Polar Capital Technology Trust plc

THE RISE OF AGENTIC AI

Scaling beyond human limits

Annual Report & Financial Statements
For the year ended 30 April 2025

Contents

Our Business at a Glance

Purpose

The purpose of the Company is to provide a vehicle in which investment is spread across a diversified portfolio of technology companies which aim to deliver long term capital growth to Shareholders. The purpose is achieved through the Investment Objective and by applying the investment policy incorporating parameters to ensure excessive risk is not undertaken.

Investment Objective

The Investment Objective is to maximise long-term capital growth through investing in a diversified portfolio of technology companies around the world. The investment policy and investment guidelines are set out in full in the Strategic Report on pages 54 to 55.

Management structure

The Company is an investment trust led by an experienced Board of Independent non-executive Directors with extensive knowledge of investment matters, and the regulatory and legal framework within which your Company operates. The role of the Board is to provide oversight of the Company's activities and to seek to ensure that the appropriate financial resources and controls are in place to deliver the Investment Objective and manage the risks associated with such activities. The Directors have appointed various third-party suppliers to provide a range of services including investment management, depositary and administrative services to the Company.

Polar Capital LLP has been the appointed Investment Manager and AIFM throughout the year. Ben Rogoff, the appointed portfolio manager, has been responsible for the Company's portfolio since 1 May 2006 and is supported by Deputy Fund Manager, Alastair Unwin and a team of technology specialists. Polar Capital LLP is authorised and regulated by the Financial Conduct Authority.

For annual highlights please visit: https://www.pctannualhighlights.co.uk

* *These narrative statements form part of the Strategic Report section as required under The Companies Act 2006.*

~ *This report forms part of the Report of the Directors.*

Financial Highlights

Year ended 30 April 2025

Net Asset Value (NAV) Per Ordinary Share Total Return[1]	Benchmark Total Return[2]	Share Price Total Return[1]
+3.1%	+5.1%	-1.2%
2024: +40.8%	2024: +38.9%	2024: +50.5%

Shareholders' funds	NAV Per Ordinary Share	Price per Ordinary Share
£3,804,889,000	325.20p	288.50p
2024: £3,804,533,000	2024: 315.41p[3]	2024: 292.00p[3]

1 Alternative Performance Measure, see pages 136 to 137.
2 Dow Jones Global Technology Index (total return, Sterling adjusted, with the removal of relevant withholding taxes). See page 138 for further details.
3 Rebased following the sub-division of Ordinary Shares of 25p each into 10 new Ordinary Shares of 2.5p each, approved at the AGM held on 11 September 2024 and effective on 13 September 2024.

Key Contents

AGM: 10 September 2025 at 2:30pm

Please refer to the Notice of AGM available on our website.

Financial Highlights continued

Financial Summary

	As at 30 April 2025	As at 30 April 2024	Change %	
			Year Ended 2025	Year Ended 2024
Total net assets	£3,804,889,000	£3,804,533,000	0.01%	34.5%
Net Asset Value (NAV) per ordinary share[1]	325.20p	315.41p	3.1%	40.8%
Benchmark[2]	5259.96	5007.08	5.1%	38.9%
Price per ordinary share[1]	288.50p	292.00p	(1.2%)	50.5%
Discount of ordinary share price to the NAV per ordinary share[3]	(11.3%)	(7.4%)		
Ordinary shares in issue[1,4]	1,170,007,019	1,206,215,690	(3.0%)	(4.5%)
Ordinary shares held in treasury[1,4]	203,142,981	166,934,310	21.7%	51.4%

Key Data

	For the year to 30 April 2025	
	Local Currency %	Sterling Adjusted %
Benchmark[2]		
Dow Jones Global Technology Index (TR)	12.06	5.1
Other Indices over the year (total return)		
FTSE World	12.30	5.23
FTSE All-Share		7.53
S&P 500 Composite	12.10	5.04
Nikkei 225	-4.33	-1.06
Eurostoxx 600	8.01	7.63

Exchange Rates

As at 30 April	2025	2024
US$ to £	1.3357	1.2522
Japanese Yen to £	190.52	197.04
Euro to £	1.1750	1.1711

Expenses

For the year to 30 April	2025	2024
Ongoing charges ratio[3]	0.77%	0.80%
Ongoing charges ratio including performance fee[3]	0.77%	0.80%

Data supplied by Polar Capital LLP and HSBC Securities Services.

1 Prior year was rebased following the sub-division of Ordinary Shares of 25p each into 10 new Ordinary Shares of 2.5p each, approved at the AGM held on 11 September 2024 and effective on 13 September 2024.

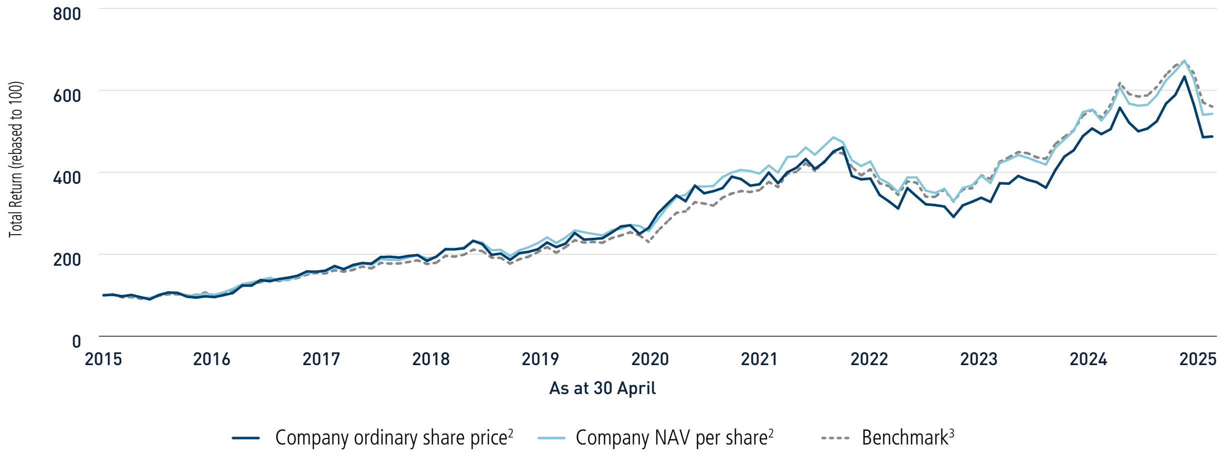
2 Dow Jones Global Technology Index (total return, Sterling adjusted, with the removal of relevant withholding taxes). See page 138 for further details.

3 Alternative Performance Measure see pages 136 to 137.

4 The issued share capital as at close of business 4 July 2025 (latest practicable date) was 1,373,150,000 ordinary shares of which 215,103,569 were held in treasury.

Performance

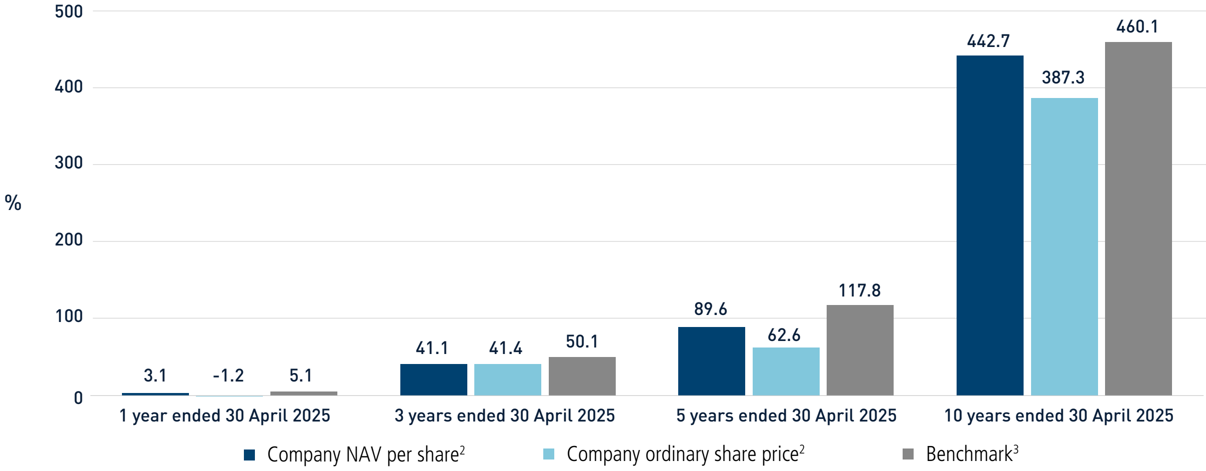
10 Year Performance Graph



Historic Performance

As at 30 April	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net Assets (£m)	793.0	801.3	1,252.5	1,551.6	1,935.6	2,308.6	3,408.8	3,051.0	2,828.1	3,804.5	3,804.9
Share price (pence)#	59.2	56.6	94.7	114.8	135.4	177.4	236.4	204.0	194.0	292.0	288.5
NAV per share (pence)#	59.9	60.6	94.5	116.0	144.6	171.6	249.6	230.5	223.9	315.4	325.2
Indices of Growth[1]											
Share price[2]	100.0	95.6	160.0	193.9	228.7	299.7	399.3	344.6	327.7	493.2	487.3
NAV per share[2]	100.0	101.1	157.8	193.5	241.3	286.3	416.6	384.5	373.7	526.3	542.7
Dow Jones Global Technology Index[3]	100.0	99.9	153.2	179.3	217.8	257.2	376.5	373.2	383.8	533.2	560.2

Performance over 10 years (%)



The Company commenced trading on 16 December 1996 and the share price on the first day was 9.6p# per share and the NAV per share was 9.75p#.

