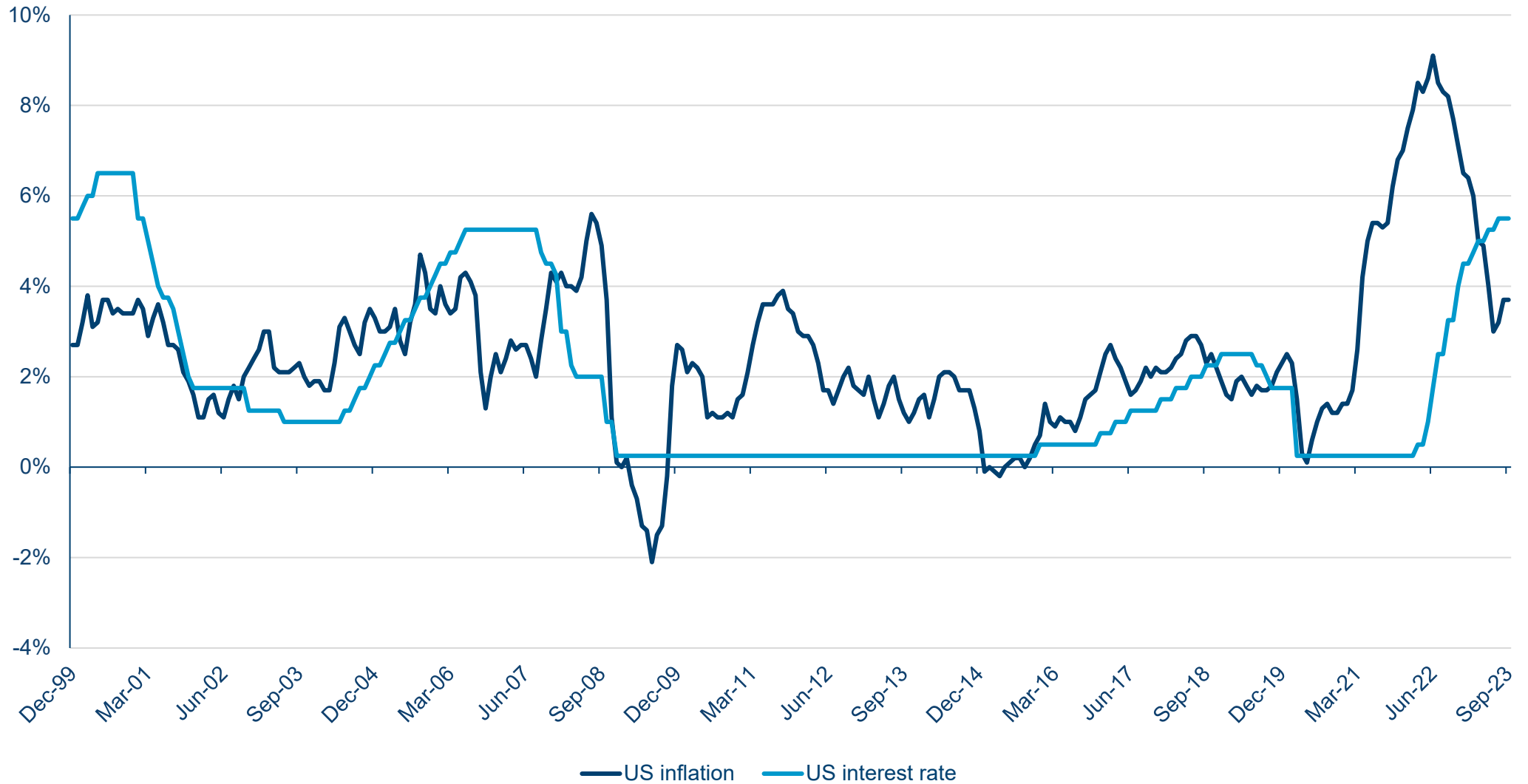
## 'Magnificent Seven' vs indices: YTD performance driven by a small number of stocks



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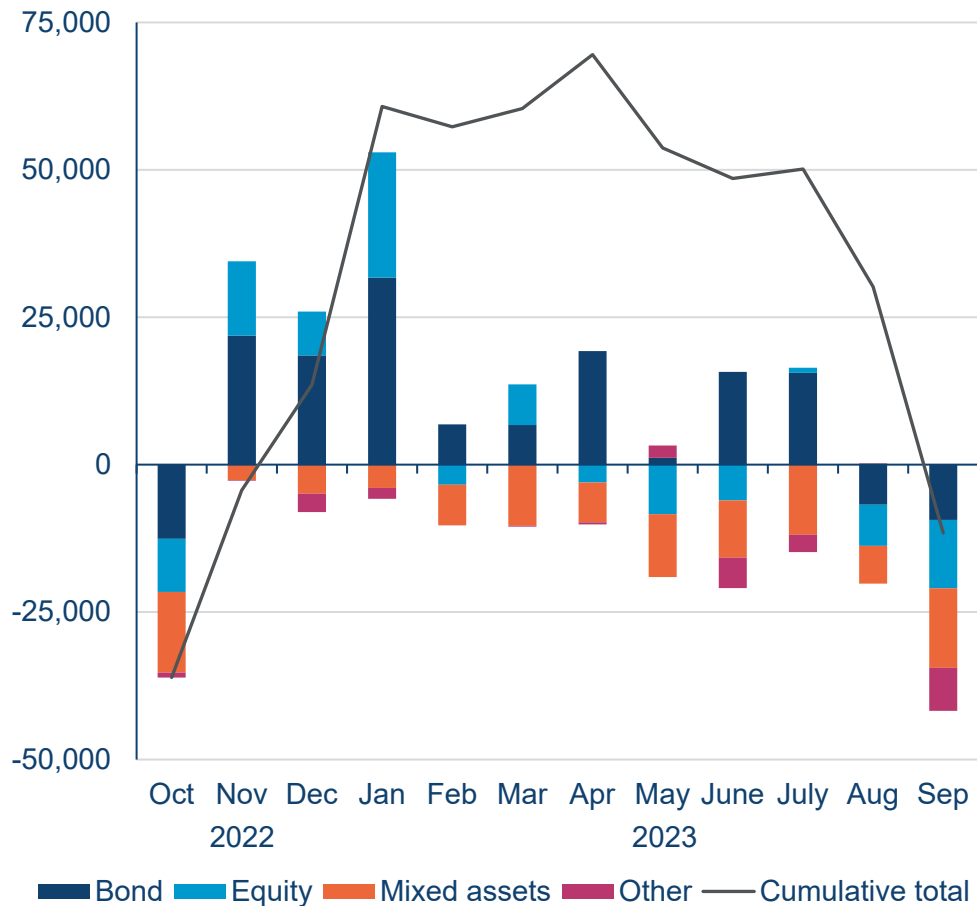
## Steepest policy rate rise in 40 years curbs inflation



Source: Polar Capital and Bloomberg, 30 September 2023. Some information contained herein has been obtained from third party sources and has not been independently verified by Polar Capital. Neither Polar Capital nor any other party involved makes any express or implied warranties or representations.

# Market Perspective

## Net sales of funds across Europe (€m)



- After an extraordinary and very forgettable 2022 for both the European and US fund industries, 2023 has proved almost as difficult so far, characterised by general risk aversion
- The golden age of doing nothing has arrived for investors – for the first time in 20+ years investors are being paid to not have a view, favouring fixed income, and cash for optionality
- As a result, fixed income and money market funds have proved attractive to investors whereas equities have seen outflows
- In Europe, September was the worst month this year, with outflows from both bond and equity funds

**Source:** Broadridge Fund File and Fund Radar, 30 September 2023. Data excludes funds of funds, money market funds and ETFs (unless stated). All opinions and estimates constitute the best judgment of Polar Capital as of the date hereof, but are subject to change without notice, and do not necessarily represent the views of Polar Capital. Some information contained herein has been obtained from third party sources and has not been independently verified by Polar Capital. Neither Polar Capital nor any other party involved makes any express or implied warranties or representations.

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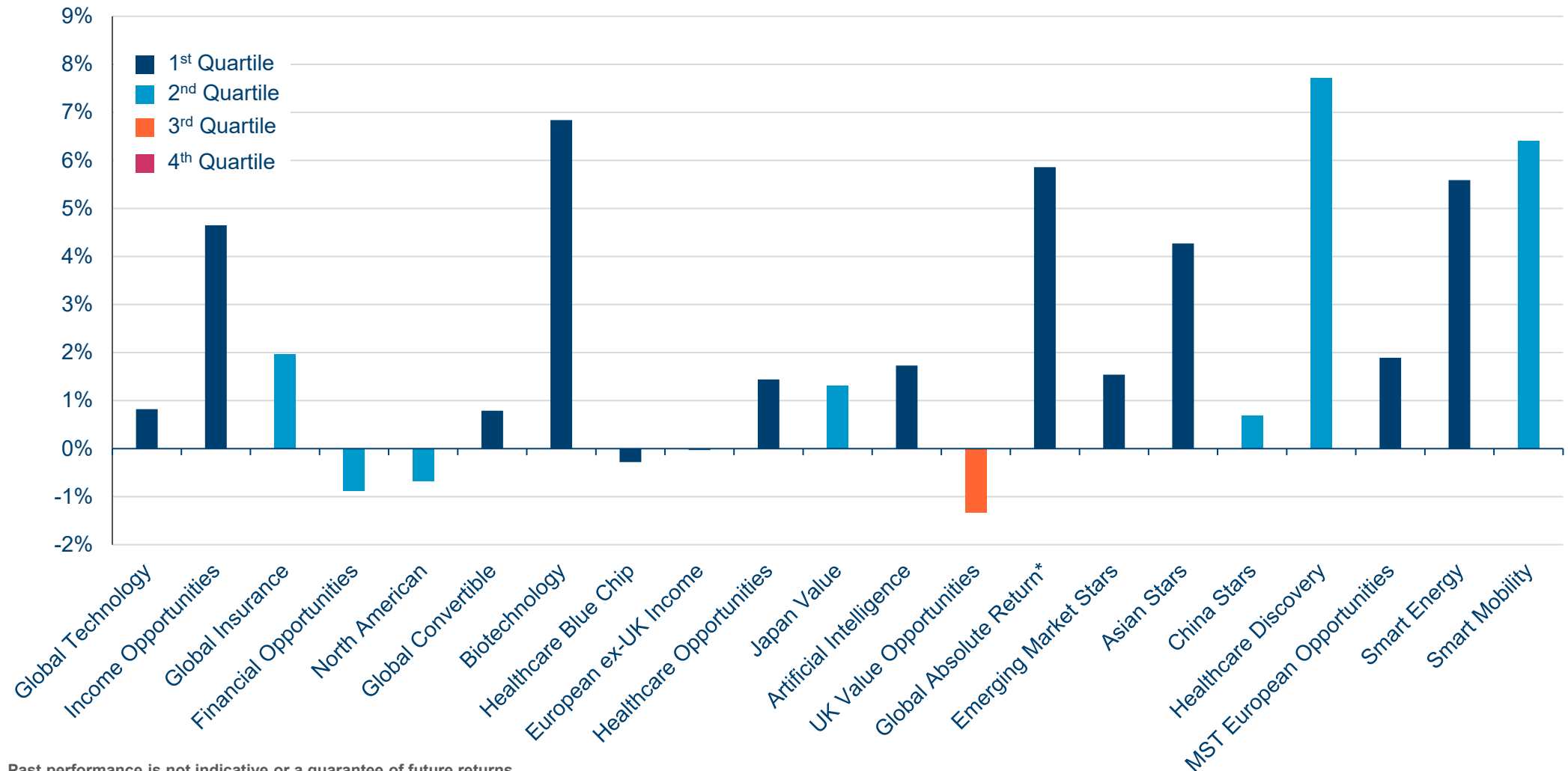
## Fund Performance And Capacity



# UCITS Performance



## Relative annualised fund performance against benchmark (since inception)



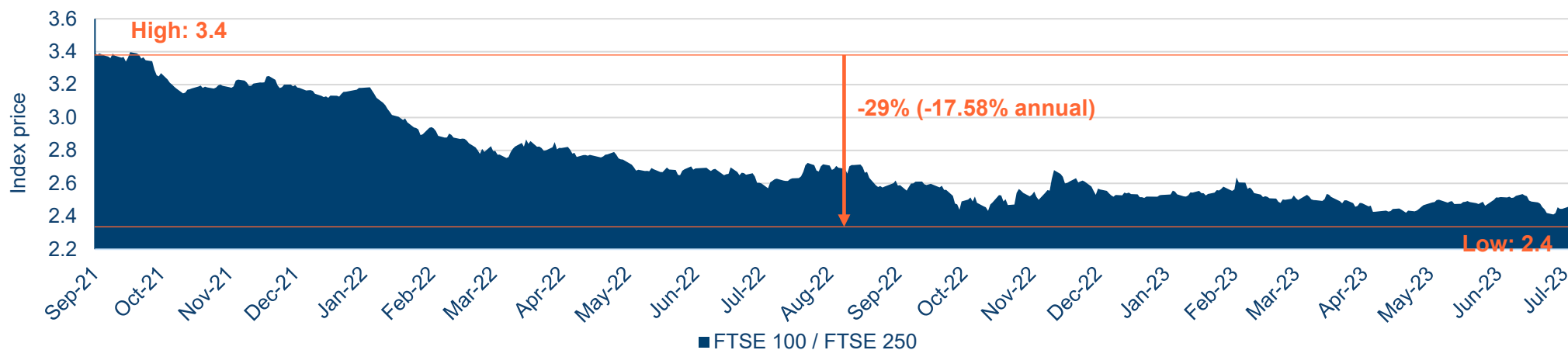
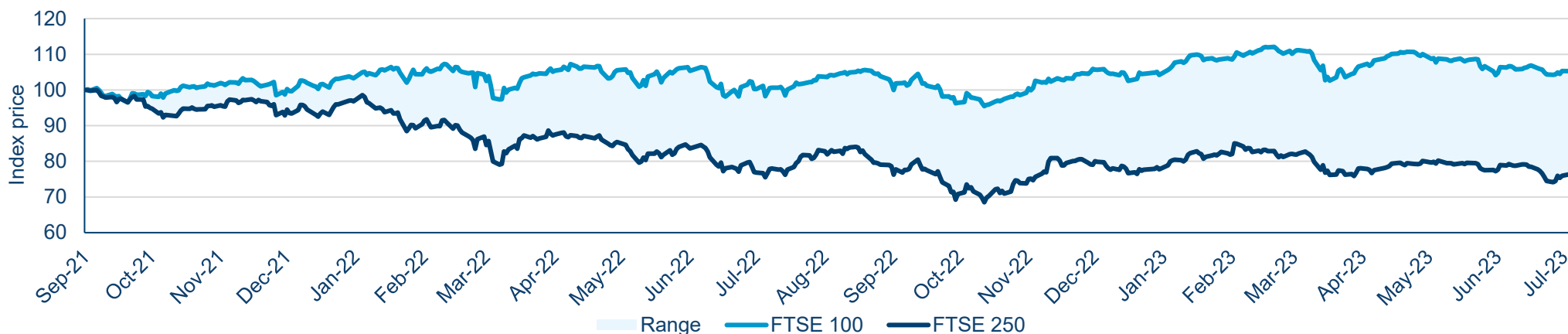
**Past performance is not indicative or a guarantee of future returns.**

