Polar Capital Technology Trust plc

Trust Fact Sheet
31 October 2019

Trust Facts

Ordinary Shares

Share Price	1416.00p
NAV per share	1474.48p
Premium	-
Discount	-3.97%
Capital	133,825,000 ordinary shares of 25p

Assets & Gearing [1]

Total Net Assets	£1,974.0m
AIC Gearing Ratio	0.00%
AIC Net Cash Ratio	5.97%

Benchmark

Dow Jones Global Technology Index Total Return Sterling adjusted with the removal of relevant withholding taxes (from 1 May 2013)

Fees [2,3]

Management Fees

£0 - £800m	1%
£800m - £1.6bn	0.85%
£1.6bn - £2bn	0.8%
Over £2bn	0.7%
Performance	10% over Benchmark
Ongoing Charges	0.95%

FX Rates

GBP/USD	1.2940
GBP/EUR	1.1599
GBP/JPY	139.8879

Risk Warning

Your capital is at risk. You may not get back the full amount you invested. Please note the Important Information at the end of this document and the Investment Policy and full Risk Warnings set out in the Prospectus, Annual Report and/or Investor Disclosure Document.

Discount Warning

The shares of investment trusts may trade at a discount or a premium to Net Asset Value for a variety of reasons including market sentiment and market conditions. On a sale you could realise less than the Net Asset Value and less than you initially invested.

Company Profile

Investment Objective

The Company aims to maximise long-term capital growth through investing in a diversified portfolio of technology companies around the world.

Investment Policy

The Company invests its technology assets in a portfolio comprised primarily of international quoted equities which is diversified across both regions and sectors within the overall investment objective to reduce investment risk.

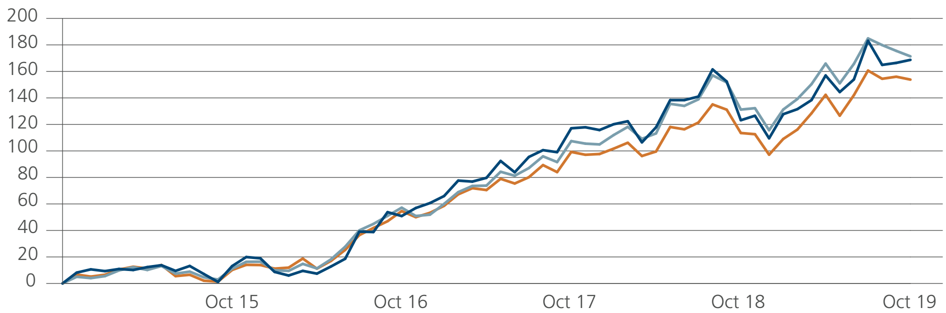
Full details of the Investment Objective, Rationale and Strategy are available on the company's website.

Investment Approach

The Polar Capital Technology team selects companies for their potential for shareholder returns, not on the basis of technology for its own sake. The team believe in rigorous fundamental analysis and focus on: management quality, the identification of new growth markets, the globalisation of major technology trends, exploiting international valuation anomalies and sector volatility.

Performance

Performance over 5 years (%)



	1 month	3 month	YTD	1 year	3 years	5 years
Ordinary Share Price (TR)	0.85	-5.09	28.26	20.41	78.11	168.69
NAV per share	-1.50	-4.75	25.75	17.26	72.47	171.09
Benchmark	-0.85	-2.61	28.75	18.87	64.19	153.81

Discrete Performance (%)

	30.04.19 31.10.19	30.04.18 30.04.19	30.04.17 30.04.18	30.04.16 30.04.17	30.04.15 30.04.16
Ordinary Share Price	4.58	17.94	21.22	67.31	-4.39
NAV per share	1.96	24.70	22.66	56.13	1.05
Benchmark	4.73	21.44	17.05	53.38	-0.11

Source: Bloomberg & HSBC Securities Services (UK) Limited, percentage growth, total return, Net of Fees in GBP terms. Past performance is not indicative or a guarantee of future results.