Notes:

1 Rebased to 100 at 30 April 2015
2 Total return assumes reinvestment of dividends.
3 Dow Jones Global Technology Index (total return, Sterling adjusted) with the removal of relevant withholding taxes.
Prior years were rebased following the sub-division of Ordinary Shares of 25p each into 10 new Ordinary Shares of 2.5p each, approved at the AGM held on 11 September 2024 and effective on 13 September 2024.
All data sourced from Polar Capital LLP.

Chair's Statement

This statement forms part of the Strategic report section

Catherine Cripps
Chair

Introduction

On behalf of myself and the Board I am pleased to present to you the Annual Report of the Company for the financial year ended 30 April 2025 (FY25).

With the recent investment trust market challenges and meeting requisitions, it would be remiss not to reflect that the Board is conscious of the interest in the investment trust industry of activist Shareholders. The Board has reflected on and continually monitor the Shareholder register and position of the Company. While the Board does not feel there are any current concerns, the Board is mindful of acting in the best interests of Shareholders and stakeholders at all times and we would like to reassure Shareholders of this.

Performance

The Manager's report is provided on pages 16 to 35 and gives an overview of the year past and the outlook for the near future.

The financial year under review has been a challenging period for the Company with the technology sector experiencing volatility following the arrival of DeepSeek's potentially low-cost AI Model, President Trump's Administration and the uncertainty surrounding the introduction of US Tariffs and retaliatory tariffs as well as other geopolitical and macro-economic factors. During the year under review, your Company's net asset value (NAV) per share rose from 315.41p to 325.20p, an increase of 3.1%, while the Benchmark increased 5.1% in Sterling terms over the same period. Underperformance came largely from an overweight position in the small cap sector and from difficult stock selection within it. The annualised performance returns of the Company over the past five and ten years were 13.6% and 18.4% respectively, which compare to total returns from our benchmark of 16.8% and 18.8%.

While we await the longer-term impact of President Trump's administration, the Board remains optimistic about the overall outlook for the technology sector. We continue to believe that there are interesting developments and long-term opportunities within our sector, particularly with the developments in agentic Artificial Intelligence (AI); this is discussed further in the Manager's Report.

Discount Management

The Company's discount widened during the financial year under review, ending the year at 11.3% compared to 7.4% at the end of FY24. It averaged 10.4% over the financial year. The Board actively monitors the discount at which the Company's ordinary shares trade in relation to the Company's underlying NAV and, whilst the Board does not have a formal discount policy, it will continue to exercise its discretion to buy back shares at a discount in normal market conditions. Equally, the Board will also use discretion to issue shares at a premium.

Utilising this discretion, we repurchased a total of 36,208,671 ordinary shares (representing 2.6% of the issued share capital) in the year under review at an average price of 318.19 pence per share and at an average discount of 10.4% to the prevailing NAV. Following the year end, and up to close of business 4 July 2025, the Company has bought back a further 11,960,588 shares. While purchase levels have been relatively low on an individual transaction basis, we should note that this activity does not preclude the Manager determining that a more significant amount than usual on any one day should be purchased. Such a decision may be influenced by, in the Manager's view, there being a particular investment opportunity best accessed through buying shares in the Company rather than buying individual securities.

Fees

As previously reported in the Company's Half Year results, we concluded our formal three-yearly review of the management fee arrangements and were very pleased to have achieved an agreement with the Manager for an overall reduction to the base management fee as well as the complete removal of the performance fee. The revised arrangements came into effect on 1 May 2025.

New fee arrangements:
The new base management fee is now structured over two tiers and the performance fee was removed entirely:

- Tier 1: 0.75% on NAV up to and including £2bn
- Tier 2: 0.60% on NAV above £2bn

Please refer to page 58 for further information on fees.

Board Composition

As reported in the Half-Year Chair's Statement, a recruitment process was undertaken in the latter half of 2024 in order to identify and appoint a new non-executive director following the retirement of Charlotta Ginman who reached her nine-year tenure in September 2024. We were delighted to welcome Adiba Ighodaro to the Board with effect from 3 December 2024. Adiba brings a considerable expertise in legal and investor matters and has various Board roles already. She will stand for election by Shareholders at the AGM to be held in September 2025. Further information on the recruitment process undertaken is contained within the Report of the Nomination Committee on page 92 and Adiba's background and experience is on page 11.

The Board continues to work on longer-term succession planning as each of the Directors approach their nine year tenure on the Board. The Board is in early-stage discussions and are working to finalise a managed programme of recruitment, appointment and retirement which we expect will be carried out during 2026 and will conclude by Q4 2027. Further information will be shared when available.

There have been no other changes to the membership of the Board during the year under review. The Directors' biographical details are available on the Company's website and are provided on pages 10 and 11.

Directors' Fees

As detailed further within the Remuneration Committee Report, an annual fee review was undertaken to ensure that the remuneration paid to Directors remains attractive, competitive and in line with those of its peers in order to attract and retain the best candidates. The Board usually favours modest increases year-on-year (where applicable) and with effect from 1 May 2025, the Directors' base remuneration increased by 2.8% to £37,000 and the remuneration of the Chair to £67,200. The supplement for the Audit Committee Chair was increased to £9,000 to reflect the additional time required in connection with increased audit regulation and overall responsibility of the Chair of the Audit Committee, whilst the supplement for the Senior Independent Director remained unchanged at £4,200.

In aggregate, the Directors fees for FY26 will be £265,400. The maximum level currently provided for in the Company's Articles of Association is £350,000 which provides headroom for succession planning and appointment overlap should it be necessary.

Annual General Meeting

We are pleased to confirm that the Company's AGM will be held on 10 September 2025 at 2:30pm at the offices of Herbert Smith Freehills Kramer, Exchange House, Primrose Street, London, EC2A 2EG. We look forward to welcoming Shareholders to the meeting, at which they will receive a presentation from the Investment Manager and his team and Shareholders will also have the opportunity to ask questions and meet the Board; light refreshments will be available following the meeting.

The Notice of AGM will shortly be provided to Shareholders and will also be available on the Company's website. Shareholders are encouraged to read the detailed explanations on the formal business and the resolutions to be proposed at the AGM contained within the Shareholder Information section on pages 141 to 142 of this document as well as the Notice of AGM.

In order to ensure that Shareholders are able to follow the proceedings of the AGM without attending in person, the Company will also broadcast the meeting online via zoom videoconferencing. However, please note that Shareholders joining via zoom will not be able to vote online during the AGM and are therefore encouraged to submit their votes via proxy, as early as possible. All formal resolutions will be voted on by way of a poll. In addition to voting on resolutions proposed at the AGM, we also welcome Shareholder engagement with the Board and the Investment Manager. As such, the Board invites Shareholders to not only attend the AGM in person but to submit questions in writing to which we will respond, as far as possible, ahead of the AGM date. Please send your questions to **cosec@polarcapital.co.uk** with the subject heading **PCTT AGM**.

Continuation Vote

The Company has within its corporate structure the requirement to hold a continuation vote every five years. The last continuation vote was held in September 2020, for which 100% of the votes cast were in favour, and the next continuation vote will be held at the forthcoming AGM on 10 September 2025.

Ahead of the upcoming continuation vote, the Board, Investment Manager and Corporate Broker have been seeking Shareholder views including any concerns and an indication of whether they were likely to vote in favour of the Company's continuation. No comments adverse to the continuation vote have been received to date and the Shareholders who provided feedback were minded, at the time of writing, to vote in favour of the resolution for the Company to continue. Shareholders highlighted the contact between the Investment Manager and Shareholders, the long term investment horizon of many Shareholders, the diversification of the Company's register of Shareholders and the Company's inclusion on many buy lists at private wealth managers and retail platforms. As such, the Directors are confident that the continuation vote will be passed at the AGM to be held on 10 September 2025 and therefore the Company will continue in existence. As such the Board is supportive of the Company continuing in its current form and recommends shareholders vote in favour of continuation as indeed the Directors propose to do. The Board acknowledge that there can be no certainty that the continuation vote will be passed although, at the date of approval of these financial statements, we have no reason to believe that it will not do so.

Chair's Statement continued

Environmental, Social and Governance (ESG)

The Investment Manager incorporates ESG considerations into its investment process and the Board continues to engage closely with the Manager to monitor their progress and receives regular updates on the developments on the corporate side of Polar Capital's business. As at 30 April 2025, based on MSCI ESG ratings, the portfolio and the benchmark were both A rated.