Source: Polar Capital, 30 September 2023, Lipper quartile rankings, 30 September 2023. UCITS performance illustrative of Polar Capital Funds plc Irish UCITS and Melchior Selected Trust European Opportunities Luxembourg SICAV fund. Geometric performance shown for all periods greater than 1yr. \*The Global Absolute Return Fund does not have a benchmark, therefore figures shown reflect absolute performance. Funds ordered according to Polar Capital launch date. All data is based on the Fund's base currency. Some information contained herein has been obtained from third party sources and has not been independently verified by Polar Capital. Neither Polar Capital nor any other party involved makes any express or implied warranties or representations.

# UK Value Opportunities Performance Impacted By Cap Bias



## FTSE 250 vs FTSE 100 relative performance



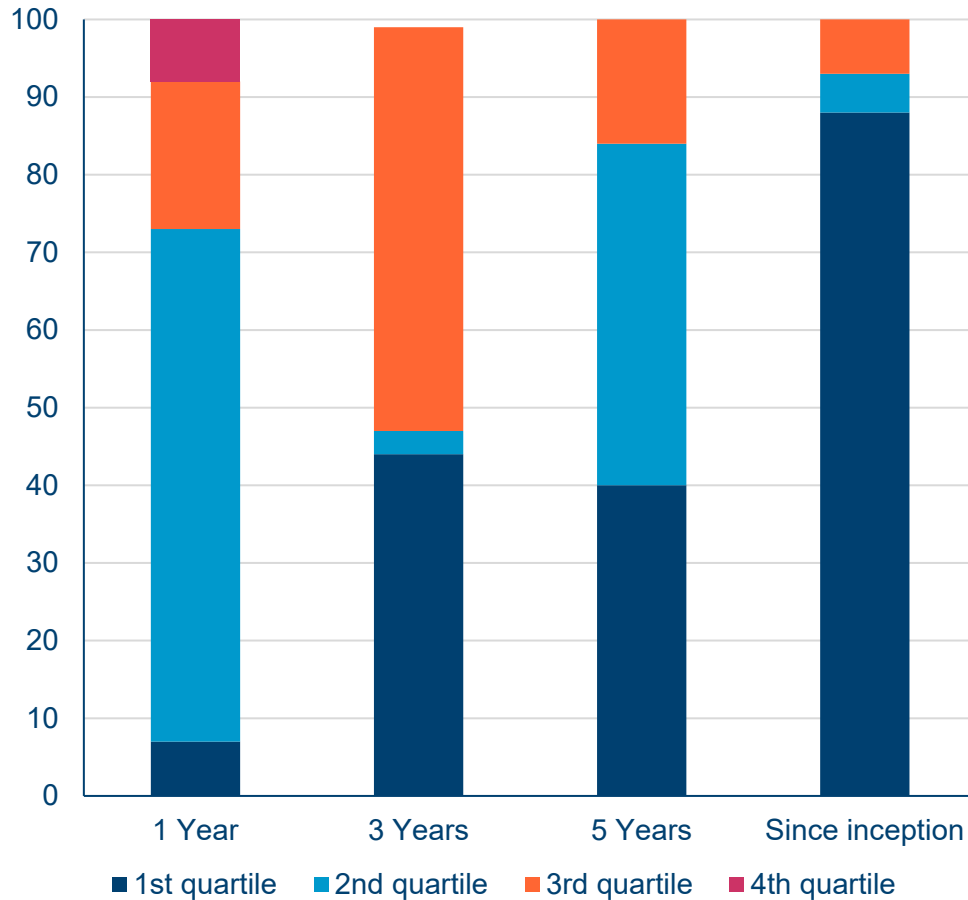
## c30% underperformance of FTSE 250 relative to the FTSE 100 since September 2021

**Past performance is not indicative or a guarantee of future returns.**

**Source:** Polar Capital and Bloomberg, 6 July 2023. All opinions and estimates constitute the best judgement of Polar Capital as of the date hereof, but are subject to change without notice and do not necessarily represent the views of Polar Capital. It should not be assumed that recommendations made in the future will be profitable or will equal the performance of securities in this document. A list of all recommendations made within the immediately preceding 12 months is available upon request. Some information contained herein has been obtained from third party sources and has not been independently verified by Polar Capital. Neither Polar Capital nor any other party involved makes any express or implied warranties or representations.

# Performance

## % of UCITS funds AuM by quartile ranking



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Source: Lipper, 30 September 2023. Totals may not sum due to rounding. All opinions and estimates constitute the best judgment of Polar Capital as of the date hereof, but are subject to change without notice, and do not necessarily represent the views of Polar Capital. Some information contained herein has been obtained from third party sources and has not been independently verified by Polar Capital. Neither Polar Capital nor any other party involved makes any express or implied warranties or representations.

## Strong UCITS fund performance against Lipper peer groups

% of UCITS AuM in the top two quartiles:

**73%** Over one year

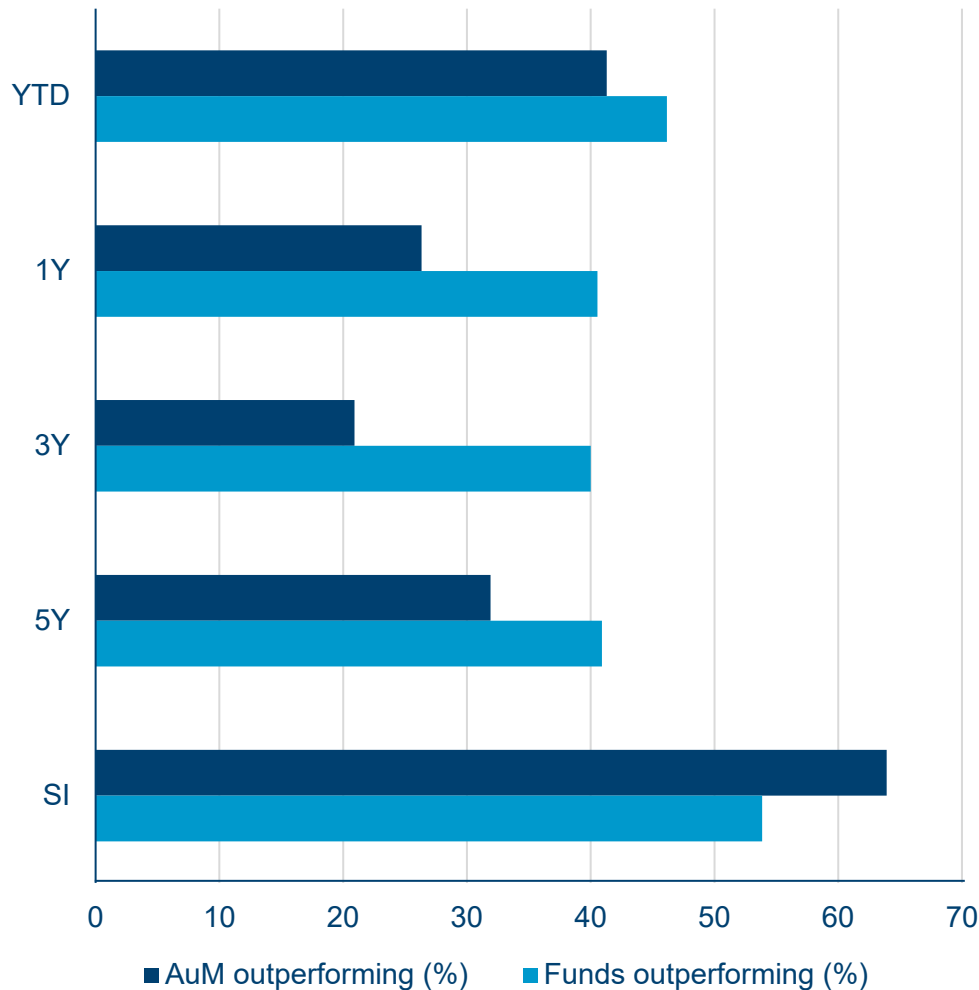
**48%** Over three years

**84%** Over five years

**93%** Since inception

# Performance Against Benchmarks

## % of UCITS AuM and funds that have outperformed benchmark to 30 September 2023



- Strong performance in many Polar Capital strategies, and particularly Technology, during 2020, has created a high starting point for 3-year performance numbers
- This is why the percentage of AuM and funds outperforming over 3 years is lower than over 5 years and since inception
- 40%+ of Polar Capital funds outperforming their benchmark YTD and over 3 years

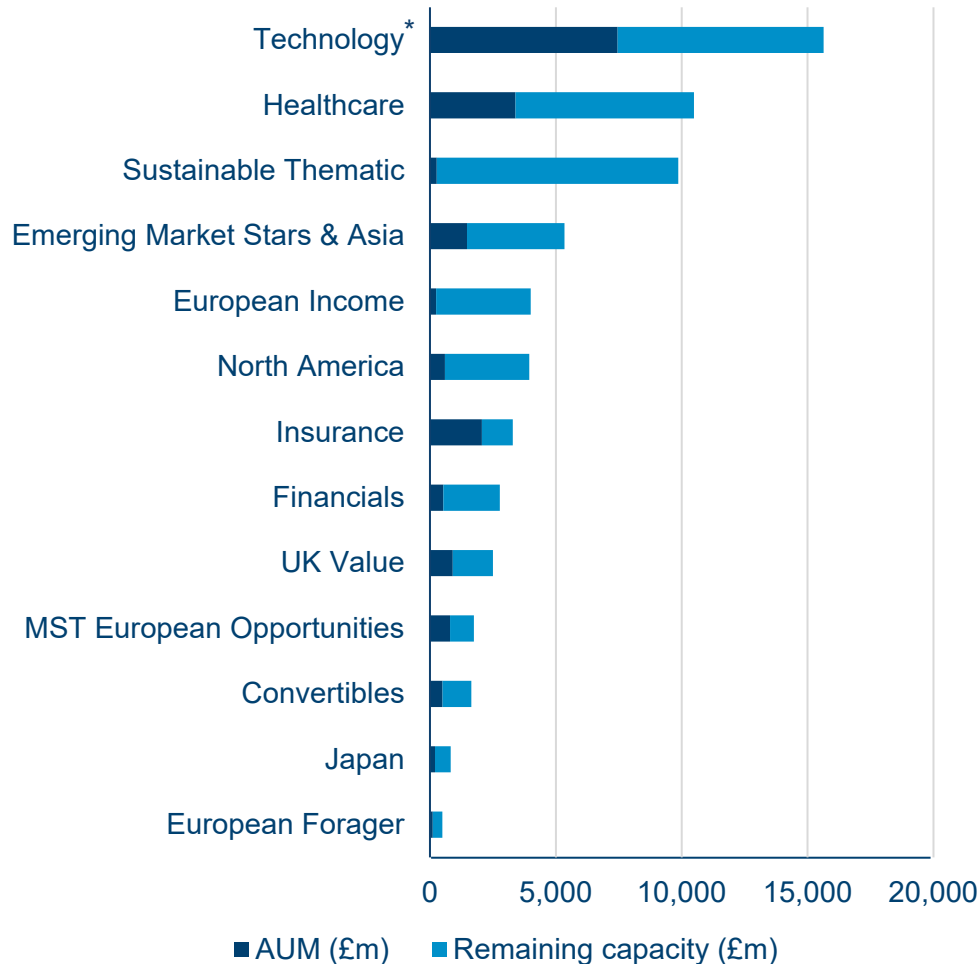
**Past performance is not indicative or a guarantee of future results.**

Source: Polar Capital, 30 September 2023. Totals may not sum due to rounding. All data is in sterling.