1. Gearing calculations are exclusive of current year Revenue/Loss.
2. The performance fee is subject to a highwater mark and cap. Further details can be found under Corporate Documents of the Company's website: http://www.polarcapitaltechnologytrust.co.uk.
3. Ongoing charges are calculated at the latest published year end date, and exclude any performance fees.

Awards & Ratings

Polar Capital LLP 16 Palace Street, London, SW1E 5JD

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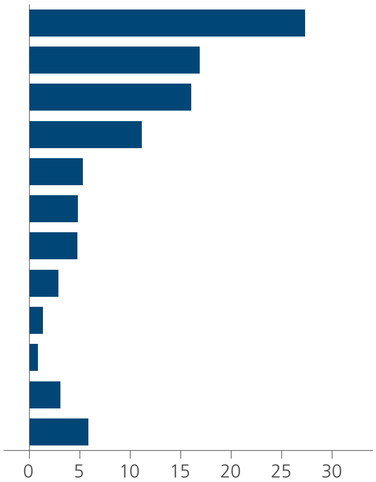
Polar Capital Technology Trust plc

Portfolio Exposure

As at 31 October 2019

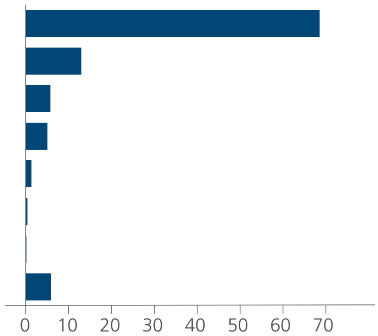
Sector Exposure (%)

Software	27.3
Semiconductors & Semiconductor Equip.	16.9
Interactive Media & Services	16.0
Tech. Hardware, Storage & Peripherals	11.1
Elec. Equip. Instruments & Components	5.3
IT Services	4.8
Internet & Direct Marketing Retail	4.7
Entertainment	2.8
Machinery	1.3
Communications Equipment	0.8
Other	3.0
Cash	5.8



Geographic Exposure (%)

US & Canada	68.5
Asia Pacific (ex-Japan)	13.0
Japan	5.8
Europe (ex UK)	5.0
UK	1.3
Latin America	0.4
Middle East & Africa	0.1
Cash	5.8



Top 15 Holdings (%)

Microsoft	9.4
Alphabet	8.0
Apple	7.1
Facebook	4.2
Samsung	3.6
Alibaba	2.8
Taiwan Semiconductors	2.7
Tencent	2.2
Advanced Micro Devices	2.0
Salesforce.com	1.9
Amazon.com	1.6
Qualcomm	1.6
PayPal Holdings	1.4
Analog Devices	1.4
Adobe Systems	1.2
Total	**51.1**

Total Number of Positions **110**

Market Capitalisation Exposure (%)

Large Cap (>$10bn)	82.9
Mid Cap ($1bn - $10bn)	15.6
Small Cap (<$1bn)	1.5

Investing in the Trust and Shareholder Information

Market Purchases

The shares of Polar Capital Technology Trust PLC are listed and traded on the London Stock Exchange. Investors may purchase shares through their stockbroker, bank or other financial intermediary.

Share Dealing Services

Details of the different ways of dealing in the company's shares are given on the website. Equiniti, the company's registrars provide an internet share sale service.

Telephone 0800 876 6889

Online www.shareview.co.uk

Savings Scheme & ISA

Shares in the company may be purchased through a share saving scheme or an ISA.

Corporate Contacts

Registered Office and Website

16 Palace Street, London SW1E 5JD
www.polarcapitaltechnologytrust.co.uk

Custodian

HSBC Plc is the Depositary and provides global custody of all the company's investments

Registrar

Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA
www.shareview.co.uk

Trust Characteristics

Launch Date	16 December 1996
Year End	30 April
Results Announced	Mid July
Next AGM	September 2020
Continuation Vote	2020 AGM
Listed	London Stock Exchange

Codes

Ordinary Shares

ISIN	GB0004220025
SEDOL	0422002
London Stock Exchange	PCT

The entire investment portfolio is published in the annual and half year report as well as being announced to the London Stock Exchange on a quarterly basis.