Please refer to the ESG Report on pages 46 to 51 which incorporates both the investment and corporate approaches.

Outlook

Whilst the macro-economic uncertainties remain and it is likely that market volatility will persist, we remain positive on the outlook for the sector with rapid developments in agentic AI falling into place. We look forward to the investment opportunities this brings for the sector and our portfolio, which looks well placed to benefit from these developments in the AI space. It is important to remember, however, that continuing devaluation of the US dollar could potentially cause a headwind to the performance of the Company as, in the near term, the majority of our assets are US dollar based. I encourage you to read the IM report on pages 16 to 35 for a flavour of the excitement the Manager has about various themes developing within our sector.

Catherine Cripps
Chair
10 July 2025

Financial Performance Review

For the year ended 30 April 2025

The NAV per share increased to 325.20p as at 30 April 2025 from 315.41p* at the start of the year, which represents a 3.1% increase, and the Company finished the year with total net assets of £3,804.9m. The Investment Manager's Report on pages 16 to 35 sets out in detail the performance of the Company for the financial year. The chart on the following page shows in greater detail the movement in total net assets for the year.

Total Return

The Company generates returns from both capital growth (capital return) and dividend income received (revenue return). The total return from the portfolio for the year was a gain of £118.4m (2024: gain of £1,115.4m), of which there was a £129.7m gain (2024: £1,124.6m gain) from capital and a £11.3m loss (2024: £9.2m loss) on the income account which offsets all expenses against dividend income. Full details of the total return can be found in the Statement of Comprehensive Income on page 106. As a matter of policy, all expenses are allocated to income with the exception of the performance fee which is allocated to capital. The Company's allocation of expenses is described in Note 2(d) on page 111 and the allocation methodology is considered on an annual basis. No change to the policy is recommended (2024: no change). The earnings per share were 9.97p (2024: earnings per share of 90.42p*). These were made up of 10.92p from capital return and a loss of 0.95p from revenue return.

Capital Return

The investment portfolio was valued at £3,664.9m (2024: £3,713.8m) at the year end 30 April 2025. The investment portfolio delivered a total of realised and unrealised gains of £128.5m (2024: gains of £1,147.9m) for the year ended 30 April 2025. The Company's valuation approach is described in Note 2 (f) on page 112. The derivative gains of £2.8m (2024: £22.0m losses) have arisen as a result of the call and put options which are used to facilitate efficient portfolio management. Full details of the derivatives are set out in the Investment Managers Report on pages 16 to 35 and Note 6 on page 116.

Revenue Return

The total investment income of £19.1m (2024: £15.5m) represents dividend income derived from listed investments. During the year under review, the Company received other operating income of £6.3m (2024: £6.4m) which was derived from bank interest and Money Market Fund (MMF) interest. It should be noted, however, that the MMF is held primarily as a cash diversification factor rather than an income generating investment. As stated above, as a matter of policy, all expenses (excluding the performance fee) are charged to revenue and as a result, expenses normally exceed the income received in any given year. As has been the case for many years, the revenue reserve therefore remains negative. The Company historically has not paid dividends given the nature of its focus on longer term capital growth. The Directors do not recommend the payment of a dividend for the financial year under review. The Board reviews this stance on a periodic basis.

Total Expenses and Finance Costs

The total expenses for the year under review amounted to £32.5m (2024: £27.3m). These are made up of investment management fees of £30.9m (2024: £25.9m) and administrative expenses of £1.6m (2024: £1.4m). In addition, the Company had finance costs of £1.8m (2024: £1.9m). The Company's operating expenses comprise predominantly variable costs, such as management, depositary and custody fees which increase and decrease based on the net asset value. Other expenses remained at a similar level to the last year. There was no performance fee accrued at the year ended 30 April 2025 (2024: £nil). The Company keeps under close review the costs and expenses associated with the running of the Company to ensure that they continue to provide value for money. As reported in the Company's Half Year results, an agreement was made with Polar Capital for a reduction to the base management fee and the complete removal of the performance fee. The revised arrangements came into effect from the new financial year commencing 1 May 2025. Further details can be found on page 58.

Ongoing Charges

The ongoing Charges Ratio (OCR) is a measure of the ongoing operating costs of the Company. It is calculated in line with the AIC recommended methodology, represents the total expenses of the Company, excluding finance costs, and is expressed as a percentage of the average daily net asset value during the year. The OCR demonstrates to Shareholders the annual percentage reduction in NAV as a result of recurring operational expenses, that is, the expected cost of managing the portfolio. Whilst based on historical information, the OCR provides an indication of the likely level of costs that will be incurred in managing the Company in the future. The OCR for the year to 30 April 2025 was 0.77%, a reduction from the previous year of 0.80%. The OCR including the performance fee for the year to 30 April 2025 was the same as no performance fee was accrued at the year end. See Alternative Performance Measures on pages 136 and 137.

* Prior year figures have been rebased following the sub-division of Ordinary Shares of 25p each into 10 new Ordinary Shares of 2.5p each, approved at the AGM held on 11 September 2024 and effective on 13 September 2024.

Financial Performance Review continued

Cash and Cash Equivalents

The Company's absolute level of cash at the year end was £187.9m (2024: £102.6m), this equates to less than 5% of the Company's NAV as at 30 April 2025. As noted above, as part of the Company's cash diversification strategy, the Company has taken a cautious approach and has chosen to invest 50% of its USD cash balance into a USD Treasury Money Market Fund. As at 30 April 2025, the Company held the BlackRock Institutional Cash Series – US Treasury Fund with a value at year end of £21.4m (2024: £33.0m).

Portfolio Turnover

Portfolio turnover (purchases and sales divided by two) totalled £4,563.9m equating to 119.9% for the year to 30 April 2025 (2024: 85.5%) of average net assets. Details of the investment strategy and portfolio are given in the Investment Manager's Review on pages 16 to 35.

Gearing

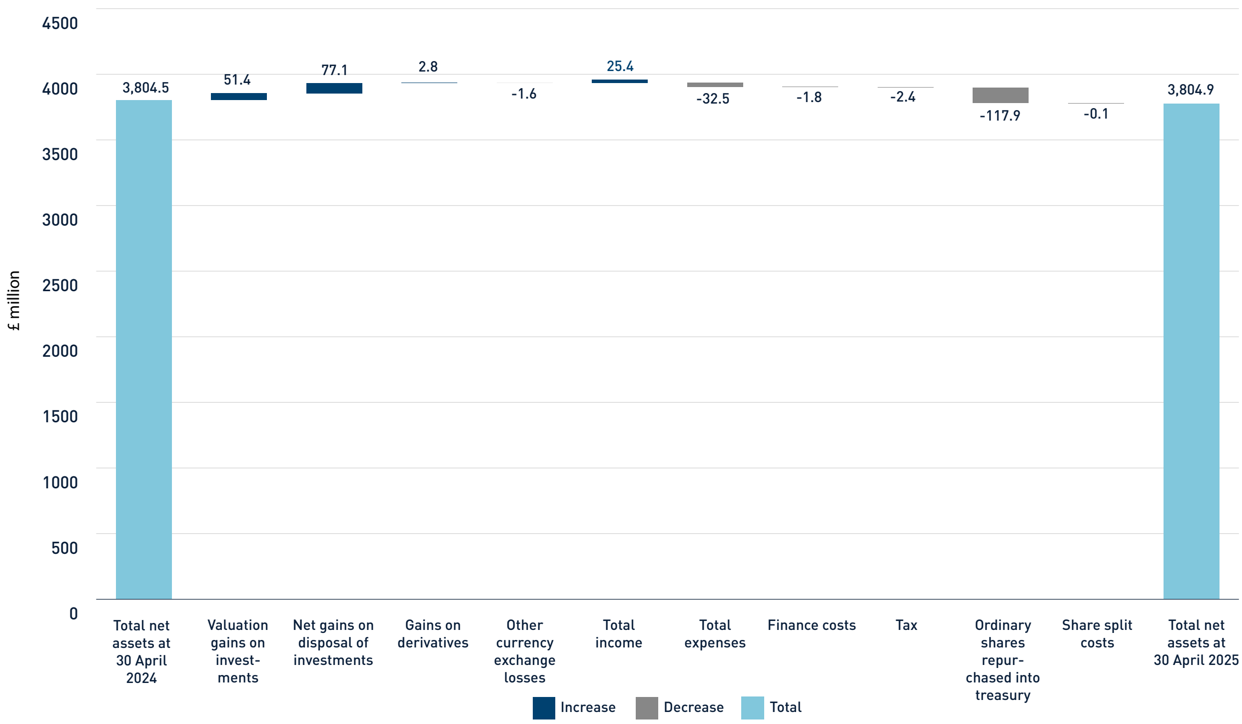
The Company can use gearing for investment purposes as stated on page 56. During the year, the Company had two loan facilities with ING Bank NV of 36m US Dollars and 3.8bn Japanese Yen ("JPY"), both of which were repaid in September 2024. The JPY loan was replaced with a three year fixed rate term loan of JPY 15bn from The Bank of Nova Scotia. This loan is due for repayment in September 2027. The repayment of this loan, totalling approximately £78.7m would equate to 2% of the Company's NAV as at 30 April 2025.