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# Capacity

## Capacity as at 30 September 2023



- Capacity is managed to enhance and maintain fund performance
- Total capacity at 30 September was £63bn
- Remaining capacity across all strategies is £44bn
- In excess of £17bn of remaining capacity in strategies that had positive net inflows in the last six months. Sustainable Thematic (Smart Energy and Mobility), Emerging Markets & Asia, European (ex-UK) Income and Japan
- The majority of remaining capacity in Technology is the Artificial Intelligence Fund

**Past performance is not indicative or a guarantee of future results.**

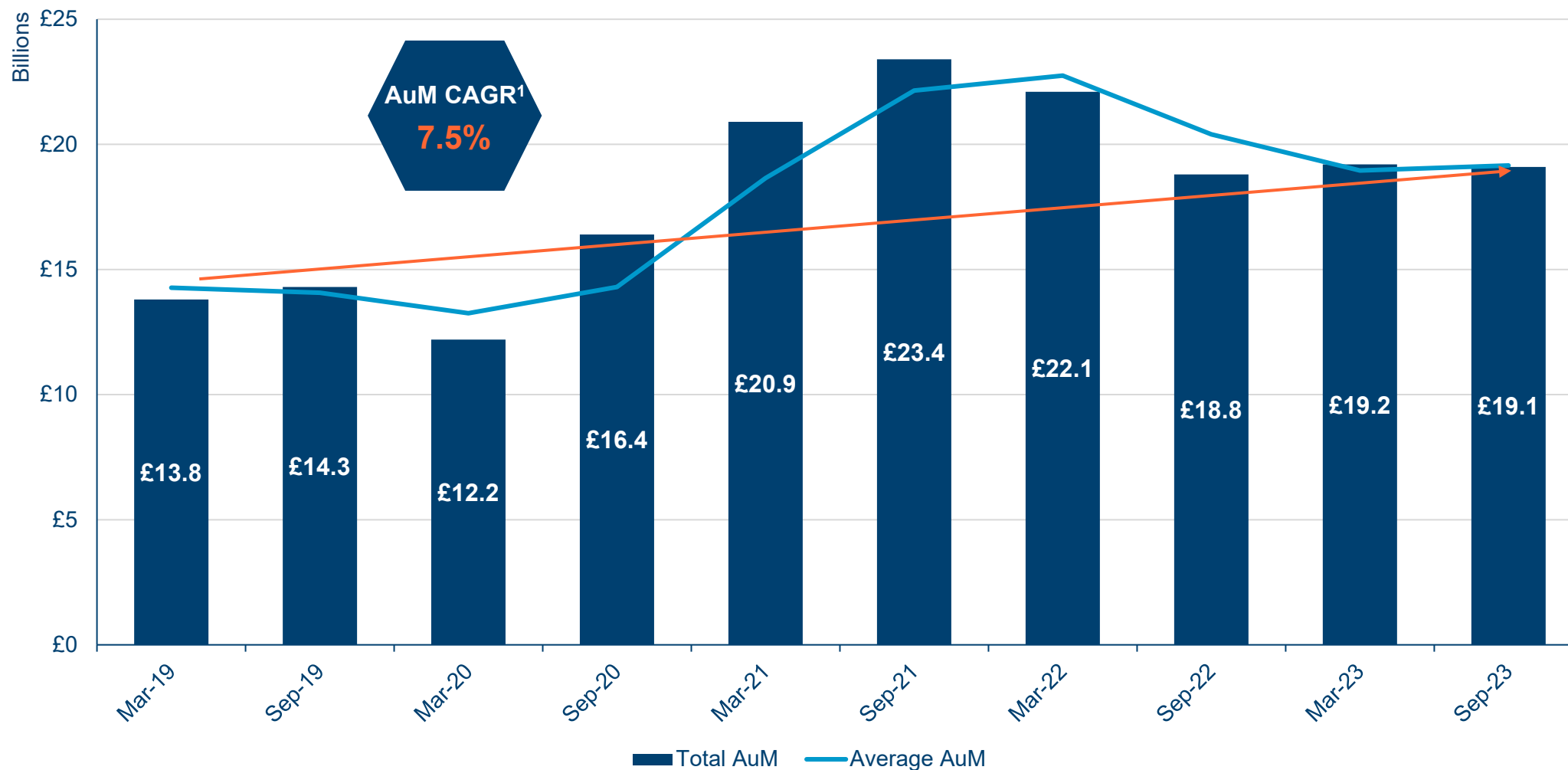
Source: Polar Capital, 30 September 2023. Totals may not sum due to rounding. \*Including Artificial Intelligence Strategy.

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## AuM And Fund Flows

30 September 2023

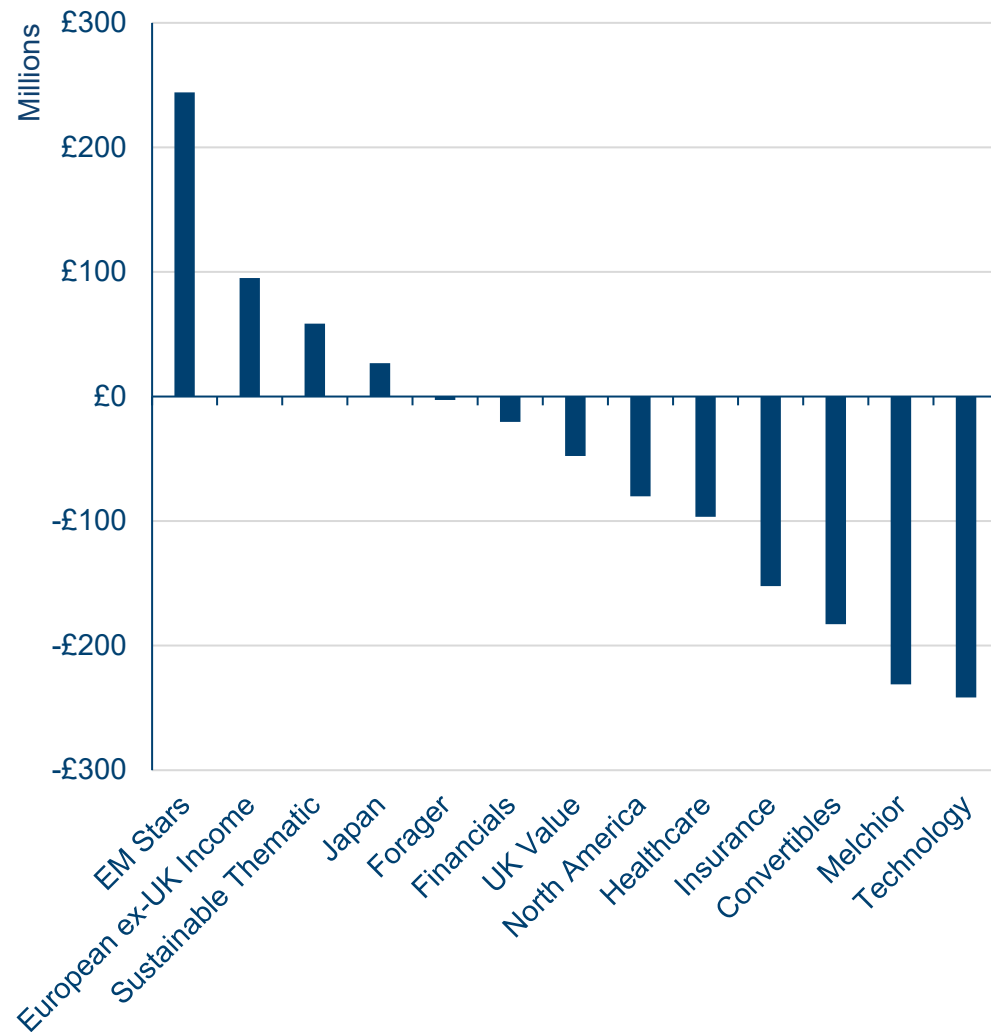


Past performance is not indicative or a guarantee of future results.

Source: Polar Capital, 30 September 2023. All figures quoted in Pounds Sterling. Totals may not sum due to rounding. 1. CAGR: March 2019 – September 2023

# Net Flows By Strategy

## Six months to 30 September 2023



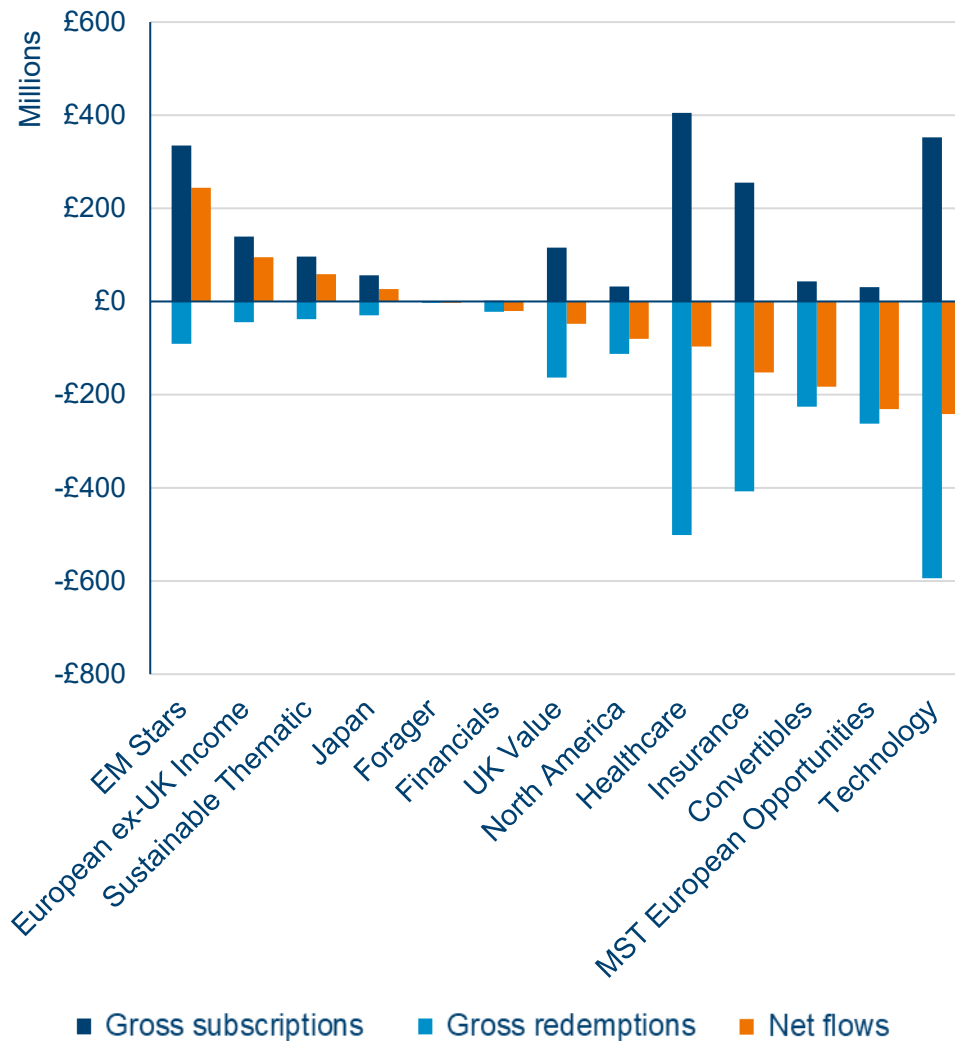
Source: Polar Capital, 30 September 2023. Totals may not sum due to rounding.

- Net outflows in the six months of £581m excluding fund closures (prior comparable period: £845m net outflows)
- Net inflows into Emerging Market Stars, European ex-UK Income, Sustainable Thematic (Smart Energy) and Japan funds
- The rate of net outflows from the Global Technology Fund continued to slow
- The MST European Opportunities Fund was negatively impacted by investor asset allocation moves away from UK and European equities, compounded by the underperformance of small and mid-cap companies relative to large-cap companies
- The Convertible Bond Fund also suffered outflows, as income-driven investors were able to earn higher yields on risk-free gilts and money market funds following the steep policy interest rate rises globally
- The Global Insurance Fund experienced redemptions by a few investors who decided to take profits following 2022's significant outperformance
- Healthcare suffered net redemptions, driven by general risk aversion and lack of appetite for small and mid-cap companies. There were, however, net inflows into the Healthcare Blue Chip Fund, which has a bias to large-cap companies



# Gross and Net Subscriptions per Strategy

Six months to 30 September 2023



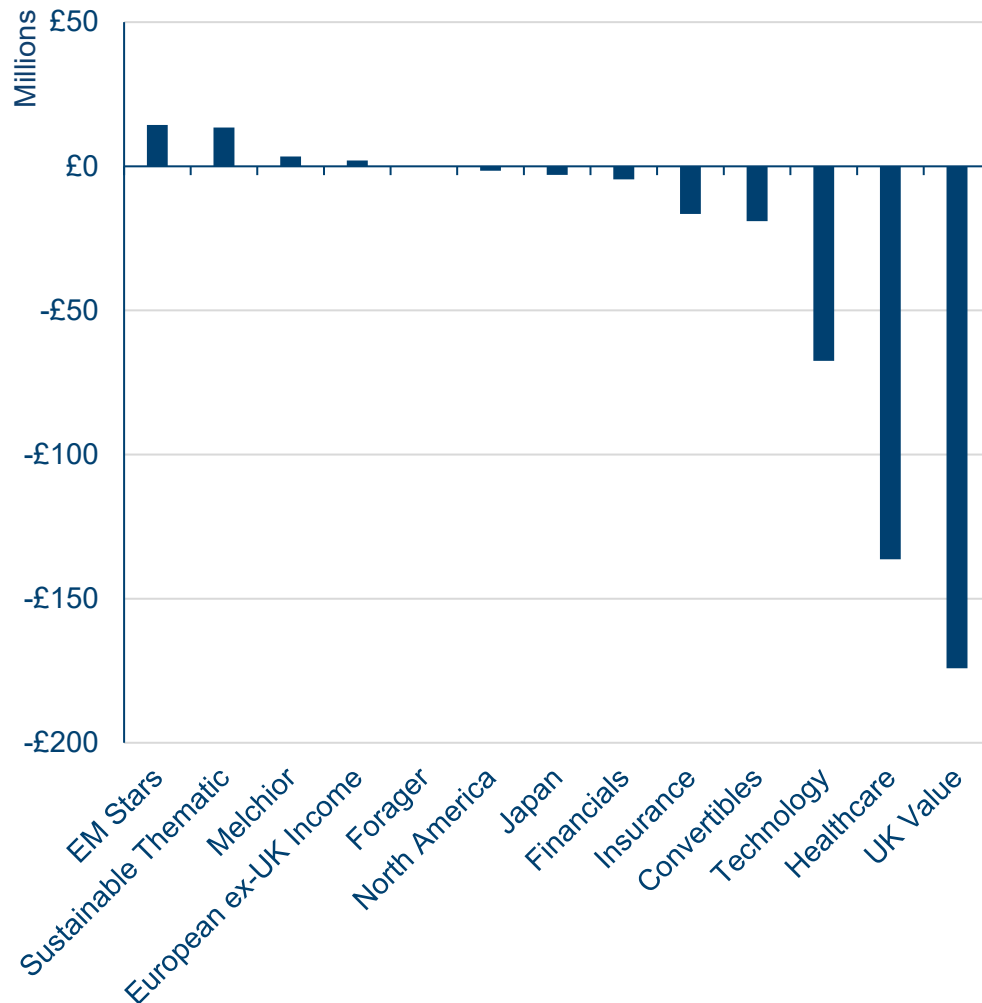
- Gross inflows into all 13 of Polar Capital’s strategies in the period
- Gross subscriptions of £1.9bn into funds in the period
- Healthcare, Technology, Insurance, EM Stars each had gross subscriptions in excess of £200m in the six months

Source: Polar Capital, 30 September 2023.