It should not be assumed that recommendations made in future will be profitable or will equal performance of the securities in this document. A list of all recommendations made within the immediately preceding 12 months is available upon request.

Note: Totals may not sum due to rounding.

Fund Manager Comments

As at 31 October 2019

Market review

Although global equity markets continued to rally in October, Brexit-related strength in the pound left the MSCI All Country World 2.5% lower in sterling terms. It was a volatile month, with several weak economic reports stoking growth concerns but this was more than offset by a better than expected start to earnings season, positive trade-war news flow and further central bank intervention.

In the US, the ISM Manufacturing Index declined to 47.8% in September (50.2% expected), its worst reading since June 2009, while the Non-Manufacturing Index fell to 52.6% (55.4% expected). Most investors agree with Fed Chair Powell that uncertainty around trade and tepid overseas demand are to blame for weak investment and exports, as well as elevated inventories. Less obvious is the grounding of the Boeing 737 Max after two tragic crashes. Boeing is the largest manufacturing exporter in the US and the benching of its fastest-selling aircraft is having ripple effects throughout the economy estimated at between 0.25% and 0.4% of Q2 GDP. Non-defence durable capital goods (a proxy for investment) have fallen by 1% since March but, excluding aircraft, shipments have increased by 2.5%.

Despite the current manufacturing weakness, the US economy remains a relative safe haven, with economic growth slowing only modestly in 3Q to 1.9% annualised (from 2.0% in 2Q and better than the 1.6% expected). The labour market also remains resilient; October non-farm payrolls increased by 128,000, above consensus 85,000 while September and October were revised up by 95,000 combined. In addition, these statistics include a drag from 42,000 General Motors workers on strike (registered unemployed) which nudged the unemployment rate up to 3.6% (from 3.5% last month, which was the lowest rate since December 1969).

The Federal Reserve has also been injecting liquidity into money markets since mid-September, when a spike in the overnight lending rate caused some concern. In tandem with market repurchase operations to facilitate interbank lending, the Fed also began purchasing Treasury bills at a pace of $60bn per month and is expected to continue into 2Q20 or longer. Fed Chair Powell stated that these actions should not be viewed as a resumption of QE, but several commentators have called it 'Stealth QE', given that the Fed's balance sheet will be growing again, irrespective of the intended purpose.

The Federal Reserve followed that up with the third cut to interest rates in four months, lowering the target for its benchmark rate by 0.25% to 1.50-1.75% to mitigate the impact of the global slowdown on the US economy. Fed Chair Powell implied the bank would hold off on further cuts, noting that risks to the economy have subsided since the last meeting, pointing to the possibility of a limited "phase one" US-China trade pact and reduced odds of a no-deal Brexit. Mr Powell suggested he does not expect the bank to change rates again unless economic conditions worsen unexpectedly. This, together with news at month end that House Democrats had introduced an impeachment inquiry resolution into President Trump, saw the US Dollar Index decline 2%.

Beyond the US, global growth remains subdued amid signs of stabilisation. In September, the JPMorgan Global Manufacturing PMI ticked up to 49.7 from 49.5 in August. The Eurozone economy continues to underwhelm, the IHS Markit Flash Manufacturing PMI printing at 45.7% for October (46.1% expected), although the services PMI hit a two-month high of 51.8%. In Germany, the report noted that "new orders continued to drop sharply, and employment fell for the first time for six years." In response to deteriorating conditions, outgoing ECB President Mario Draghi has already committed to a fresh stimulus package that will start in November, including €20bn a month of bond buying (QE) and cut its deposit rate to a new all-time low of -0.5%. The ECB's actions have enabled Greece, the former bond market pariah of the Eurozone, to issue its first-ever negative yielding 13-week bills (-0.02%), as investors now pay Athens for the privilege of lending it money.