Foreign Exchange

The majority of the Company's assets and revenue are denominated in currencies other than Sterling and are impacted by foreign exchange movements. As at the year ended 30 April 2025, the other currency losses of £1.6m (2024: £1.3m losses) represents the exchange losses on currency balances of £2.5m (2024: £4.1m losses) and net gains on currency translation and settlement of loans of £0.9m (2024: gains of £2.8m). The Company's total return and net assets can be affected by the currency translation and movements in foreign exchange. Note 27 (a) (ii) on pages 125 to 132, analyses the currency risk and the management of such risks.

Catherine Cripps
Chair
10 July 2025

Contributors to the movement in total net assets for the year to 30 April 2025 (in £ million)



Board of Directors

Catherine Cripps

Independent Non-Executive Chair

Appointed to the Board in September 2021 and as Chair in September 2022.

Skills and Experience

Catherine is a qualified Chartered Accountant who has in excess of 30 years' senior finance industry experience in a number of trading, risk management and investing roles including Investment Director and Head of Research at GAM. Previously, Catherine was non-executive director of CQS Management Limited, Merian Global Investors and Nuclear Liabilities Fund.

Other Appointments

NED and Board Risk Committee Chair of Goldman Sachs International and Goldman Sachs International Bank and Member of the Audit Committees. NED of, Pool Re and independent member of the investment committee at the charity Marie Curie.

PCT Share Interests

4,810

Annual Remuneration

£65,500

Rationale for re-election

Catherine joined the Board in 2021 and assumed the role of Chair in September 2022. She brings to the Board a wealth of investment industry experience following a number of roles including Investment Director and Head of Research at GAM International. Since taking on the role of the Chair, Catherine has been proactive in engaging and building relationships with the Manager and continues the strong link with Polar Capital, she has demonstrated effective leadership skills.

Tim Cruttenden

Independent Non-Executive Director and Senior Independent Director ("SID")

Appointed to the Board in March 2017 and as SID and Chair of the Remuneration Committee in July 2020.

Skills and Experience

Tim is currently Chief Executive Officer of VenCap International plc having been with the company in various positions since 1994. VenCap invests in venture capital funds in the US, Asia and Europe, with a primary focus on early stage technology companies.

Other Appointments

NED, Chrysalis Investments Limited.

PCT Share Interests

12,690*

Annual Remuneration

£40,200

Rationale for re-election

Tim has extensive technology private equity investment experience and brings an alternative investment perspective to discussions on the portfolio. The Board and Manager value the investment debates at meetings particularly where Tim focusses on new themes and they welcome the continued contribution from him.

*including shares held by PCA's

Jane Pearce

Independent Non-Executive Director and Chair of the Audit Committee

Appointed to the Board in September 2021 and as Chair of the Audit Committee on 31 October 2023.

Skills and Experience

Jane is an experienced non-executive director and Chartered Accountant with over 20 years' financial markets experience. She has a number of years' experience as a Technology Equity Analyst and as an Equity Strategist at leading investment banks including Lehman Brothers and Nomura International.

Other Appointments

NED and AC Chair of Shires Income plc. Chair of Morgan Stanley Investment Management Limited, NED of Morgan Stanley Bank International Limited, Morgan Stanley & Co International plc and Morgan Stanley International Limited.

PCT Share Interests

10,970

Annual Remuneration

£44,500

Rationale for re-election

Jane is an experienced non-executive director and Chartered Accountant with over 20 years' financial markets experience including as a technology equity research analyst. She is an experienced audit committee member and since assuming the role of Audit Chair, Jane has actively worked with Polar Capital and the Auditor to ensure a smooth audit and year-end process.

Adiba Ighodaro

Independent Non-Executive Director

Appointed to the Board in December 2024.

Skills and Experience
Adiba is a former Partner and founding member of the international private equity firm Actis, where she held both investor and fundraising leadership roles in the UK, Nigeria and the US. She began her career practising corporate and commercial law and has close to 30 years of investing across private equity, energy infrastructure and real estate.

Other Appointments
NED and Chair of the Credit Committee of Standard Chartered Bank Nigeria Limited. NED and Chair of Nomination Committee of ICG Enterprise Trust Plc and NED of M-Kopa Holdings Limited.

PCT Share Interests
2,448

Annual Remuneration
£36,000

Rationale for re-election
Adiba was appointed to the Board in December 2024. With a legal and extensive investment and institutional investor development background, Adiba brings a wealth of experience that is differentiated and complementary. Board discussions benefit from her insights drawn from her experience of operating in international markets, as well as her strategic and governance expertise.

Charles Park

Independent Non-Executive Director

Appointed to the Board in January 2018.

Skills and Experience
Charles has over 25 years of specialist investment experience and was a co-founder of Findlay Park Partners, an investment firm specialising in quoted American equity investments. Prior to this, he was a US fund manager at Hill Samuel Asset Management.

Other Appointments
Chair of North American Income Trust plc and NED of Evenlode Investments.

PCT Share Interests
18,400

Annual Remuneration
£36,000

Rationale for re-election
Charles has extensive equity investment experience and brings to the Board current and active knowledge of the industry from a different, value based investment approach which contributes to Board and Manager discussions. He also brings his understanding of investment management firms, fees and the private client wealth management sector to Board discussions. He has helped the Board by bringing perspectives from elsewhere to give context and insight into investment markets. He has also brought his interest in ESG issues to our discussions.

Stephen White

Independent Non-Executive Director

Appointed to the Board in January 2018.

Skills and Experience
Stephen qualified as a Chartered Accountant at PwC before starting a career in investment management. He has more than 35 years' investment experience, most notably as Head of European Equities at F&C Asset Management, where he was manager of F&C Eurotrust plc and deputy manager of The F&C Investment Trust plc, and as Head of European and US equities at British Steel Pension Fund.

Other Appointments
NED and Chair of Brown Advisory US Smaller Companies Trust plc. NED and AC Chair of BlackRock Frontiers Investment Trust plc.

PCT Share Interests
100,000

Annual Remuneration
£36,000

Rationale for re-election
Stephen has many years of investment and financial experience including as an investment company manager, which he brings to the Board. He has been particularly interested in our Manager's individual stock holdings and has encouraged helpful debate. He also has wide experience of the institutional and investment company sector, of its fees, clients and approaches. He also holds other audit committee chair positions which bring extra support to our Audit committee.

Technology Investment Team

Fund Managers

Ben Rogoff

Partner
Technology

Ben has been a technology specialist for 29 years. He has been lead manager of Polar Capital Technology Trust plc since 2006, and is a Fund Manager of the Polar Capital Global Technology Fund and Polar Capital Automation and Artificial Intelligence Fund. Prior to joining Polar Capital, he began his career in fund management at CMI, as a global technology analyst. He moved to Aberdeen Fund Managers in 1998 where he spent four years as a senior technology manager. Ben has a BA (Hons) in Modern History from St Catherine's College, Oxford.

Alastair Unwin

Partner
Deputy Fund Manager

Focus areas: Application and Software Fintech / Payments

Alastair joined Polar Capital in June 2019 and has 14 years' investment experience. Prior to joining Polar Capital, Alastair co-managed the Arbrook American Equities Fund. Between 2014 and 2018 he launched and then managed the Neptune Global Technology Fund and managed the Neptune US Opportunities Fund. Alastair has a BA (1st Class Hons) in History from Trinity College, Cambridge and is a CFA Charterholder.

Nick Evans

Partner
Technology

Nick joined Polar Capital in 2007 and has 27 years' experience as a technology specialist. He has been lead manager of the Polar Capital Global Technology Fund since January 2008 and is also a fund manager on the Polar Capital Automation and Artificial Intelligence Fund.

Nick has a degree in Economics and Business Economics from Hull University, has completed all levels of the ASIP, and is a member of the CFA Institute.

Xuesong Zhao

Partner

Focus areas: Artificial Intelligence and Semiconductors

Xuesong joined Polar Capital in 2012 and has 18 years' investment experience. He is a lead manager of the Polar Capital Automation and Artificial Intelligence Fund and is a fund manager on the Polar Capital Global Technology Fund. Xuesong holds an MSc in Finance from Imperial College of Science & Technology, a BA in Economics from Peking University and is also a CFA Charterholder.

Fatima Iu

Partner

Focus areas: Cybersecurity, Networking and Infrastructure Software

Fatima joined Polar Capital in 2006 and has 20 years' investment experience. She is a fund manager on the Polar Capital Global Technology Fund. Fatima holds an MSc in Chemistry with Medicinal Chemistry from Imperial College of Science & Technology in London. She is also a CFA Charterholder.