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# October Fund Flows

## Negatively impacted by two sizeable redemptions



Source: Polar Capital, 31 October 2023.

- Net outflows in October amounted to £390m
- Redemptions from Biotechnology and UK Value Opportunities funds, by two clients, accounted for 72% of the total outflow
  - Biotech is soft-closed and has an active wait-list of investors interested in allocating, subject to market conditions and completion of due diligence
  - UK Value Opportunities remains well supported by a broad base of UK wealth managers
- Despite widespread risk aversion and a sell-off in equity markets, four funds experienced net inflows during the month
- Notwithstanding October net outflows AuM at 10 November was £18.9bn

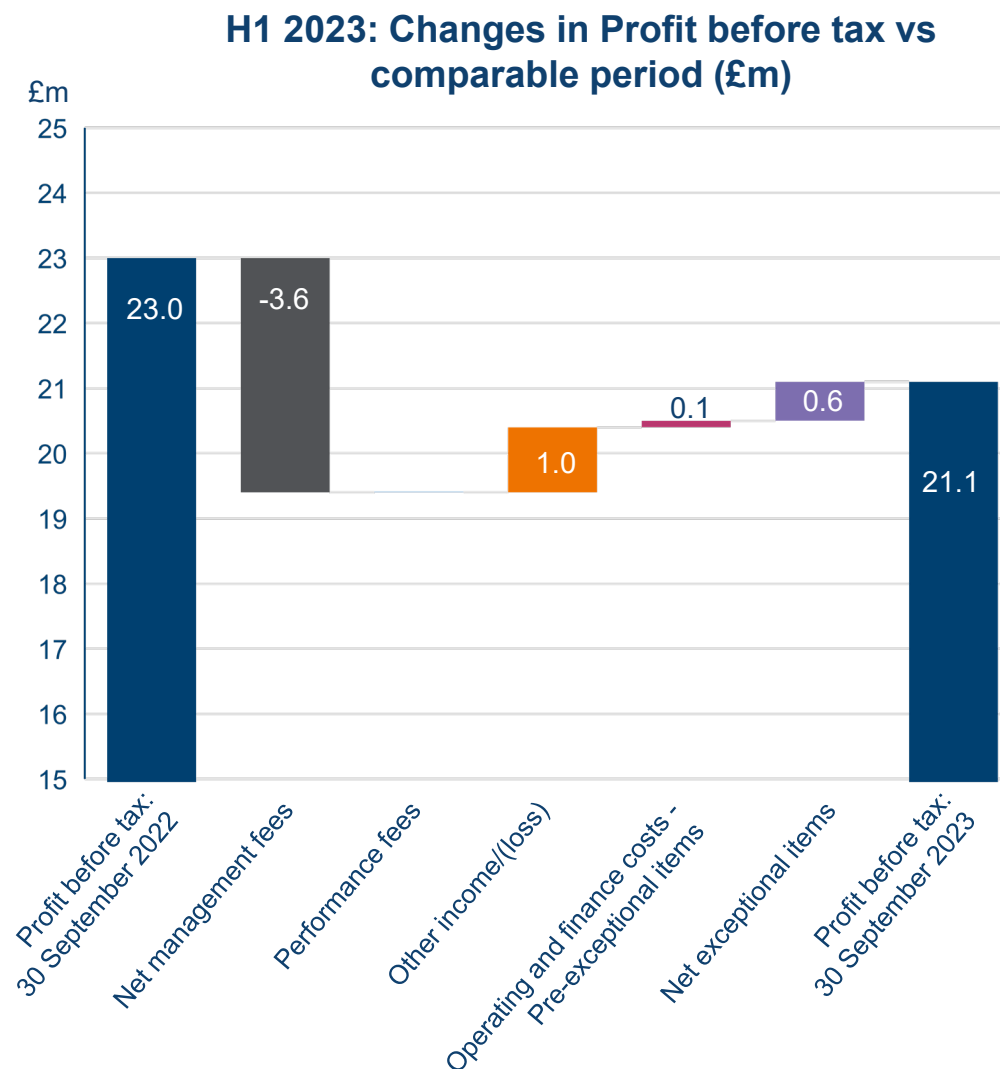


## Financial Review

# Financial Highlights



	6 months to 30 Sep-23	6 months to 30 Sep-22	Change
<b>AuM and Revenue</b>			
Average AUM (£bn)	£19.4bn	£20.0bn	-3%
Net management fees (£m)	£76.4m	£80.0m	-4%
Net management fee yield	79 bp	80 bp	-1bp
<b>Profitability and other income (£m)</b>			
Core operating profit <sup>1</sup>	£22.5m	£25.8m	-13%
Core operating profit margin	29%	32%	-3 ppt
Performance fee profit <sup>1</sup>	-	-	
Other income/(loss) <sup>1</sup>	(£0.5m)	(£1.5m)	
<b>Earnings per share and dividend (pence)</b>			
Adjusted diluted total EPS <sup>2</sup>	17.2p	19.0p	-9%
Dividend per share	14.0p	14.0p	



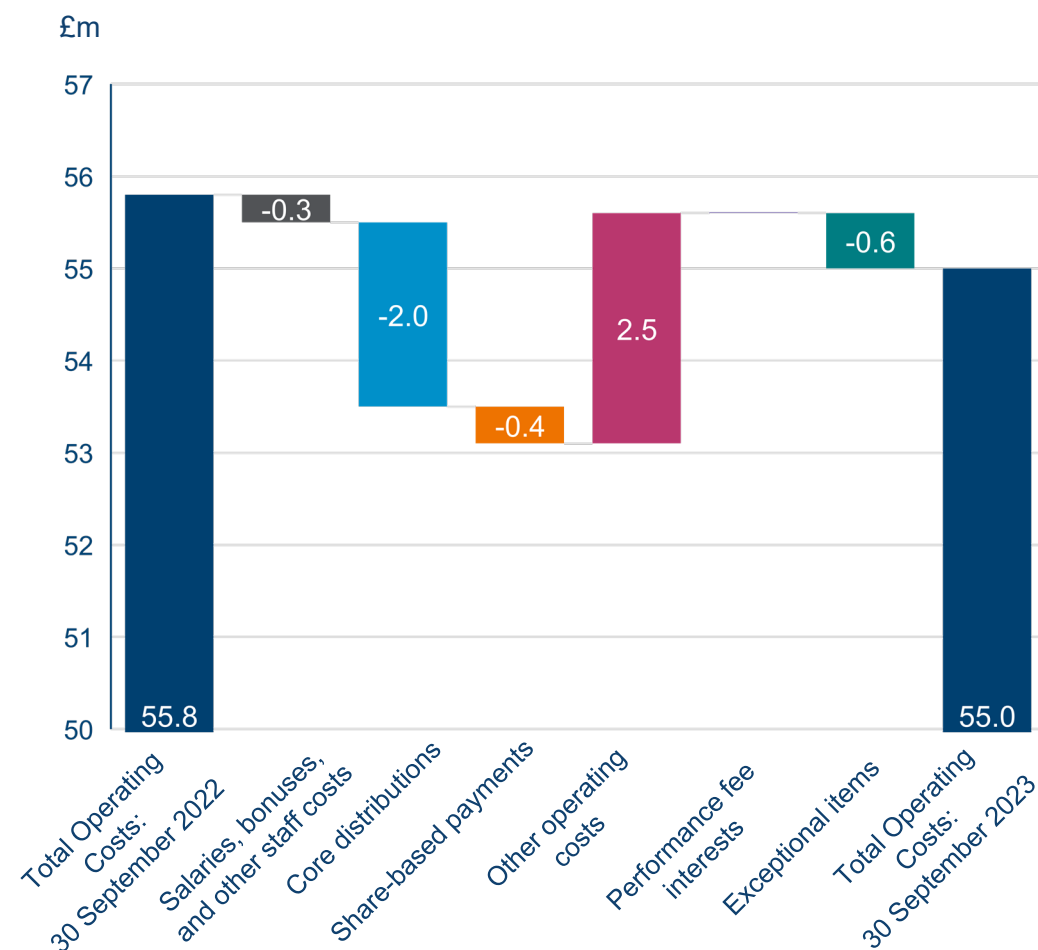
Source: Polar Capital as at 30 September 2023. 1. Refer to page 42 for reconciliation to reported results. 2. Adjusted for IFRS costs of preference shares included in share-based payments, deferred remuneration costs and exceptional items.

# Operating Costs

## Managing cost base without step changes

	6 months to 30 Sep-23 £m	6 months to 30 Sep-22 £m
Salaries, bonuses and other staff costs <sup>1</sup>	17.3	17.6
Core distributions <sup>1</sup>	20.9	22.9
Share-based payments <sup>2</sup>	1.5	1.9
Performance fee interests	-	-
Staff compensation costs	39.7	42.4
Other operating costs	14.7	12.2
Exceptional items	0.6	1.2
<b>Total operating costs</b>	<b>55.0</b>	<b>55.8</b>

H1 2023: Changes in Total Operating Costs vs comparable period (£m)



Source: Polar Capital as at 30 September 2023.

1. Including share awards under deferment plan of £0.4m (2022: £0.8m)

2. Share-based payments on preference shares, Group share awards and LTIPs

## Other Operating Costs

	6 months to Sep-23 £m	6 months to Sep-22 £m
<b>Other operating costs</b>		
IT	3.5	3.3
Rent and rates	2.2	1.5
Professional fees	1.2	1.0
Research and corporate access	2.1	1.9
Travel and entertainment	1.4	1.2
Other	4.3	3.3
<b>Other operating costs</b>	<b>14.7</b>	<b>12.2</b>

	6 months to Sep-23 £m	6 months to Sep-22 £m
<b>Exceptional items</b>		
<b>Recorded in operating costs</b>		
Termination and reorganisation costs	-	£0.6 m
Amortisation of intangibles	£0.6 m	£0.6 m
<b>Net exceptional items recorded in the consolidated financial statements</b>	<b>£0.6 m</b>	<b>£1.2 m</b>

Source: Polar Capital as at 30 September 2023.