China posted 3Q19 GDP at 6% y/y, its weakest growth rate in 30 years, but both the official and Caixin manufacturing PMI improved in September and there appears to be some progress in US-China trade negotiations. China agreed to buy $40-50bn worth of US agricultural products, along with a few additional policy changes, in exchange for a delay in the tariff increase planned for 15 October. That was followed by positive reports, emanating from both sides, about a partial phase one deal, which excludes the more intractable structural reform issues that are to be worked out next year. China has effectively 'kicked the can down the road' until Trump's 2020 election campaign. Obstacles to a lasting agreement look formidable, with China's Commerce Ministry saying changes to their laws to protect intellectual property will never be on the table.

Technology review

The technology sector in October outperformed the broader market, the Dow Jones Global Technology Index falling just 0.9% in (rampant) sterling terms. The month witnessed further disparity of subsector returns with semiconductor stocks (as measured by the Philadelphia Semiconductor index) gaining 0.6% while the Bloomberg Americas Software Index and NASDAQ Internet Index fell 3.5% and 3.7% respectively, in sterling terms.

Third-quarter earnings season is in full flow and has resulted in a greater degree of share price volatility than in recent history. In semiconductors, Texas Instruments started off earnings season with a major guidance cut accompanied by sobering commentary of broad-based weakness across all product areas and geographies, driven partly by trade tensions. However, this outlook has so far proved an outlier as semiconductor peers have been more constructive in their outlooks. TSMC continues to benefit from the three key trends of China supply chain localisation (reducing reliance on US parts), Advanced Micro Devices' share gains over Intel (*) and early 5G adoption. Revenues and earnings for the quarter were both above forecast while a major capex increase for both 2019 and 2020 suggests strong demand from customers for 5nm alongside higher capital intensity. This was the biggest announced capex hike since 2010 when TSMC invested for the smartphone cycle. 2019 capex was raised by $4bn at the low end to a range of $14-15bn with 2020 forecast to be kept at a similar level. The potential for future order weakness from customer Huawei remains an overhang, but TSMC will benefit in 2020 from the expected strong 5G handset demand from Apple. TSMC believes 5G smartphone penetration will reach mid-teens in 2020 with adoption proving more rapid than 4G.

Apple also reported a solid quarter, supported by better than expected handset demand and robust services/accessories growth, which while we had significantly increased our exposure via a combination of cash equity and out of the money call options, still dragged on relative performance. While Apple is not yet a 5G beneficiary, it is likely to become one in the second half of 2020 when it releases a slate of new 5G products, something we believe will provide a favourable tailwind for the stock given most investors remain underweight.

Xilinx produced strong quarterly earnings but provided guidance below expectations. The reset was caused by a combination of all Huawei revenues being removed from forward guidance, the start of the FPGA to ASIC transition in 5G base stations and slower program ramps in their data centre business. Advanced Micro Devices delivered strong results as it continues to ramp multiple 7nm products in 2H 2019 (driving gradual share gains from Intel*). Notably PC revenues were the highest since 2011 and server the highest since 2006. Management maintains its expectation for double-digit server market share by mid-2020 with semi-custom the only weak spot as

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game console demand deteriorates ahead of next-gen PlayStation and Xbox launches by Microsoft and Sony in 2020 as well as new cloud streaming services (many of which are enabled by Advanced Micro Devices GPUs).

In software, early results have been better than feared following some more cautious macroeconomic commentary from Workday and others during off-season reporting. ServiceNow experienced a particularly volatile month as weaker than expected guidance alongside preliminary results were accompanied by a CEO transition announcement with Bill McDermott, former CEO of SAP, replacing John Donahoe who is set to join Nike. This led to significant share price weakness which was followed by a sharp rebound following the full earnings release which revealed that FX (rather than macro) had driven the guidance cut while commentary on the call by the new CEO regarding continuity of strategy reassured investors. We opted to pare our long-held position as the new CEO was a key proponent of M&A during his time at SAP, something we are leery of as value-enhancing to acquiring companies.