Investment Analysts

Paul Johnson

Investment Analyst

Focus areas: Automotive (EV/AV), Video Gaming and Space

Paul joined Polar Capital in 2012 and has 13 years' investment experience. Prior to joining Polar Capital Paul helped manage a private investment fund between 2010 and 2012. Paul holds a BA in History and Politics and a Masters in History from Keele University. Paul is also a CFA Charterholder.

Nick Williams

Investment Analyst

Focus areas: Artificial Intelligence, Healthcare and Clean Energy

Nick joined Polar Capital in June 2019 as an analyst on the Polar Capital Technology team and has 9 years' investment experience. Prior to joining Polar Capital, Nick worked at Neptune Investment Management as the Assistant Fund Manager on the US Opportunities Fund. Prior to that he worked in academia at the University of Oxford. Nick holds an MChem in Chemistry from Wadham College, University of Oxford.

Patrick Stuff

Investment Analyst

Focus area: Semi-caps, Industrial and Consumer

After graduating from the University of Warwick with a BSc in Economics, Patrick joined Polar Capital as an Operations Executive, where he provided operational support to all fund management teams at Polar, including the Technology team. During this time Patrick successfully passed all three levels of the CFA program first time, and subsequently, after a successful 8 months seconded to the technology team, Patrick joined on a full-time basis in May 2021 as an investment analyst with a focus on Semi-cap, Industrial and Consumer. Patrick has 4 year's investment experience.

Fred Holt

Investment Analyst

Focus area: Semiconductors Artificial Intelligence and Supply Chain

Fred joined Polar Capital in July 2023 as an Investment Analyst in the Technology team. Prior to joining Polar Capital, he worked at Janus Henderson investors as a Portfolio Analyst on the Global Technology Leaders and Sustainable Future Technologies strategies. Fred has 4 years' investment experience.

Academic qualifications: BSc in Geology, University of Bristol and MSc in Petroleum Geoscience, Imperial College London. Investment Management Certificate and is a CFA Charterholder.

Lina Ghayor

Investment Analyst

Focus area: Internet and Media

Lina joined Polar Capital in September 2023 as an Investment Analyst in the Technology team. Prior to joining Polar Capital, Lina worked at Exane BNP Paribas as an Equity Research Analyst. Lina has 7 years' investment experience.

Academic qualifications: MSc in Management – Finance & Law, ESSEC Business School.

Paddy Drewett

Data Analyst

Paddy joined Polar Capital as an Operations Executive in 2019 from the Global Markets division of Société Générale. During this time, Paddy provided operational support to the Technology team for over three years and successfully became a CFA Charterholder. Paddy transferred to the Technology team as a Data Analyst in June 2024 and will provide expertise on AI implementation while bolstering the wider data analysis capabilities of the team. Paddy holds a BsC in Economics & Finance, Queen Mary University of London.

Managers' Report

Investment Manager's Report

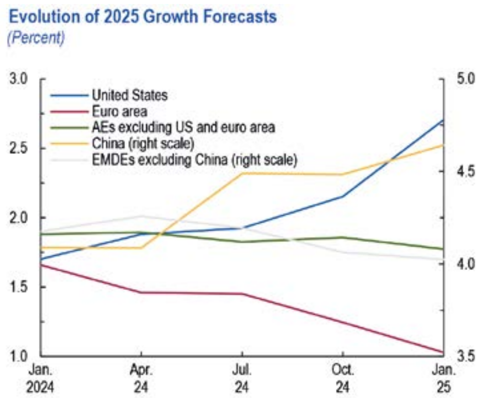
This report forms part of the Strategic report section

Ben Rogoff
Partner, Technology

Alastair Unwin
Partner, Deputy Fund Manager

Market review

Equity markets delivered modest gains during the Trust's fiscal year to the end of April 2025 (FY25) following a strong FY24 although this belied significant geopolitical and market volatility. Global equity markets, as per the MSCI All Country World Net Total Return Index, returned +4.8% during the fiscal year, while the US (S&P 500 index) and Europe (DJ Euro Stoxx 600 index) returned +5% and +7.6% respectively. Economic growth remained firm, led by consumer spending, while labour markets showed only mild signs of softening. The inflation picture also continued to improve globally, including in the US, where headline Consumer Price Inflation (CPI) fell from 4.9% in April 2023 to 2.3% by April 2025, nearing the Federal Reserve (Fed)'s 2% goal. Progress on inflation changed the balance of risks for many central banks and shifted policy focus from managing the risk of higher/sticky inflation to supporting economic growth and labour markets. The Fed duly began its interest rate-cutting cycle with a 50 basis point (bps) cut at its September meeting, followed by 25bps cuts at the November and December meetings. The European Central Bank and Bank of England began their own rate cuts in June and August respectively.



Source: IMF staff calculations.

Note: The x-axis shows the months the World Economic Outlook is published.
AEs = advanced economies; EMDEs = emerging market and developing economies.

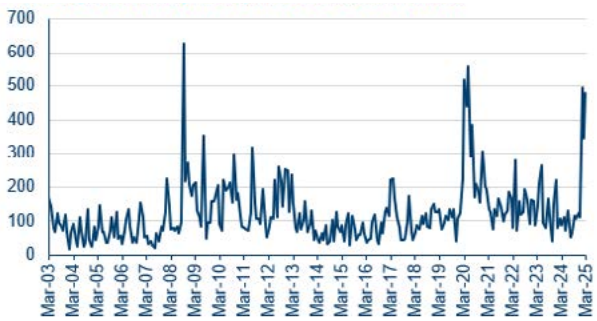
Equity markets broadly trended higher through 2024 as economic growth surprised to the upside and major macroeconomic and political risks appeared to dissipate, supporting higher equity valuation multiples. 2024 US GDP (gross domestic product) growth ended the year at +2.9%, up from forecasts of just 1.2% at the start of the year. Performance for the calendar year was again dominated by the largest technology companies, with the 'Magnificent Seven' (Mag-7) returning +71% and continuing to benefit from positive earnings revisions and excitement about artificial intelligence (AI), accounting for almost 60% of the S&P 500's 2024 return.

From the turn of the calendar year (the final third of the Trust's fiscal year), markets were no longer led by changes in the Fed's language and CPI components but buffeted by political developments. The election of Donald Trump as US President proved the defining event of the fiscal year as markets were forced to react to sweeping tariff policies, a flurry of Executive Orders and bilateral dealmaking. Equity markets initially took this political upheaval in their stride: Trump's pro-growth, pro-business, low-tax agenda appeared to have ignited animal spirits, and the equity market upgraded its economic growth expectations. The nomination of Scott Bessent as Treasury Secretary and Elon Musk's high-profile Department of Government Efficiency (DOGE) role led investors to be more sanguine about inflationary tariffs, expanding deficits and geopolitical instability. The decisive election outcome in the form of a Republican 'clean sweep' and stock market 'Trump bump' added fuel to the 'US exceptionalism' narrative: US equities saw c$141bn worth of inflows during the month following Trump's election (the largest monthly inflows on record), cyclicals outperformed defensives, and the S&P 500 high beta factor reached the 99th percentile by early December.

The reality of the Trump administration's policy agenda and erratic *modus operandi* proved more challenging, and the S&P 500 soon gave back all its post-election gains. The market turned more defensive as investors digested trade uncertainties, DOGE disruption and even a potential shift in the geopolitical world order as Trump and Vice-President Vance raised significant questions about the future viability of NATO and the survival of *Pax Americana* (which succeeded in galvanizing Europe – particularly Germany – into increasing defence spending). Growth and inflation concerns emerged as consumer and business confidence collapsed and policy uncertainty spiked to early Covid and global financial crisis (GFC) levels. Against this volatile backdrop, the arrival of DeepSeek's low-cost AI model shocked the market and prompted a momentum unwind in small/mid-cap, long-duration and AI infrastructure stocks and, without mega-cap technology/AI leadership, the market struggled.

Trump's Liberation Day Executive Order on 2 April unleashed further volatility; indeed, April was the fifth most volatile month in 85 years. A baseline 10% tariff was set on imports from all countries from 5 April and much higher 'reciprocal tariffs' on around 60 'worst offenders' from 9 April. The size and scope of the Liberation Day announcement surprised the market and appeared to confirm the administration's commitment to reordering global trade policy and geopolitics. Equity markets experienced significant volatility in early April: the VIX (a measure of market volatility) closed above 50, the S&P 500 registered some of the largest intraday swings in history amid record trading volumes and fell more than 20% from mid-February highs. The trade-weighted dollar weakened significantly, closing down more than 10% from January highs by mid-April.