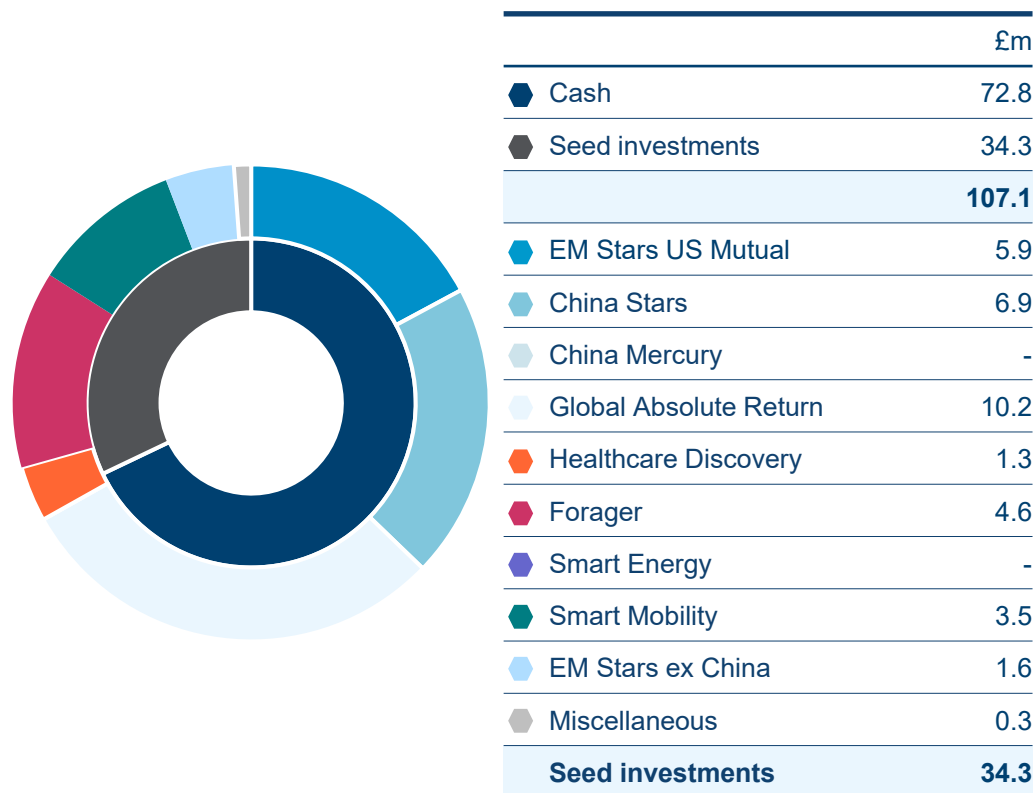
- Additional office space taken up at 16 Palace Street and existing lease extended to 2028. This provides the business good medium-term clarity on occupancy
- Targeted spend on marketing and client interactions to defend assets but also position the business for eventual change in investor sentiment
- Amortisation of Dalton IMAs acquired in 2021 under exceptional items

# Cash And Seed Investments

## Strong balance sheet

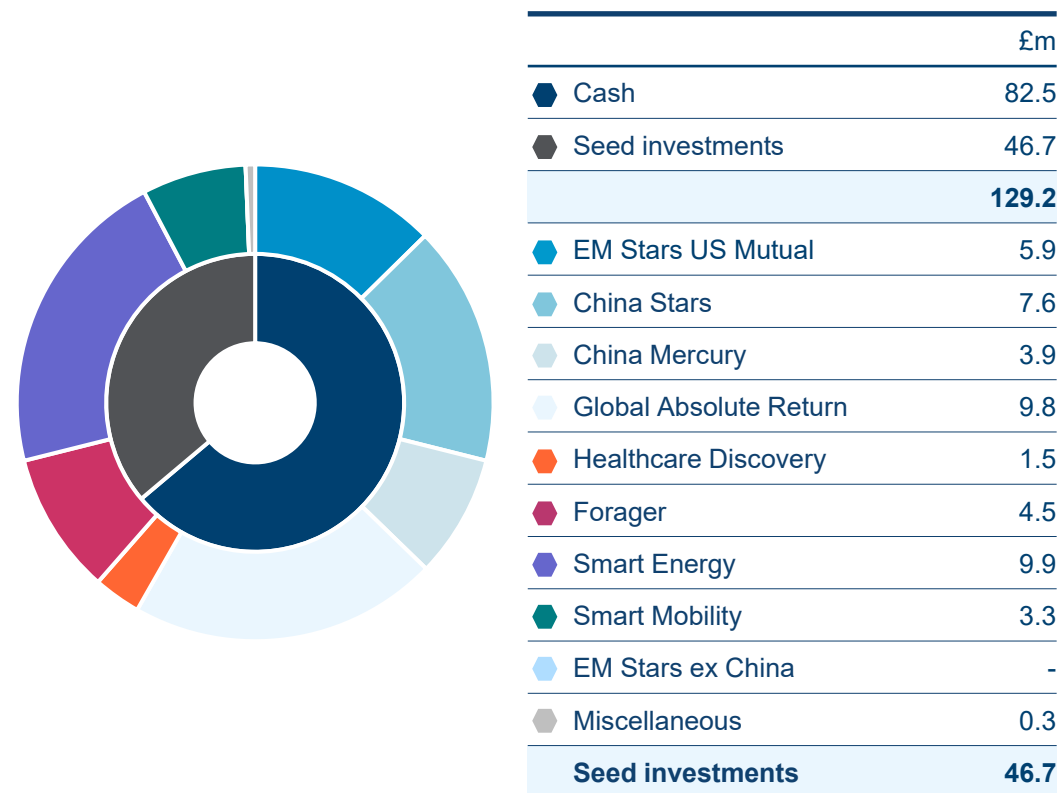
### 30 Sep 2023

Total cash and seed investments of £107.1m



### 30 Sep 2022

Total cash and seed investments of £129.2m



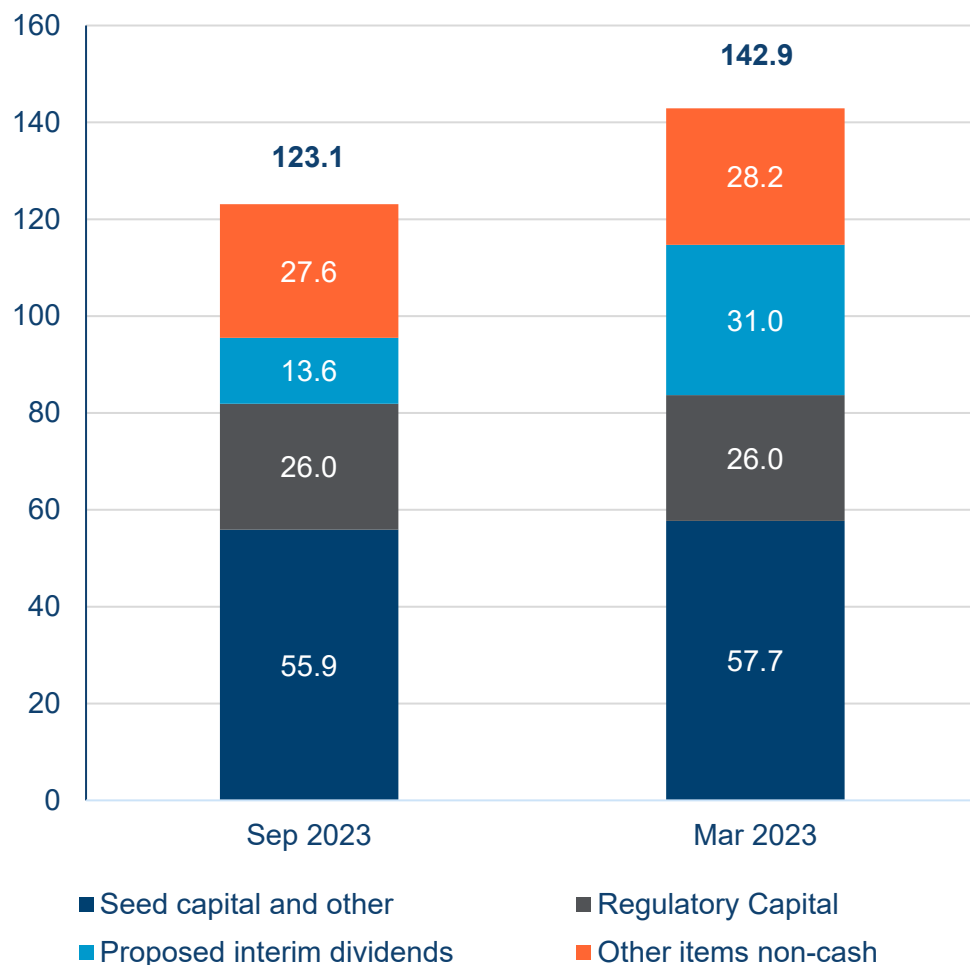
- Strategic seeding programme supporting eight funds (2022: eight funds)
- Smart Energy seeding redeemed
- EM Stars ex-China strategy seeded in UCITS and US Mutual Fund forms

Source: Polar Capital as at 30 September 2023.

# Group Capital

## Strong balance sheet

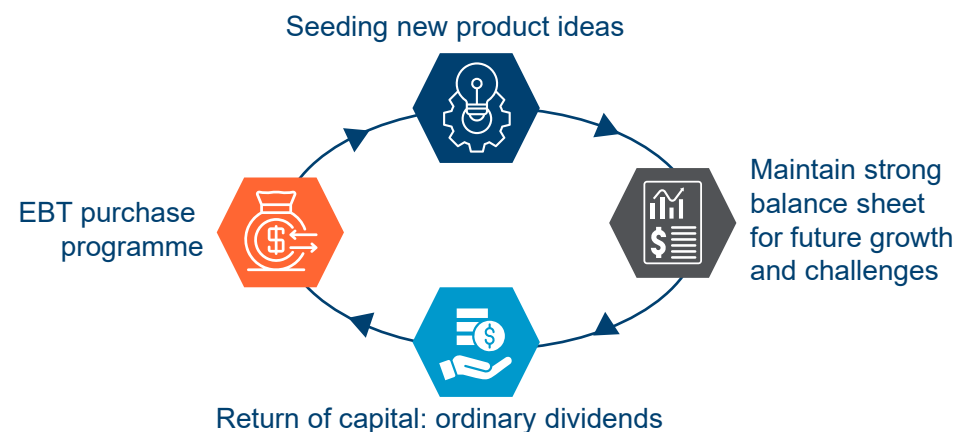
### Capital allocation (£m)



### Regulatory Capital

	30 Sep-23 £m	31 Mar-23 £m
<b>Shareholders funds</b>	<b>123.1</b>	<b>142.9</b>
Less: Regulatory deductions <sup>1</sup>	-27.6	-28.2
<b>Capital after regulatory deductions</b>	<b>95.5</b>	<b>114.7</b>
Less: dividend provision	-13.6	-31.0
	<b>81.9</b>	<b>83.7</b>
Regulatory capital	-26.0	-26.0
<b>Surplus capital</b>	<b>55.9</b>	<b>57.7</b>

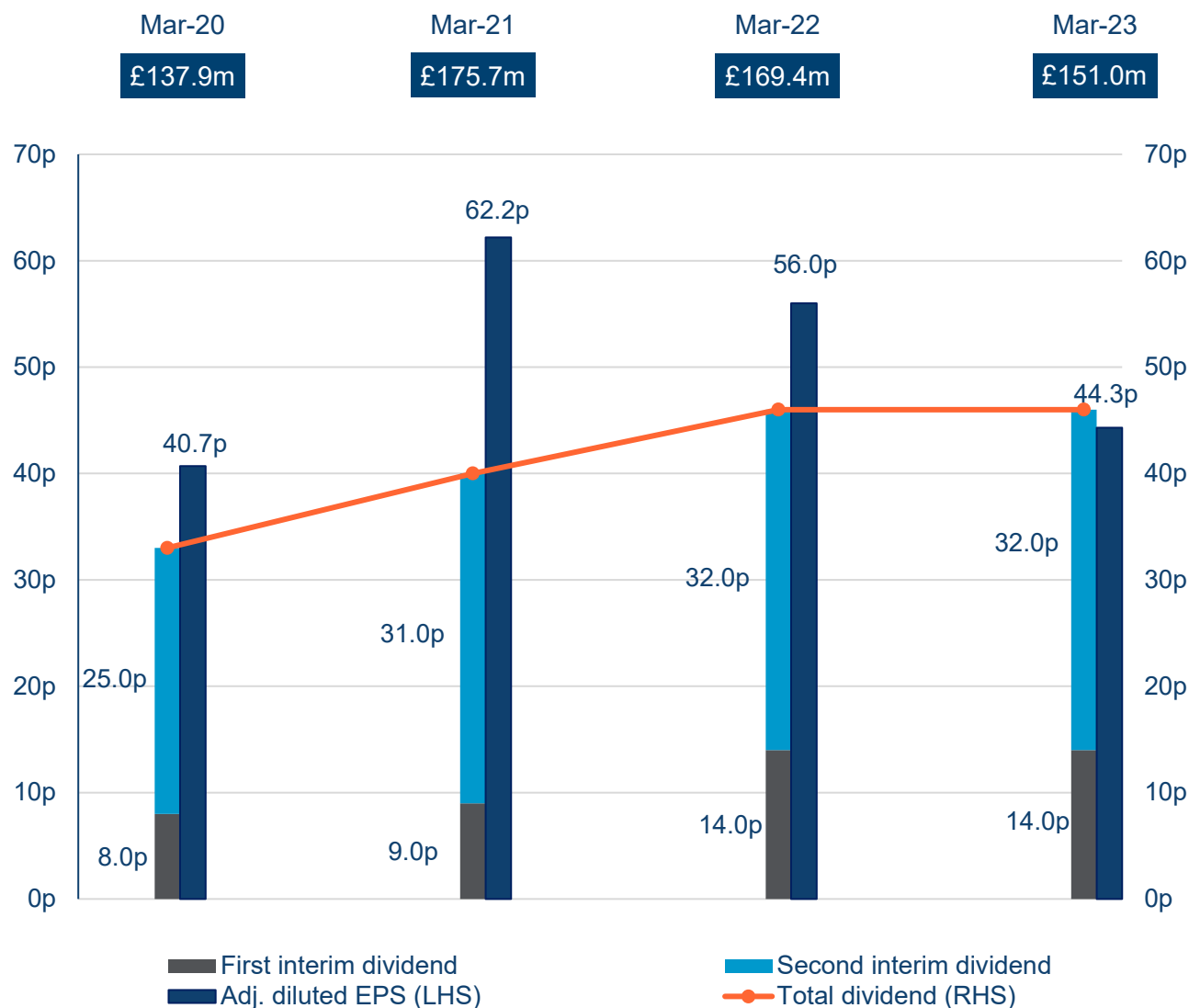
### Framework for use of capital



Source: Polar Capital as at 30 September 2023. 1. Regulatory deductions include goodwill, intangible assets and deferred tax balances.



# Dividend Policy



## Total cash and investments

- First interim dividend maintained at 14p
- Payout ratio of 81% of adjusted core earnings per share

## Policy

- Under normal circumstances, the Group expect to pay a total annual dividend within a range of 55%-85% of adjusted total earnings, dependent on the quantum of performance fee profits in the year and the short-term trading conditions of the Group
- The first interim dividend paid each January is, under normal circumstances, 50% of the first half's core earnings

Source: Polar Capital, 30 September 2023.