Having cited macroeconomic uncertainty in their prior quarter, Zendesk posted reassuring results that beat expectations on revenues while billings disappointed as several deals were pushed into Q4 (and had subsequently closed). Longer sales cycles have caused this dynamic as Zendesk moves further up-market and engages in larger deal sizes. The magnitude of the full year 2019 guidance raise suggests there is no underlying demand issue for Zendesk. Improved commentary on the remedies to resolve the issues in the International business sets up the opportunity for better results from this segment in 2020, we have therefore begun to rebuild our position.

In payments, PayPal Holdings printed a strong set of results with strength seen in both new account adds (+9.8m) and total payment volume (+27% y/y FX-neutral). Their much-anticipated outlook for 2020 proved better than feared with the expiry of the eBay agreement only expected to act as a one percentage point headwind to revenue growth. Venmo monetisation has now reached a $400m annual revenue run rate while Pay with Venmo remains a vast untapped opportunity. Mastercard provided further comfort in the payments sector as a solid quarter demonstrated stable trends in consumer spending. Cross-border accelerated modestly after being relatively weak during the previous two quarters while 2019 revenue guidance was raised demonstrating the positive outlook ahead.

The internet sector experienced an incredibly volatile start to the earnings season where misses were punished while inline or minor expectation beats received only lacklustre stock reactions. Investor positioning seemingly played a key role in the post earnings moves. A number of smaller / tier two assets we do not hold (Grubhub, Wayfair and Etsy) all encountered notable execution issues or competitive pressures that resulted in revenue or profitability headwinds. Other stocks we do hold, such as Amazon and Pinterest, simply failed to meet high expectations (we had reduced Amazon ahead of the quarter due to concerns over naturally slowing AWS demand and increased investment). Two core holdings, Alphabet and Facebook provided some much-needed stability as both demonstrated that global advertising budgets continue to be a source of strength. Facebook added two million daily active users in Q3 in both the US and Europe, once again confounding engagement concerns. While regulatory and data privacy headwinds remain, it is hard to fault the consistent execution of these two internet giants.

Two notable internet earnings events for the Trust were Pinterest and Spotify Technology. Pinterest produced an in-line quarter which fell short of high expectations after a hugely impressive earnings report last quarter. Revenue still grew 47% y/y and Monthly Active Users (MAU) growth at 28% y/y were strong as 22 million net subscriber adds were accumulated in Q3. Adjusted EBITDA margins improved 800bp over Q3 2018 showing a clearer path to profitability. The lack of a greater increase to 2019 guidance and less upside than anticipated from new product initiatives saw the shares sell off sharply post-earnings. In contrast, the expectations for Spotify Technology were very low coming into earning season. Spotify Technology's Q3 report saw premium subscribers, MAU (248 million, +30% y/y), revenues (+28% y/y) and margins all impress. Ad-supported revenues remain a work in progress but with the upcoming two-sided marketplace initiatives, the 2020 outlook appears encouraging. The stock price experienced a strong positive reaction post-results.

Towards month end, Arista Networks shocked with a significant guidance reset for Q4 2019 and the likely continuation of weakness into 2020. The major cause stemmed from a large cloud customer materially changing its forecast for Q4. This follows earlier, more modest guidance cuts in 2019 due to delayed orders from another cloud customer, Microsoft. Together with negative commentary on tier-two cloud and service provider weakness, the share price fell significantly post-results weighing on other networking and cloud capex-related stocks.

Outlook

Markets continue to grind higher, led by cyclicals as central bank support and trade deal hope has ameliorated political risk, economic uncertainty and a choppier than usual earnings season. As of 1 November, 71% of the S&P 500 had reported third-quarter results and, in aggregate, 76% and 61% have reported EPS and revenues ahead of estimates. However, the current blended (a combination of actuals and estimates for those yet to report) earnings decline for Q3 is -2.7% which, if accurate, would mark the first three straight quarters of year-over-year (y/y) earnings declines since Q4 2015-Q2 2016. The combination of higher equity markets and (modestly) negative earnings revisions has seen the forward 12-month PE on the S&P expand to 17.2x, above both the five-year (16.6x) and 10-year (14.9x) averages. Despite this, equities remain attractive relative to bonds and cash with US stocks currently boasting higher yields than 10-year US treasuries.