US Policy uncertainty has spiked to GFC/covid levels



Source: Bloomberg, 11 March 2025

Fortunately, the sharp correction in the bond and equity market prompted a softening in the trade tariff negotiations, which led to a rebound in the market. On 9 April – the deadline for reciprocal tariffs to go into effect and following unsettling moves in the bond market – Trump paused the higher reciprocal tariff rates for 90 days on all countries excluding China (where the cumulative tariff was increased to 125%) to provide an opportunity for countries to engage in trade talks. In the face of extremely bearish investor sentiment, the S&P 500 recovered more than 15% from its lows to close above its Liberation Day level within a month. The rebound included nine consecutive trading session gains; the first time this has happened since November 2004. While most countries appeared to be negotiating, China announced counter-tariffs on US goods. This started a cycle of retaliation which resulted in a 145% tariff on Chinese imports to the US and the Chinese restricting rare earth exports, which are critical to various high-tech industries. In early May, however, China and the US also reached an agreement to lower tariffs to 10% and 30% respectively for 90 days, leading to a further move higher in markets following a solid Q1 earnings season.

Technology review

The technology sector (as measured by the Dow Jones Global Technology Index) returned +5.1% for the Trust's fiscal year through 30 April 2025. The rapid progress of AI remained the sector's primary focus, but modest positive headline returns belied significant sector volatility, as well as within the AI story itself.

Despite cracks appearing in some large companies in 2025, large-cap technology stocks continued to significantly outpace their small and mid-cap peers over the fiscal year: the Russell 1000 (large cap) Technology Index and Russell 2000 (small cap) Technology Index delivered returns of +5.9% and -12.3% respectively. Similarly, the market cap-weighted NASDAQ 100 Index gained +7% while the equal-weighted NASDAQ 100 (the same stocks held at equal weights) returned -1.5%. Despite DeepSeek and regulatory headwinds, the Bloomberg Magnificent 7 Total Return Index still delivered +15.8% during the year. US exceptionalism driven by AI continued as the dominant investment theme for much of the year with the continued outperformance of the Mag-7 driving returns. However, the technology sector had to contend with several growth scares during the year. These, combined with continued progress on inflation, prompted the Fed to finally begin its rate-cutting cycle in September. This helped sector performance, and the Trump victory and Republican 'clean sweep' as a pro-business, deregulatory and – above all – pro-AI administration was anticipated to offer an (even more) fertile environment for US AI dominance. The effective US tariff rate reached c18% by early May, up from 3% at the start of the year and the highest since 1934. This theoretically translates to a real GDP growth headwind of -0.7% in 2025 and a 1.7% increase in the price level.

Investment Manager's Report continued

The tech sector made new highs in early February 2025, returning +29% in local terms from the start of the Trust's fiscal year. This was led by AI infrastructure stocks as earlier excitement gave way to AI strength, evidenced by upwardly revised AI capital expenditure (capex) budgets, rapid adoption and significant model progress. Microsoft, Amazon and Alphabet were consistently capacity-constrained against the strong AI demand backdrop. While there were occasional AI setbacks, the year was defined by a rapidly improving AI story as new entrants such as Elon Musk's xAI and its 200k GPU (Graphics Processing Unit) Colossus cluster emerged. Instead of GPT-5 (seemingly delayed), OpenAI released its o1 model – the first widely available reasoning model that allocates more time to deliberate to tackle more complex tasks. Reasoning models (aka 'test time compute') represents a new vector for model improvement as performance scales predictably with the time spent on inference, and a significant step on the path to agentic AI. OpenAI also announced its o3 model, which showed better than human performance on the ARC-AGI benchmark (built to measure progress toward AGI).

AI adoption progressed meaningfully at both individual and corporate levels. The first nationally representative survey of generative AI adoption indicated that in August 2024, 39% of the US population aged 18-64 used generative AI. ChatGPT itself reached 200 million weekly active users (globally) in August 2024, 300 million by December and 500 million by April 2025. AI chatbots accounted for more than 9% of search activity by this stage, according to Wells Fargo. Furthermore, FinTech provider Stripe also reported that other AI startups are growing at a significantly faster rate than the software-as-a-service (SaaS) companies that came before them. The 100 highest-revenue AI startups on its platform took a median of 20 months to reach $30m+ in annualised revenue, five times faster than for the equivalent SaaS companies during the SaaS boom in 2018.

Against this bullish AI backdrop, the arrival of DeepSeek's R1 model in February 2025 sent shockwaves through the tech industry and prompted a meaningful correction in AI infrastructure stocks.

However, AI stocks rebounded as deeper evaluation suggested the impact may not be as stark as first appreciated. While many of DeepSeek's innovations were hailed as "impressive" by Western counterparts, there was considerable scepticism related to its training cost claims. Furthermore, DeepSeek R1 is a 'text-only' model with a limited context window in contrast to other natively multimodal frontier models. Even DeepSeek's disruptive inference pricing soon came to be better understood as 'just' the acceleration of an existing path of rapidly declining inference costs. More importantly, the market was reassured by the fact that all hyperscalers raised capex post-DeepSeek. Sam Altman, OpenAI's CEO, referenced GPUs "melting" under overwhelming consumer demand for its new image generation capabilities, as well as broader demand.

Tariffs presented an incremental challenge to a more vulnerable AI narrative post-DeepSeek as technology production is skewed to Asian countries with high trade deficits with the US, while sector-specific semiconductor tariffs brought further uncertainty. The sector faced geopolitical headwinds throughout the fiscal year from Biden-era export controls (prohibited customers) and latterly Diffusion Rules (which aimed to limit the amount of AI compute that can be shipped to specific countries – later abandoned by President Trump).

Despite strong AI demand, the DeepSeek rout meant the semiconductor sector was the weakest subsector (SOX -14.3%) during the fiscal year. NVIDIA delivered a series of outstanding quarters despite reported delays to its next-generation Blackwell chips resulting in some stock price turbulence. Since January 2023, NVIDIA's quarterly revenues have risen more than sixfold from $6bn to >$40bn. Broadcom's custom ASICs proved to a be a worthy alternative source of AI compute for hyperscalers and Shareholders alike (while Advanced Micro Devices (AMD) struggled), and its dominant position in high-end merchant silicon for AI networking benefitted from AI data centre investments. Other networking stocks also benefited from the power/compute density theme and the power complex became the first non-tech industry to be 'pulled into' the AI theme as increased capex and larger compute clusters highlighted potential future power bottlenecks.

The semiconductor sector also had to contend with weak end demand and inventory digestion in many mature, cyclical markets including automotive, industrial, PC and smartphone. Apple's results were uninspiring but were overshadowed by excitement about a potential AI-driven iPhone upgrade cycle following the (ultimately disappointing) release of Apple Intelligence, its suite of AI features integrated into iOS 18 announced in June 2024. Investors remain concerned about regulatory threats to Apple's services business, particularly the multibillion-dollar advertising payments it receives from Google to remain the default search engine on Safari.

TSMC – the world's leading semiconductor foundry – also experienced some cyclical headwinds and, early in the Trust's fiscal year, reduced its expectations for 2024 overall semiconductor industry growth (excluding memory) to just +10% year-on-year (y/y), despite outlining a 50% AI compound annual growth rate (CAGR) over the next five years. Cyclical weakness and TSMC's dominance weighed on semiconductor equipment providers, which reversed their earlier gains following foundry-related capex cuts at both Intel and Samsung Electronics. Weak Q3 orders at ASML Holding and potentially tighter export controls to China weighed on the group.

The internet sector performed reasonably well (NASDAQ Internet Index +11.4%), led by Meta Platforms (Meta) where the AI story strengthened during the year (Llama models; monetisation via existing businesses; wearables). Streaming platforms Netflix and Spotify Technology delivered strong returns in a volatile environment; both expanded their user bases while increasing monetisation and profitability, solidifying their natural monopoly status. Alphabet struggled despite further AI progress as investors became increasingly concerned about its core search business coming under pressure from AI chatbot competition – albeit in terms of usage rather than revenue at this stage – as well as a series of more hostile regulatory developments.

Software delivered solid returns (IGV +14.2%) despite potential AI headwinds with outstanding performances from Palantir Technologies (+405%) and Oracle (+17%) offsetting challenges elsewhere. Microsoft (-4%) struggled despite passing $13bn in annualised AI revenue as free cashflow estimates were frequently revised lower on higher capex, and Azure repeatedly missed growth expectations. An obviously strained OpenAI relationship and disappointing CoPilot adoption/monetisation raised further questions.

Application software companies announced AI product enhancements and then struggled to price for them to deliver the numbers to match the pro-AI narrative. Others such as Adobe (-24%) suffered under the threat of new AI-native competition. AI spending 'crowded out' traditional projects and caused some enterprises to adopt a more considered investment approach given the potential risk posed by AI to the existing software stack. The same issue plagued most infrastructure software stocks where a lack of cloud/consumption reacceleration was worsened by mis-execution and a challenging AI narrative. Despite the worldwide CrowdStrike outage in July, cybersecurity proved another relatively bright software spot, as fundamentals proved more durable than elsewhere in software with AI likely to significantly expand the attack surface.

Portfolio performance

The Trust modestly underperformed its benchmark with the net asset value per share rising +3.1% during the fiscal year versus an increase of +5.1% for its benchmark, the Dow Jones Global Technology Index. The Trust's share price declined by -1.2%, reflecting the additional impact of the discount increasing from 7.4% to 11.3% during the period. Together with the Board, we continue to monitor the discount and the Trust bought back 36.2 million shares during the fiscal year, at an average discount of 10.4% to NAV (net asset value). The US dollar weakened by -6.7% during the fiscal year which was a headwind to absolute returns given the Trust's significant exposure to US-denominated assets, although the impact was more modest on a relative basis.