## Strategy And Outlook

# Specialist, High-Quality Products Offer Differentiation



## Recent rating upgrades across a number of funds

### Emerging Market Stars and Asia<sup>1</sup>

- 25% team AuM increase YTD
- EM Stars UCITS and 40 Act awarded Morningstar Analyst rating in June

Analyst-Driven  
100%  
Data Coverage  
100%

### Sustainable Thematic<sup>1</sup>

- 48% team AuM increase YTD
- Smart Energy awarded Morningstar Analyst rating in August

Analyst-Driven  
100%  
Data Coverage  
100%

### European Ex-UK Income<sup>2</sup>

- 131% team AuM increase YTD
- Added to Hargreaves Lansdown's Wealth Shortlist
- Awarded Morningstar Analyst rating in October

Analyst-Driven  
100%  
Data Coverage  
100%



**Source:** Polar Capital, September 2023. AUM increases based on AUMs managed by each team from 30 December 2022 to 30 September 2023. \*Acquisition of Phaeacian and Dalton. \*\* Scheduled for launch in coming months. ©2023 Morningstar, Inc. All Rights Reserved. 1. UCITS rating representative of the USD I Acc Share Class, 31/10/2023; Mutual fund rating: POLEX 2. GBP I Acc Share Class, 31/10/2023. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. This rating is 100% Analyst-Driven and based on Data Coverage of 100%. For more detailed information about the Morningstar's Medalist rating, including its methodology, please go to: <https://shareholders.morningstar.com/investor-relations/governance/Compliance--Disclosure/default.aspx>. For disclosure and detailed information about this fund please request the full Morningstar Managed Investment Report from [investorrelations@polarcapitalfunds.com](mailto:investorrelations@polarcapitalfunds.com).

# Advances In AI Have Extended The Technology Growth Cycle

## Increased interest in the Polar Capital Artificial Intelligence Fund



A highly active approach will be required to capture winners and avoid losers



Different investments will be needed to capture disruptors and avoid losers over time



Avoiding hype cycles requires domain expertise and experience



Many companies will face profound disruption



**Polar Capital's Global Technology Team are well placed to identify the winners and losers**

Source: 1. GatesNotes, [The Age of AI has begun | Bill Gates \(gatesnotes.com\)](https://gatesnotes.com), 21 March 2023. All opinions and estimates constitute the best judgment of Polar Capital as of the date hereof, but are subject to change without notice, and do not necessarily represent the views of Polar Capital. Some information contained herein has been obtained from third party sources and has not been independently verified by Polar Capital. Neither Polar Capital nor any other party involved makes any express or implied warranties or representations. Forecasts are based upon subjective estimates and assumptions about circumstances and events that may not yet have taken place and may never do so.

“The development of AI is as fundamental as the creation of the microprocessor, the personal computer, the internet, and the mobile phone. Entire industries will reorient around it.

Bill Gates<sup>1</sup>

# Global Insurance Fund Reaches 25 Year Milestone



Defensive characteristics seeing increased client interest given market volatility



1976

Alec Foster joins Hiscox: Group Investment Officer and managed Members' Agency for 22 years [Alec retired on 31 March 2019]

16 October 1998

Fund Launch  
Hiscox Insurance  
Portfolio Fund



2001

Nick Martin joins Hiscox: Investment Analyst 2001-2007; Co-Manager 2008-2015; Fund Manager 2016-2022; Lead Fund Manager 2022-present



September 2010

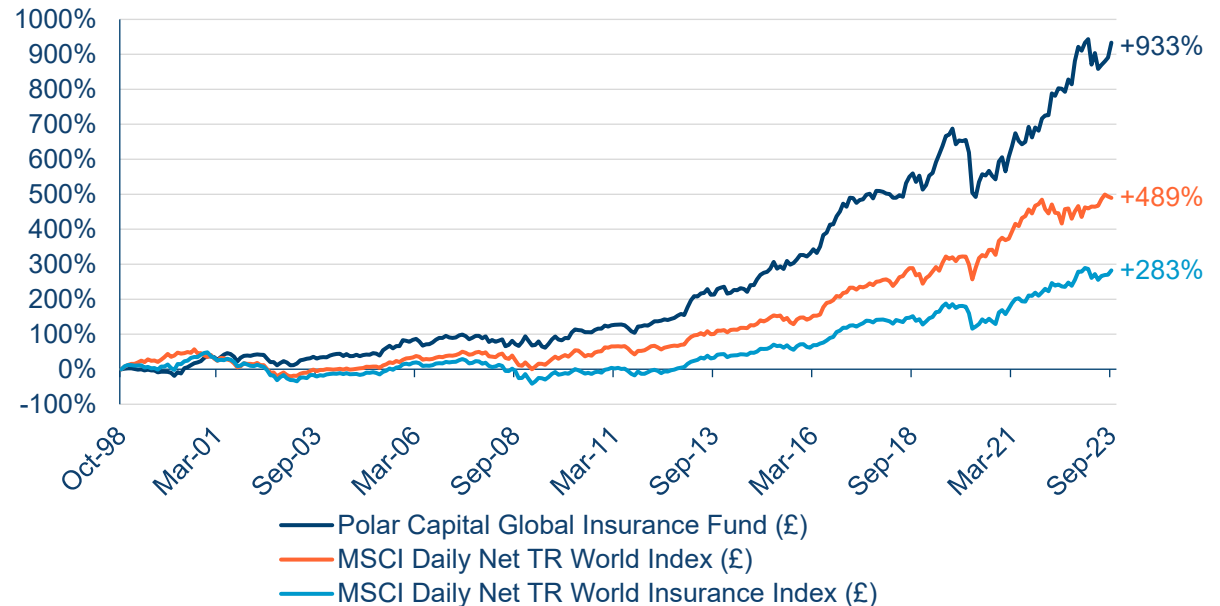
Rebranded  
Polar Capital  
Global Insurance Fund



2012

Dominic Evans joins Polar Capital: Investment Analyst 2012-2022; Fund Manager 2022-present

## NAV performance<sup>1</sup>



The Fund has compounded returns at **c10% per annum for 24 years<sup>2</sup>**, **c.2% better than broader equity markets<sup>3</sup>** and with lower volatility

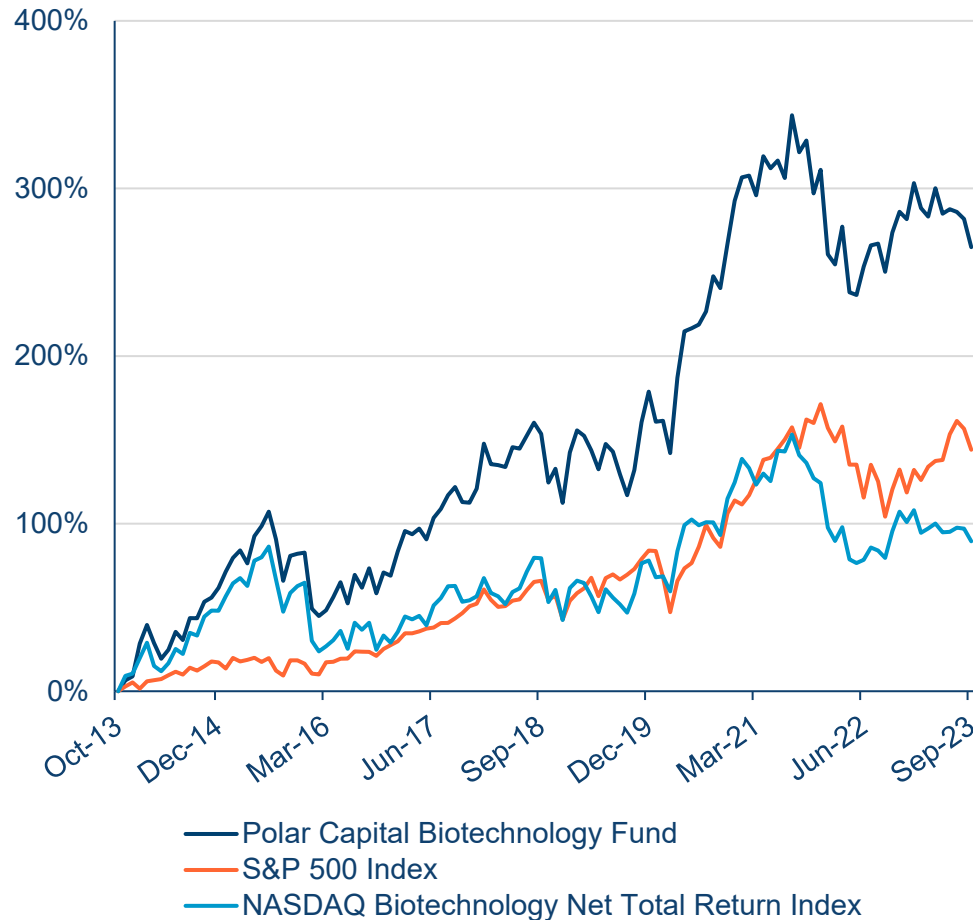
Past performance is not indicative or a guarantee of future returns.

**Source:** Polar Capital, 30 September 2023. **Basis:** includes the reinvestment of dividends and capital gain distributions, in Pounds Sterling. Fund performance is representative of the retail accumulation share class. 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. **1.** The HIM Capital Financials team joined Polar Capital in September 2010. Alec Foster was the lead fund manager of the Hiscox Insurance Portfolio Fund since its launch in 1998 and was an adviser to the Polar Capital Global Insurance Fund, which was launched on 27 May 2011 and into which the Hiscox Insurance Portfolio Fund was merged. Whilst the investment management team and strategy are identical between the Hiscox Insurance Portfolio Fund and the Polar Capital Global Insurance Fund, please note not all terms are consistent, including fees. Performance is not dated since inception of the Fund (19 October 1998), but from the launch of the MSCI Daily TR World Net Insurance Index on 30 October 1998. **2.** Polar Capital Global Insurance Fund R GBP Acc share class, net of fees, since inception through to 30 September 2023. **Fund inception:** 19 October 1998. **3.** MSCI Daily Net TR World Index.

# Biotechnology Fund Reaches 10 Year Milestone



## Significant outperformance of index



- Specialist portfolio managed by an experienced team
- Lead fund manager David Pinniger has managed the fund since inception in 2013 and has 23+ years' experience
- Medical innovation accelerating through advances in technology
- Annualised performance since launch over double that of the index

Annualised return since launch over double that of the index

### Past performance is not indicative or a guarantee of future results.

**Source:** Bloomberg, 30 September 2023. Performance is stated in USD I Dist Share Class which was launched on 01 November 2013. Indices are denominated in USD. 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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# Distribution Update – Regional Diversification Continues

## In volatile times, client servicing matters



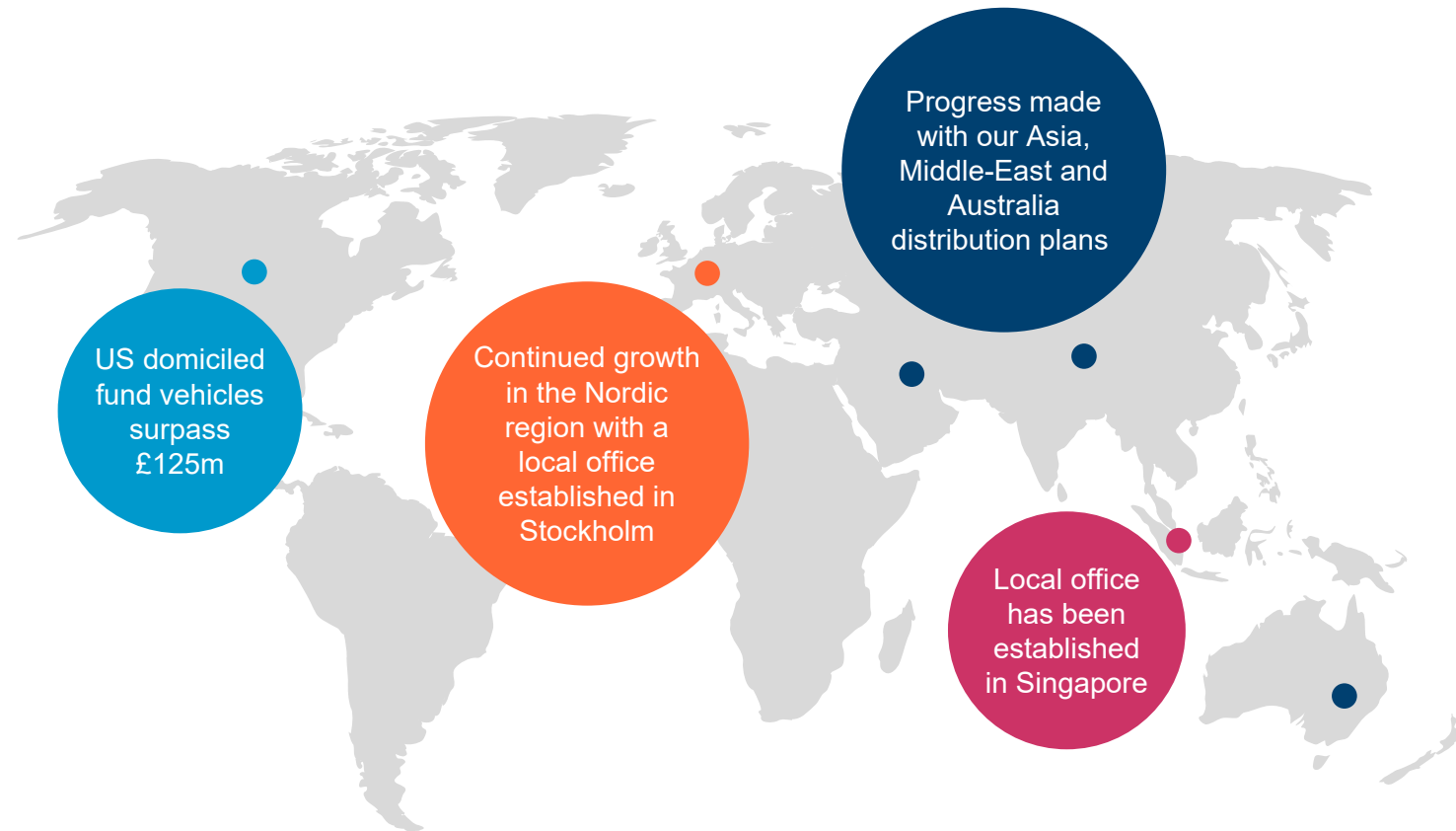
In volatile times, client servicing and transparency is paramount. Q4 2023 will see our busiest period for direct client interaction with high demand to hear from our investment teams



Premium client service is a particular strength with Polar Capital ranked 3rd in the UK for Sales & Account Management within Broadridge's Fund Brand 50 survey<sup>1</sup>



Establishing local support centres has been part of our distribution strategy, with recent office openings in Singapore and Stockholm



**Source:** Polar Capital, September 2023. 1. Polar Capital and Broadridge, April 2023. All opinions and estimates constitute the best judgment of Polar Capital as of the date hereof, but are subject to change without notice, and do not necessarily represent the views of Polar Capital.