That more S&P 500 constituents have dividend yields in excess of 10-year US Treasuries today than during the aftermath of the financial crisis (after the longest bull market on record) speaks volumes about the uniqueness of the current investment backdrop. Equally, it is highly unusual for an economy with full employment (described by the President as the "greatest…in American history") to experience three interest rate cuts in a calendar year. Or that risk assets stand at all-time highs in contrast to global PMIs at post 2009 lows based on hopes of a trade-deal between two countries on an obvious and possibly unavoidable medium-term collision course. At a point when investors ought to be concerned about central banks being 'behind the curve', policymakers are so determined not to repeat their pre-financial crisis somnolence that circa one-quarter of the global government and corporate bond market currently trades with negative yields. The term 'Japanification' is in the air, capturing the zeitgeist of the new normal: permanently "low growth, low inflation and super-loose monetary policy".

The chances are good that an interim trade deal will be done this side of Christmas, not least because both sides require one before their brinksmanship does lasting damage at a time when limited conventional policy firepower still exists. President Trump (for all his many shortcomings) may have played a blinder, pressuring the Fed to fill the vacuum left by the trade-war uncertainty he instigated before he calls a truce (interim deal) timed perfectly to juice the economy ahead of the election. While some of this is undoubtably already baked into stock prices (especially cyclical subsectors where strong stock prices have contrasted with negative earnings revisions), the 'pain trade' still feels like a further upward move in markets,

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particularly as investors appear conservatively positioned and sentiment remains muted, if not downright bearish. Obviously in the absence of a trade deal, or if central banks reverse course a la 1999 then downside risk is likely to prove substantial from current levels.

Political risk also remains elevated with impeachment proceedings making some progress in the Democrat-controlled House of Representatives. However, the removal of the President ahead of the 2020 election remains a tail risk requiring around 20 Republican senators to vote against him, unlikely given that Republican voters remain overwhelmingly against impeachment. In the UK, Brexit risk has been somewhat sidelined as Parliament finally agreed to a General Election due to be held on 12 December. Despite this new uncertainty, Sterling has held its recent gains as PM Boris Johnson is campaigning on the basis of getting his agreed deal done (i.e. seemingly reducing the risk of a no-deal outcome) while currently enjoying a sufficient lead over Labour to obviate the need for an electoral pact with the Brexit Party. Meanwhile, Jeremy Corbyn's own personal ratings continue to plumb new depths, the Labour leader's net approval score of -60 in a recent poll the worst score recorded since satisfaction ratings began 42 years ago.

Turning to technology, the sector continues to feel the impact of the growth-to-value rotation in the broader market as well as some macroeconomic-related uncertainty seeping into the software space at a time when stretched valuations could least afford it. This has presaged a significant derating process with many individual names falling more than 30% from recent highs. While we have selectively added to our preferred positions (many of which we reduced earlier on valuation grounds), we continue to tread carefully as growth stocks continue to act poorly, evidenced by asymmetric reactions to good and bad results thus far during earnings season. Having steadily increased our semiconductor weighting (primarily via preferred 5G beneficiaries) we are reluctant to chase them here particularly when current strength beyond Apple and 5G may be partially explained by Huawei (and other Chinese companies) building inventory or more likely, establishing secondary supply chains designed to reduce their reliance on US chips. As such (and unwilling to embrace 'value' or 'impaired' technology stocks with no growth prospects) we will continue to look for further opportunities to add to our favoured growth names and perhaps add a few new ones that have eluded us thus far. Until then, we are likely to retain above-average levels of cash (augmented by a small amount of out of the money NDX puts) designed to reduce the natural excess beta of our portfolio.