The Trust's relative and absolute performance tracked its pro-AI positioning with returns to the 23 January highs (+33.6% absolute; +393bps relative) reflecting strong progress for the AI theme. However, DeepSeek and tariff developments presaged a sharp correction in AI stocks which offset these gains through the April fiscal year end. Relative performance was also negatively impacted by significant large-cap outperformance with the Russell 1000 Technology Index (large cap) and Russell 2000 Technology Index (small cap) returning +5.9% and -12.3% respectively in sterling terms. The sustained underperformance of small cap technology stocks has made keeping up with the (mega-cap dominated) index a longer-term challenge: Over the past three and five years, small-cap have now trailed large-cap technology stocks by -63% and -116% respectively. This has represented a considerable relative performance headwind given our structural underweight exposure to large/mega-cap stocks in a diversified portfolio, although the Trust's first-quartile performance versus the Lipper peer group over these longer periods suggests this is widely felt. On a more positive note, the Trust's NASDAQ (NDX) put options acted as intended during the Q1 selloff, allowing us to maintain the (pro-AI) shape of the portfolio, while reducing the downside beta during the sharpest part of the drawdown. For the year, the puts added 41bps while our cash position (average 3.4%) detracted by -16bps.

Investment Manager's Report continued

Despite the DeepSeek and tariff-induced selloff, many AI infrastructure stocks across networking and the power complex still delivered positive relative contributions during the year and, in many cases, were added to on weakness including Arista Networks (+20%), Astera Labs (-28%), Celestica (+85%), Elite Material (+29%), GE Vernova (+126%), Ciena (+36%), F5 Networks (+50%) and Vertiv Holdings (-14%). However, some of the Trust's most significant relative detractors were caught in the selloff, including Micron Technology (-36%), Marvell Technology Group (-50%) and AMD (-42%). NVIDIA (+18%), the Trust's largest absolute position at slightly over 10%, delivered a modest positive relative contribution to returns.

Perceived AI leaders were important contributors including Axon Enterprise (+83%), Cloudflare (+29%) and Tesla (+44%), supported by smaller positions in some non-tech 'AI adopters' including Intuitive Surgical (+30%), Doximity (+119%), RELX (+23%) and Cellebrite (+72%). Elsewhere, a handful of FinTech holdings delivered strong returns, most notably Robinhood Markets (+179%), Wise (+26%) and Adyen (+25%).

The internet sector was a bright spot, with dominant platforms including Spotify Technology (+105%), Netflix (+93%), Roblox (+77%) and DoorDash (+40%) delivering strong returns amid market volatility. These companies proved adept at growing their user bases at the same time as increasing monetisation and margin profiles. AppLovin (+258%), Meta (+20%) and Shopify (+26%) were the strongest of the large-cap internet companies as positive revisions and 'cleaner' AI narratives were well received, although small overweights rendered them modest relative contributors. Elsewhere, the lack of an Amazon Web Services (AWS) recovery and volatile margins weighed on Amazon (-1%) while concerns around AI disruption brought challenges to Alphabet (-9%). MercadoLibre (+50%) shrugged off Latin American volatility and delivered strong earnings upgrades, executing against a burgeoning e-commerce and FinTech opportunity, while Alibaba (+50%) – repurchased during the year – benefitted from an improved Chinese AI story post-DeepSeek.

The Trust benefitted from its structural underweight in application software with a positive contribution from underweights in large index constituents including Adobe Systems (-24%), Microsoft (-5%), Intuit (-6%), Workday (-6%) in favour of an overweight in ServiceNow (+29%). However, underweight positions in legacy software assets viewed as defensive or with a potential AI story were a relative headwind, including IBM (+36%), Oracle (+16%) and SAP (+52%). Palantir Technologies (+405%) also represented a headwind to relative performance, although we were pleased to contain the impact with a small position despite struggling with the valuation. Elsewhere in software, smaller positions in mid-cap companies – including CommVault Systems (+53%), Monday.com (+39%), Twilio (+51%), Klaviyo (+27%), Atlassian (+24%) and DocuSign (+35%) – offset weakness in Braze (-30%) and JFrog (-21%).

Infrastructure software proved more challenging as a lack of recovery in cloud consumption trends and underwhelming AI stories weighed on Confluent (-21%), Elastic (-21%), MongoDB (-56%), Datadog (-24%) and Snowflake (-4%). Cybersecurity was a mixed bag with CyberArk Software (+38%) delivering another strong year but a poorly timed exit in CrowdStrike Holdings (+37%) following the global outage was a disappointment. Other 'derivative' AI plays in semiconductor equipment, where a cyclical slowdown, the threat of regulatory blocks on (significant) sales to China and company-specific weakness at Samsung Electronics (-35%) and Intel (-38%) offered a more challenging backdrop. Headwinds from holdings in Disco (-37%), ASM International (-29%) and BE Semiconductor Industries (-25%) were somewhat offset by Advantest (+22%) and underweights in LAM Research (-24%) and Applied Materials (-29%). First Solar (-33%) was also a significant detractor on the risk of Inflation Reduction Act (IRA) subsidies being rolled back following Trump's victory.

Market outlook

The market backdrop is still likely to be driven by geopolitical developments in the near term, specifically the effective tariff level. Our base case is that the 'tariff episode' represents a recalibration rather than a full reset of the status quo. Our view remains that it is not in global policymakers' interests to provoke a deep global recession and is within their capacity to avoid it. Recent political developments have led to an inherently more volatile market outlook, but not necessarily an unattractive one for investors with the capacity to absorb it. The growth outlook is now tepid but still positive, and the consumer and labour markets are broadly resilient for now. Deregulation and innovation (in the form of AI) offer significant upside potential, while stagflationary risks from disappointing tariff outcomes, immigration reform, geopolitical upheaval and growing public debt remain causes of concern.

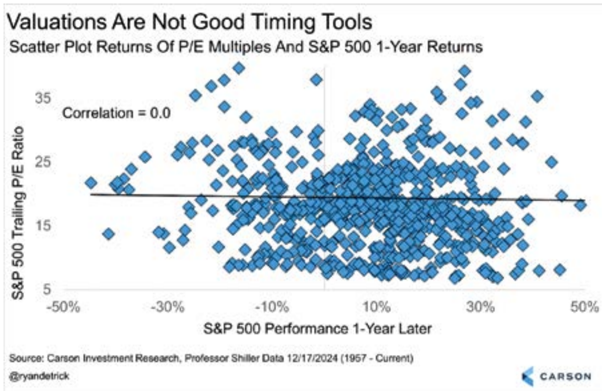
The market impact of political change is perhaps unsurprising in the context of the widespread rejection of incumbent parties (and their policies) recorded in the 'year of democracy' across the globe in 2024. Every single incumbent party lost vote share in the 12 developed Western countries that went to the polls in 2024. The causes of this shift have been variously attributed to the impact of inflation, pressures arising from unchecked immigration and diminishing state capacity amid growing public debt burdens. The result is that equity markets have become more sensitive to political developments addressing these issues; inflation, labour market and economic growth trends are more exposed to trade and immigration policy dynamics than they have been in recent years.

In terms of economic growth, the International Monetary Fund's April 2025 update noted that forecasts for global growth have been "revised markedly down" so far this year due to tariffs and global inflation is expected to decline at a slower pace. "Intensifying downside risks" dominate the outlook amid a "highly unpredictable environment". A softer US outlook is the consensus view, although not a recession which is likely if there is limited progress on tariff negotiations: Bloomberg consensus in mid-May suggests 1.4% US real GDP growth in 2025 and a 40% chance of a recession within 12 months, although this number should fall as more trade deals are announced. The speed and quantum of change in the effective US tariff rate will likely be the largest swing factor in determining near-term growth.

On the inflation front, US core PCE (personal consumer expenditure) Price Index is sitting at 2.6% and has been broadly stable over the past six months, which should be a supportive backdrop for risk assets. Under the surface, while goods inflation is near zero, services PCE ex-energy and housing (3.25%) is holding up the stubborn 'last mile' to reach the 2% inflation target and appears to be due to lagged inflation in areas such as housing, healthcare and car insurance. Measures of long-term inflation expectations are generally benign, with the 5yr5yr (the market-implied average inflation rate for the five-year period that begins five years from today) remaining rangebound between 2.1% and 2.4%, although the University of Michigan's 5-10-year inflation expectations outlook staying above 4% is more concerning as tariffs start to show up in expectations. This will get the Fed's attention given the importance of maintaining well-anchored inflation expectations, but 5yr5yr and breakevens are not yet signalling anything too concerning.