# Marketing Key To Distribution Reach

Client engagement paramount for both servicing and attracting new investors

Significant number of events targeting investment professionals globally

3<sup>rd</sup> party events and conferences



UK  
14



Europe  
8



United States  
4



Asia  
1



Over **1,400**  
professional  
attendees

Polar Capital in-house events

**31** face-to-face  
client events

**676** Professionals  
attended

**11** Webcasts with over  
900 attendees

**14 further** events planned for remainder of 2023

Promotional campaigns

On average **12** pieces of promotional content published each month

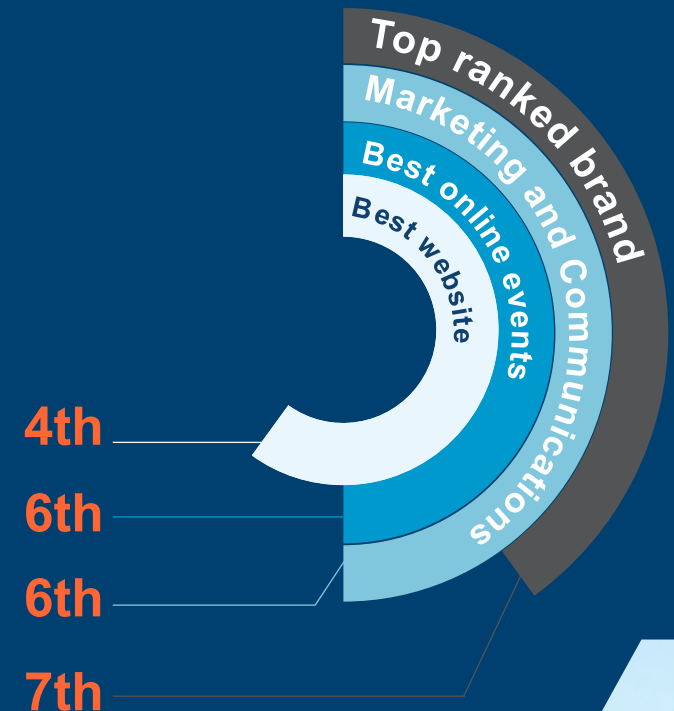
Generating **200,000** views in total – a 25% uplift from 2022

**37,000+** clicks to the website from our digital advertising

Source: 1. Polar Capital and Broadridge, April 2023

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Polar Capital rankings in Broadridge  
UK Fund Buyer 50 Report<sup>1</sup>





# Awards And Nominations

## Third-party recognition



**Polar Capital Global Healthcare** won Investment Company of the Year in the Biotechnology & Healthcare category at the Investment Week Awards



**The Global Absolute Return Fund** was highly commended in the Absolute Return Category at the Investment Week Fund Manager of the Year Awards



**Polar Capital** won European Fund Management Firm of the Year in the €20bn - €100bn category at the Funds Europe 2023 Awards



**Polar Capital Technology Trust** won the Best Report & Accounts at the AIC Shareholder Communications Awards



**Polar Capital Technology Trust** won the Best Technology/Biotech – Active category in the AJ Bell Investment Awards

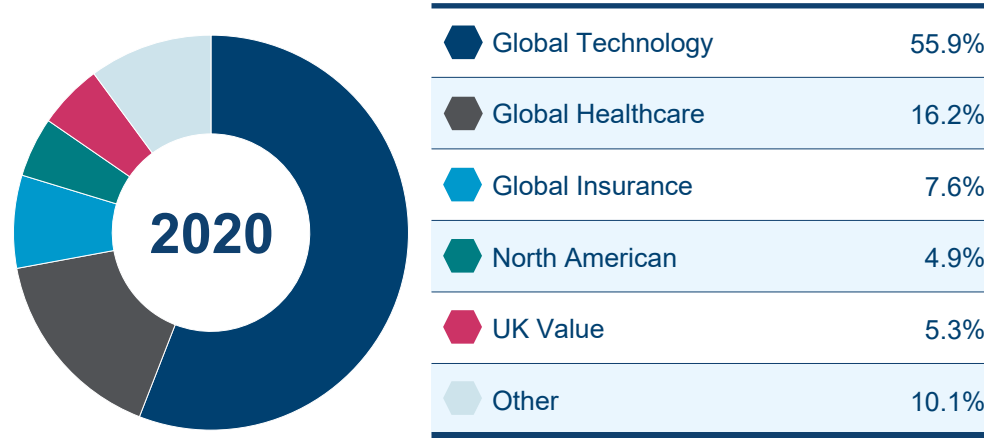
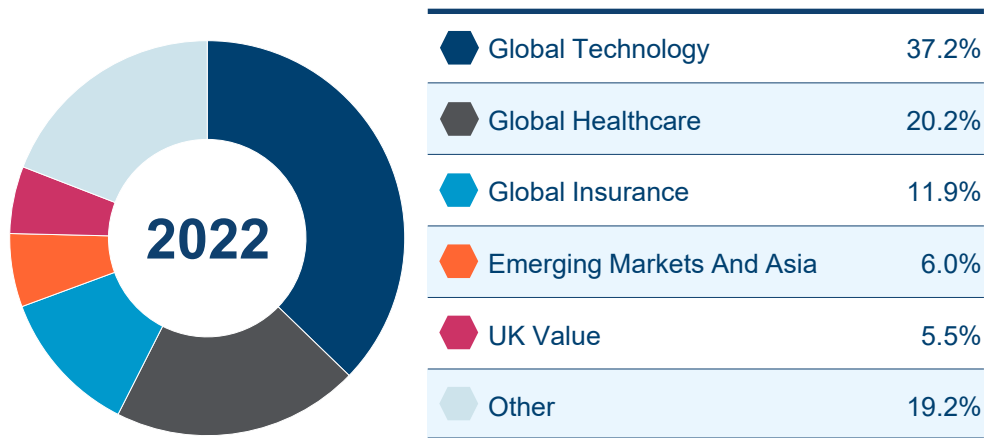
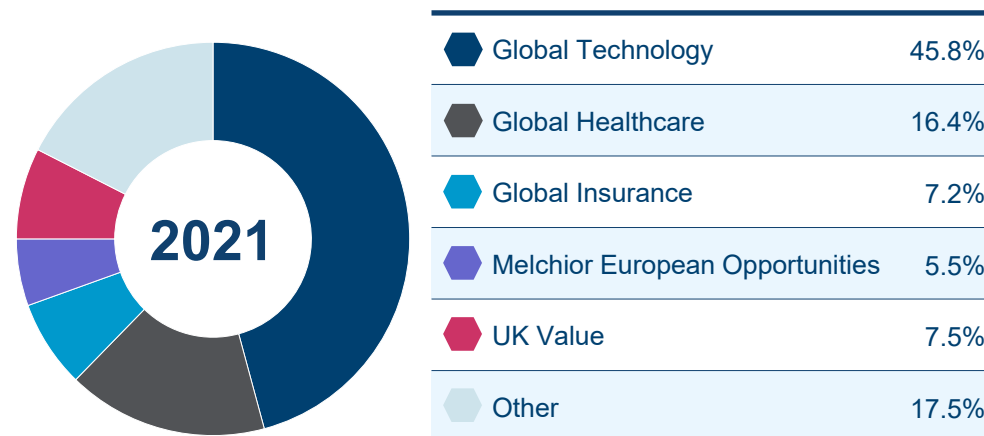
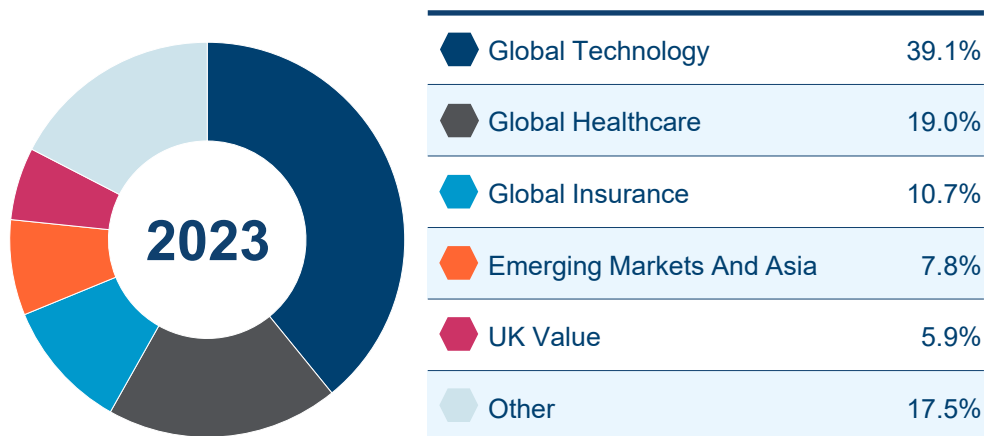
### Polar Capital is currently shortlisted for the following awards:

- ESG Investment Leaders Awards 2023
- Most Effective Brand Strategy – Small Company at the Financial Services Forum Awards
- Emerging Markets Manager of the Year at the FN Fund Management Awards
- ESG Investing Awards 2023 in both the Emerging Markets and Energy Transition categories
- Emerging Markets Manager of the Year at the Wealth & Asset Management Awards

Past performance does not guarantee future returns. Source: Polar Capital.

# Growth With Diversification

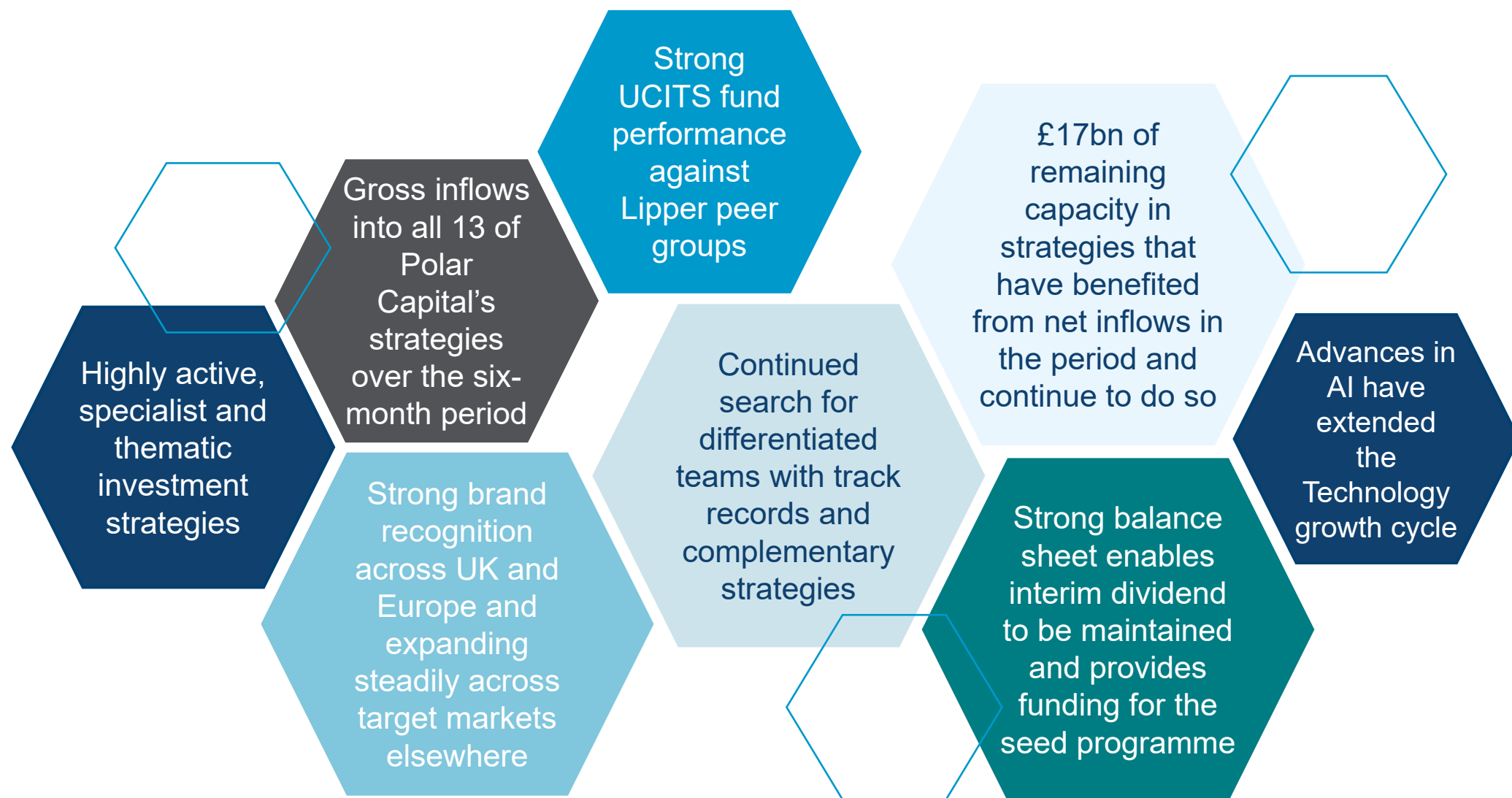
## Changing landscape through diversification – five largest AuM strategies compared YoY



- 83% of AuM is in the largest five strategies in 2023 compared to 90% in 2020
- Tech peaked at 56% in 2020 and now represents 39%

Past performance is not indicative or a guarantee of future results.