However, this positioning should not be conflated with us becoming bearish. Ben has just returned from his annual trip to the Gartner Symposium in Barcelona (along with 7,500 other people) where the pace of technology disruption remains palpable. According to one of their surveys, the most important CEO priority today after revenue growth, is improving business agility – critical at a time when technology change is resulting in heightened corporate obsolescence. Just this week, venerable Mothercare announced that it will close all of its UK stores. While many will point to price transparency facilitated by the Internet and the role of Amazon, retail disruption is far much embedded than being simply due to pricing or fulfilment. A cursory glance at research online on the baby-product industry reveals that an estimated 70% of new mums now turn to YouTube for help while so-called 'Mommy Bloggers' (presumably on places like Mumsnet) are the first people that brands go to when they want to launch new products – both roles once enjoyed by Mothercare. This disruption is fast becoming the norm; 83% of Board directors expect their respective industries to be disrupted significantly by the web giants over the next five years. Business agility is one way to guard against unforeseen disruption but requires companies to rethink how they operate, where they compute and to embrace *hyperautomation,* a term coined by Gartner to describe the need to automate 'anything that can be automated'.

Part of this evolution relates to the increasing effectiveness of artificial intelligence, an area we believe will reshape almost every industry over the coming decade. Meanwhile, the tide continues to move ever further from enterprise compute and legacy technologies. One of the most interesting takeaways from the Gartner conference was the discovery of an addition to the nomenclature of cloud computing – distributed cloud. According to Gartner, hybrid compute (the combination of public and private clouds) is already giving way to something they call distributed cloud where the public cloud company runs the private cloud part too.

Near term, we continue to expect some volatility and the growth versus value debate and direction of the market is likely to be driven by the fortunes of risk-free rates, geopolitics and hopes of a trade deal. However, we remain hopeful that the current rotation is likely to prove a tremor rather than a seismic shift in investment style particularly if the Japanese experience proves a useful guide. We certainly hope so as the past few months have been challenging and we have no desire to dust off our value playbook. Fortunately, we remain confident in the secular tailwinds our sector continues to benefit from and expect the robust growth prospects of many of our holdings to drive performance over longer time horizons.

*** not held**

Ben Rogoff

11 November 2019

Polar Capital Technology Trust Management Team

Ben Rogoff

Partner, Technology

Ben has managed the Trust since 2006, he joined Polar Capital in 2003 and has 24 years of industry experience.

Source & Copyright: CITYWIRE. Nick Evans & Ben Rogoff have been awarded a Plus rating by Citywire for their 3 year risk-adjusted performance for the period 30/09/2016 - 30/09/2019.

Nick Evans - Partner

Fatima Iu - Fund Manager

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Holdings Portfolio data is "as at" the date indicated and should not be relied upon as a complete or current listing of the holdings (or top holdings) of the Company. The holdings may represent only a small percentage of the aggregate portfolio holdings, are subject to change without notice, and may not represent current or future portfolio composition. Information on particular holdings may be withheld if it is in the Company's best interest to do so. It should not be assumed that recommendations made in future will be profitable or will equal performance of the securities in this document. A list of all recommendations made within the immediately preceding 12 months is available upon request. This document is not a recommendation to purchase or sell any particular security. It is designed to provide updated information to professional investors to enable them to monitor the Company.

Benchmarks

The following benchmark index is used: Dow Jones Global Technology Index (Total Return). This benchmark is generally considered to be representative of the Technology Equity universe. This benchmark is a broad-based index which is used for comparative/illustrative purposes only and has been selected as it is well known and is easily recognizable by investors. Please refer to www.djindexes.com for further information on this index. Comparisons to benchmarks have limitations as benchmarks volatility and other material characteristics that may differ from the Company. Security holdings, industry weightings and asset allocation made for the Company may differ significantly from the benchmark. Accordingly, investment results and volatility of the Company may differ from those of the benchmark. The indices noted in this document are unmanaged, are unavailable for direct investment, and are not subject to management fees, transaction costs or other types of expenses that the Company may incur. The performance of the indices reflects reinvestment of dividends and, where applicable, capital gain distributions. Therefore, investors should carefully consider these limitations and differences when evaluating the comparative benchmark data performance. Information regarding indices is included merely to show general trends in the periods indicated, it is not intended to imply that the Fund was similar to the indices in composition or risk. The benchmark used to calculate the performance fee is provided by an administrator on the ESMA register of benchmarks which includes details of all authorised, registered, recognised and endorsed EU and third country benchmark administrators together with their national competent authorities.

Regulatory Status Polar Capital LLP is a limited liability partnership number OC314700. It is authorised and regulated by the UK Financial Conduct Authority ("FCA") and is registered as an investment adviser with the US Securities & Exchange Commission ("SEC"). A list of members is open to inspection at the registered office, 16 Palace Street, London, SW1E 5JD. FCA authorised and regulated Investment Managers are expected to write to investors in funds they manage with details of any side letters they have entered into. The FCA considers a side letter to be an arrangement known to the investment manager which can reasonably be expected to provide one investor with more materially favourable rights, than those afforded to other investors. These rights may, for example, include enhanced redemption rights, capacity commitments or the provision of portfolio transparency information which are not generally available. The Fund and the Investment Manager are not aware of, or party to, any such arrangement whereby an investor has any preferential redemption rights. However, in exceptional circumstances, such as where an investor seeds a new fund or expresses a wish to invest in the Fund over time, certain investors have been or may be provided with portfolio transparency information and/or capacity commitments which are not generally available. Investors who have any questions concerning side letters or related arrangements should contact the Polar Capital Desk at the Registrar on 0800 876 6889. The Fund is prepared to instruct the custodian of the Fund, upon request, to make available to investors portfolio custody position balance reports monthly in arrears.

Information Subject to Change The information contained herein is subject to change, without notice, at the discretion of Polar Capital and Polar Capital does not undertake to revise or update this information in any way.

Forecasts References to future returns are not promises or estimates of actual returns Polar Capital may achieve. Forecasts contained herein are for illustrative purposes only and does not constitute advice or a recommendation. Forecasts are based upon subjective estimates and assumptions about circumstances and events that have not and may not take place.

Performance/Investment Process/Risk Performance is shown net of fees and expenses and includes the reinvestment of dividends and capital gain distributions. Factors affecting the Company's performance may include changes in market conditions (including currency risk) and interest rates and in response to other economic, political, or financial developments. The Company's investment policy allows for it to enter into derivatives contracts. Leverage may be generated through the use of such financial instruments and investors must be aware that the use of derivatives may expose the Company to greater risks, including, but not limited to, unanticipated market developments and risks of illiquidity, and is not suitable for all investors. Those in possession of this document must read the Company's Investment Policy and Annual Report for further information on the use of derivatives. Past performance is not a guide to or indicative of future results. Future returns are not guaranteed and a loss of principal may occur. Investments are not insured by the FDIC (or any other state or federal agency), or guaranteed by any bank, and may lose value. No investment process or strategy is free of risk and there is no guarantee that the investment process or strategy described herein will be profitable.

Allocations The strategy allocation percentages set forth in this document are estimates and actual percentages may vary from time-to-time. The types of investments presented herein will not always have the same comparable risks and returns. Please see the private placement memorandum or prospectus for a description of the investment allocations as well as the risks associated therewith. Please note that the Company may elect to invest assets in different investment sectors from those depicted herein, which may entail additional and/or different risks. Performance of the Company is dependent on the Investment Manager's ability to identify and access appropriate investments, and balance assets to maximize return to the Company while minimizing its risk. The actual investments in the Company may or may not be the same or in the same proportion as those shown herein.

Country Specific Disclaimers The Company has not been and will not be registered under the U.S. Investment Company Act of 1940, as amended (the "Investment Company Act") and the holders of its shares will not be entitled to the benefits of the Investment Company Act. In addition, the offer and sale of the Securities have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"). No Securities may be offered or sold or otherwise transacted within the United States or to, or for the account or benefit of U.S. Persons (as defined in Regulation S of the Securities Act). In connection with the transaction referred to in this document the shares of the Fund will be offered and sold only outside the United States to, and for the account or benefit of non U.S. Persons in "offshore- transactions" within the meaning of, and in reliance on the exemption from registration provided by Regulation S under the Securities Act. No money, securities or other consideration is being solicited and, if sent in response to the information contained herein, will not be accepted. Any failure to comply with the above restrictions may constitute a violation of such securities laws.