Source: Polar Capital, Data as at 30 September for each year.



Source: Polar Capital, September 2023. All opinions and estimates in this report constitute the best judgment of Polar Capital as of the date hereof, but are subject to change without notice, and do not necessarily represent the views of Polar Capital.



Questions?



**Appendices**

# Current Investment Strategies

 <p><b>Technology</b></p> <ul style="list-style-type: none"> <li>Established: <b>2001</b></li> <li>Typical number of positions: <b>50-140</b></li> <li>Team size: <b>10</b></li> <li>Years' experience: <b>130+</b></li> </ul>	<p><b>AuM: £7.5bn</b></p> <ul style="list-style-type: none"> <li>Technology Trust</li> <li>Global Technology (UCITS)</li> <li>Artificial Intelligence (UCITS)</li> </ul>	 <p><b>Healthcare</b></p> <ul style="list-style-type: none"> <li>Established: <b>2007</b></li> <li>Typical number of positions: <b>25-80</b></li> <li>Team size: <b>8</b></li> <li>Years' experience: <b>175+</b></li> </ul>	<p><b>AuM: £3.6bn</b></p> <ul style="list-style-type: none"> <li>Global Healthcare Trust</li> <li>Healthcare Opportunities (UCITS)</li> <li>Biotechnology (UCITS)</li> <li>Healthcare Blue Chip (UCITS)</li> <li>Healthcare Discovery (UCITS)</li> </ul>
 <p><b>Financials</b></p> <ul style="list-style-type: none"> <li>Established: <b>2010</b></li> <li>Typical number of positions: <b>35-150</b></li> <li>Team size: <b>5</b></li> <li>Years' experience: <b>105+</b></li> </ul>	<p><b>AuM: £542m</b></p> <ul style="list-style-type: none"> <li>Global Financials Trust</li> <li>Income Opportunities (UCITS)</li> <li>Financial Opportunities (UCITS)</li> </ul>	 <p><b>Convertibles</b></p> <ul style="list-style-type: none"> <li>Established: <b>2010</b></li> <li>Typical number of positions: <b>60-100</b></li> <li>Team size: <b>6</b></li> <li>Years' experience: <b>125+</b></li> </ul>	<p><b>AuM: £526m</b></p> <ul style="list-style-type: none"> <li>Global Convertible (UCITS)</li> <li>Global Absolute Return Fund (UCITS)</li> </ul>
 <p><b>North America</b></p> <ul style="list-style-type: none"> <li>Established: <b>2011</b></li> <li>Typical number of positions: <b>40-60</b></li> <li>Team size: <b>3</b></li> <li>Years' experience: <b>65+</b></li> </ul>	<p><b>AuM: £596m</b></p> <ul style="list-style-type: none"> <li>North American (UCITS)</li> </ul>	 <p><b>Global Insurance</b></p> <ul style="list-style-type: none"> <li>Established: <b>1998</b></li> <li>Typical number of positions: <b>30-35</b></li> <li>Team size: <b>2</b></li> <li>Years' experience: <b>35+</b></li> </ul>	<p><b>AuM: £2.0bn</b></p> <ul style="list-style-type: none"> <li>Global Insurance (UCITS)</li> </ul>
 <p><b>Japan</b></p> <ul style="list-style-type: none"> <li>Established: <b>2001</b></li> <li>Typical number of positions: <b>45-55</b></li> <li>Team size: <b>2</b></li> <li>Years' experience: <b>30+</b></li> </ul>	<p><b>AuM: £207m</b></p> <ul style="list-style-type: none"> <li>Japan Value (UCITS)</li> </ul>	 <p><b>European ex UK Income</b></p> <ul style="list-style-type: none"> <li>Established: <b>2014</b></li> <li>Typical number of positions: <b>25-50</b></li> <li>Team size: <b>3</b></li> <li>Years' experience: <b>30+</b></li> </ul>	<p><b>AuM: £246m</b></p> <ul style="list-style-type: none"> <li>European ex UK Income (UCITS)</li> </ul>

Source: Polar Capital, 30 September 2023. Totals may not sum due to rounding. Team AuM includes segregated mandates.

# Current Investment Strategies



## Emerging Market Stars And Asia

- Established: **2018**
- Typical number of positions: **40-65**
- Team size: **6**
- Years' experience: **85+**

### AuM: £1.5bn

- Emerging Market Stars (UCITS)
- China Stars (UCITS)
- Asia Stars (UCITS)
- Emerging Market ex-China Stars (UCITS)
- Emerging Market Stars (40 Act)
- Emerging Market Stars (DST)



## UK Value

- Established: **2017**
- Typical number of positions: **30-100**
- Team size: **2**
- Years' experience: **35+**

### AuM: £1.1bn

- UK Value Opportunities (UCITS)



## Sustainable Thematic

- Established: **2021**
- Typical number of positions: **40-80**
- Team size: **5**
- Years' experience: **85+**

### AuM: £278m

- Smart Energy (UCITS)
- Smart Mobility (UCITS)



## MST European Opportunities

- Established: **2010**
- Typical number of positions: **50-80**
- Team size: **3**
- Years' experience: **45+**

### AuM: £828m

- European Opportunities (LUX SICAV)

Source: Polar Capital, 30 September 2023. Totals may not sum due to rounding. Team AuM includes segregated mandates.

# Lipper Figures For Long And Alternative UCITS As At 30 September 2023



	AuM £m	1 Year Percentile	3 Years Percentile	5 Years Percentile	Since Inception
Japan Value (S JPY)	207	17	15	27	15* 29/07/2016 <sup>1</sup>
Healthcare Opportunities (I USD)	1229	59	24	41	6** 3/12/2007
Healthcare Blue Chip (I USD)	209	19	6	11	22 11/09/2014
Financial Opportunities (I USD Inc)	12	59	52	58	46 3/05/2011
Income Opportunities (I GBP)	43	5	1	2	3 15/10/2009
Global Insurance (I GBP)	2039	26	20	7	3 19/10/1998 <sup>2</sup>
Global Technology (I USD)	4020	40	61	35	22** 19/10/2001
North American (I USD)	596	41	15	61	35 15/11/2011
Global Convertible (I USD Acc)	450	86	42	40	14 2/09/2013
Biotechnology (I USD)	1386	50	21	7	4 1/11/2013
European ex-UK Income (I EUR)	246	56	12	15	4 30/06/2015
Melchior European Opportunities (I EUR Acc)	581	78	59	54	4 04/05/2010
UK Value Opportunities (I GBP)	985	26	52	66	55 31/01/2017
Artificial Intelligence (I USD)	305	3	57	5	4 6/10/2017
Emerging Markets Stars (I USD)	1086	64	75	6	12 29/06/2018
China Stars (R USD)	10	62	44	24	26 31/08/2018
Asian Stars (R USD)	163	38	59	N/A	6 31/12/2018
Global Absolute Return (I USD)	76	92	14	N/A	9 31/12/2018
Healthcare Discovery (I USD)	18	92	78	N/A	45 31/01/2020
Smart Energy Fund (I USD)	191	16	N/A	N/A	12 30/09/2021
Smart Mobility Fund (I USD)	8	79	N/A	N/A	38 30/09/2021
Emerging Market ex-China Stars Fund (I USD)	1	N/A	N/A	N/A	62 30/06/2023
<b>% AuM in top quartile (excl hedge funds, managed accounts &amp; trusts)</b>	<b>£13,861</b>	<b>7%</b>	<b>44%</b>	<b>40%</b>	<b>88%</b>

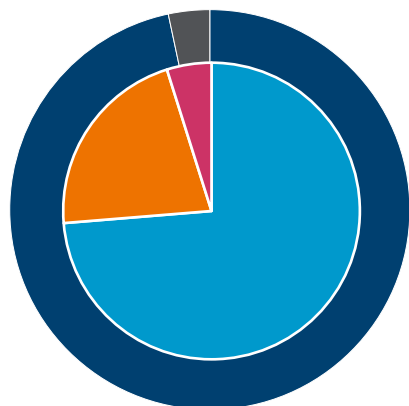
**Past performance is not indicative or a guarantee of future results.**

Source: Lipper, 30 September 2023. Totals may not sum due to rounding. \*S JPY Share Class. \*\*USD Share Class. 1. Japan Value inception date representative of the date of the strategy change on the Fund.  
2. Please refer to the footnote on page 29.



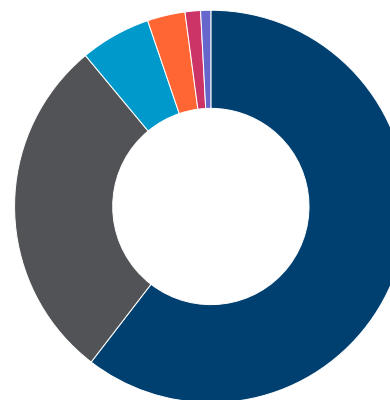
# AUM Analysis

## AUM split by strategy



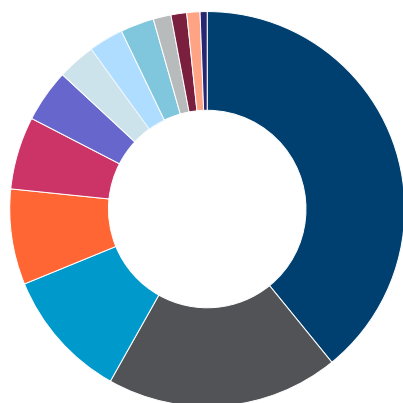
■ Long only	96.67%
■ Alternative	3.33%
■ Open Ended funds	73.70%
■ Investment Trusts	21.44%
■ Segregated Mandates	4.86%

## Investor mix split by geography



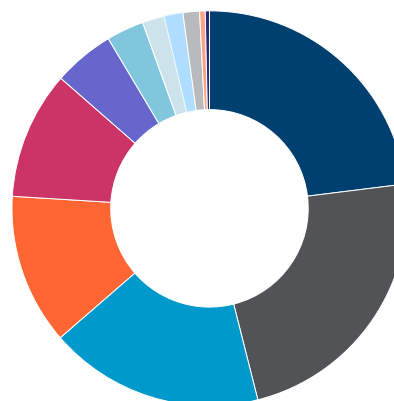
■ UK	60.44%
■ Europe	28.53%
■ Asia	5.82%
■ Nordics	3.11%
■ North America	1.27%
■ Other	0.83%

## AuM split by investment team



■ Global Technology	39.13%
■ Global Healthcare	19.02%
■ Global Insurance	10.65%
■ Emerging Markets & Asia	7.82%
■ UK Value	5.95%
■ Melchior European Opportunities	4.33%
■ North America	3.11%
■ Global Financials	2.83%
■ Global Convertibles	2.75%
■ Sustainable Thematic Equity	1.45%
■ European Income	1.28%
■ Japan	1.08%
■ European (Long/Short)	0.58%

## Investor mix split by holding



■ Polar Investment Trusts	23.03%
■ Bank	23.03%
■ Private Wealth Manager	17.57%
■ Platform	12.34%
■ Asset Manager	10.47%
■ Fund Of Funds	5.00%
■ Pension Fund/Foundation	3.06%
■ Family Office	1.80%
■ Insurance Company	1.54%
■ Other	1.35%
■ Sovereign Wealth Fund	0.46%
■ Consultants	0.34%

Source: Polar Capital, 30 September 2023. Totals may not sum due to rounding.

# Reconciliation of APMs to reported results



	2023 Interim reported results (£m)	Reclassification on consolidation of seed investments (£m)	Reclassification of costs (£m)	2023 Interim Non-GAAP results (£m)	2022 Interim Non-GAAP results (£m)	
Management fees	86.9	-	-	86.9	90.9	
Commissions and fees payable	(10.4)	-	-	(10.4)	(10.9)	
	76.5	-	-	76.5	80.0	Net management fees
Total operating costs	(55.0)	0.2	21.8	(33.0)	(31.3)	
Finance costs	(0.1)	-	-	(0.1)	-	
		-	(20.9)	(20.9)	(22.9)	Core distributions
	<b>21.4</b>	<b>0.2</b>	<b>0.9</b>	<b>22.5</b>	<b>25.8</b>	Core profits
Performance fees	-	-	-	-	-	
Performance fee interests	-	-	-	-	-	Performance fee interests
						Performance fee profits
Other income/(loss)	(0.3)	(0.2)	-	(0.5)	(1.5)	
Share based payments on preference shares	-	-	(0.3)	(0.3)	(0.1)	
Exceptional items	-	-	(0.6)	(0.6)	(1.2)	
<b>Profit for the period before tax</b>	<b>21.1</b>			<b>21.1</b>	<b>23.0</b>	

Source: Polar Capital as at 30 September 2023.

Polar Capital, 16 Palace Street, London SW1E 5JD

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