Financial conditions more broadly have loosened after tightening sharply in early April and consumer spending remains "resilient, even with macroeconomic uncertainty", according to Visa. Ten-year Treasury yields have been volatile but have not broken out in either direction and credit spreads tightened to below 2 April levels after blowing out during the Liberation Day disruption. Against this backdrop, we expect the Fed to remain vigilant on inflation but not in a hurry to cut rates until it has a better idea of the impact of Trump's policies on the inflation and the labour market outlook. The disinflation trend has been occurring for a while which gives conviction in the overall process and, given most of the Federal Open Market Committee believe the neutral rate is below current Fed funds (4.25-4.50%), the bias will be to cut, should the inflation data allow it or the labour market data require it. We will continue to monitor US yields, particularly the dollar, for signs of a significant shift in the risk environment, as well as the realisation of Trump's threats to curtail Fed independence.

Valuations appear extended given the geopolitical backdrop. High company valuations present a challenging starting point for long-term future returns but are poor predictors of near-term returns. We do not see valuations as so high that they preclude further expansion, although the high starting point does represent a long way to fall should the market environment deteriorate. We are also aware of other market and economic measures that appear extended. The rebound in the S&P 500 has been one of the strongest since 1928. US households' allocation to equities has touched a record high and high levels of retail participation in financial markets leaves them vulnerable to a change in sentiment. The wealth effect also cuts both ways and a sharp drawdown in asset prices could lead to a loss of consumer confidence and a slowdown in spending.



The bull case centres on Trump's deregulatory and pro-business agenda taking over as tariff headwinds fade and AI adoption supports an accelerating economic and earnings growth picture. Negative investor sentiment and light positioning also provide a more encouraging backdrop for forward returns.

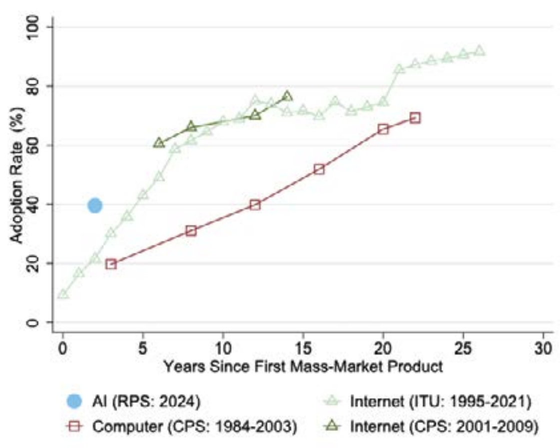
The S&P 500 has registered two 20%+ years in a row, something which has only occurred 10 times since 1871. Only during the 1990s bull market and the Roaring Twenties did strong returns continue for another two years. On both occasions, technology-led productivity booms were taking hold. This remains central to the bull case for the market in

Investment Manager's Report continued

our view. Productivity is notoriously hard to measure – let alone forecast – and is subject to frequent and material revisions. Technology plays a critical role but tends to appear in aggregate macroeconomic data much later than its visibility would suggest: "You can see the computer age everywhere but in the productivity statistics", wrote economist Robert Solow in 1987.

Our base case is productivity gains from AI do not start to show up meaningfully in aggregate statistics (which has historically required >50% adoption), although at lower penetration levels there could be efficiency gains and economic impacts on the labour market and certain industries. AI adoption by end users has been faster than previous technology cycles. As per the Real-Time Population Survey, 40% of the US population (18-64) reported using generative AI to some degree in August 2024 and 28% used it at work. This 40% adoption point took 12 years to reach following the introduction of the PC and four years after the public launch of the internet. We are also hopeful that Trump's deregulation agenda can enable faster adoption of AI technologies than would otherwise have been possible.

Adoption of GenAI vs. other technologies



Source: IMF, NBER January 2025

We also must consider the risk of an AI bubble forming. As BoA puts it: "We are far enough into the AI boom that equities will likely either accelerate towards a more bubble-like state or unwind their already significant gains". Volatility and prices rising together signal a bubble (as opposed to a mere bull market), although these suggest we are closer to 1996-97 than 1998-99. The combination of a potential asset bubble in AI and public policy experimentation (tariffs; deregulation; tax cuts; immigration) could drive a boom/bust cycle at odds with the low-risk, low-return, low-rate era that has been in place since the GFC.

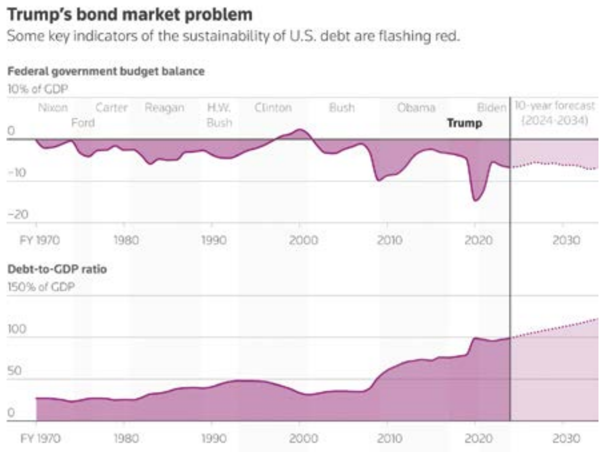
Market risks

The main risks to our market outlook are political and include tariff policies weighing on growth and stoking inflation (stagflation), immigration reform weakening the labour market and the looming threat of rising Federal debt. Political instability and upward pressure on US fiscal deficits and national debt have placed significant downward pressure on the US Dollar, which weakened by -6.4% on a trade-weighted basis and by -6.3% versus GBP during the Trust's fiscal year. Having benefited from USD strength over many years, the Trust was - and could continue to be - negatively impacted by GBP strength / USD weakness given the significant weighting of dollar-based assets in both the Trust portfolio and the Dow Jones Global Technology Index around which it is built. As a reminder, the Manager does not look to hedge this risk but does actively manage FX exposure relative to the benchmark.

There is also the potential for further setbacks to the AI story which has led markets higher, especially as it becomes more complex amid the frenetic pace of innovation. We expect volatility will become more elevated and the market environment more 'fat tailed'; 2025 so far has not disappointed in this regard. Given the high valuation starting point, we expect – all else equal – more frequent significant drawdowns to be a feature of this equity bull market as policy uncertainty remains elevated.

The greatest risk to the market outlook near term is further arbitrary policy actions from the Trump administration which hurt the economy and undermine the institutions and behavioural norms which have underpinned political and market stability. This may include a failure to reduce effective tariff rates (or even a re-escalation), attempts to undermine central bank independence and/or a strategic miscalculation which provokes an unintended negative consequence.

Growing deficits and debt burdens are perhaps the biggest issue for the longer-term risk asset outlook. According to the Congressional Budget Office, the federal deficit is projected to increase to $1.93trn in 2025, up 5.5% from $1.83trn in 2024 and reaching 6.2% of GDP. Extending the 2017 tax cuts would leave the total and primary deficit at 6.4% and 3.1% of GDP in 2024, at uncomfortably high levels given that US debt-to-GDP is roughly 100% and could reach 130% within a decade. While this may support higher nominal growth near term, the risk of a rebound in inflation as well as the lurking threat of debt markets being unwilling to finance such fiscal largesse at prevailing rates could jeopardise the path of future interest rate cuts. Large government deficits can also crowd out private investment and slow the creation of jobs, thus driving further deficit spending to boost the economy and labour market.

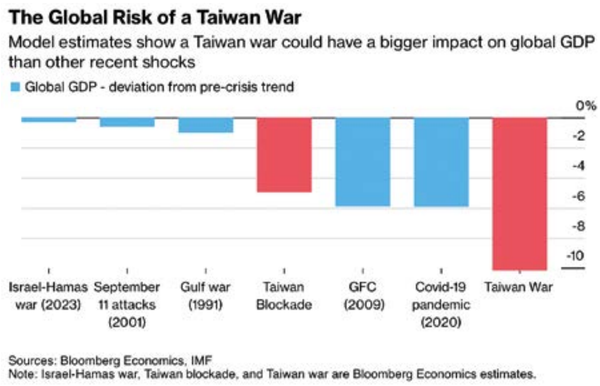


If we were to look for imbalances in the economy that may need to be unwound, the fact that US government debt is up $12.7trn since the depths of Covid while nominal GDP is only up $9.7trn is sometimes cited as evidence that fiscal largesse has caused distortions. Yet there appears to be no public appetite for fiscal conservatism and public debt is set to rise above $100trn in 2024, or about 93% of global GDP, and is projected to reach 100% of global GDP by 2030, 10 points higher than in 2019. There are significant structural drivers of the growing public debt burden, including the costs of an aging population, increasing healthcare and climate adaptation costs and a step up in defence and energy security spending due to growing geopolitical tensions. This is not necessarily a problem for the market or the economy in the near term ("It's a myth that expansions die of old age", according to former Fed chair Janet Yellen), but rising debt-to-GDP should lead to higher interest rates which could crowd out private investment and raises the risk of fiscal dominance, constraining central banks' freedom of manoeuvre.

Changes to immigration policy may also bring market headwinds, although this is by no means certain. Lower net immigration could put downward pressure on both the supply and demand sides of the economy. In industries that employ a high share of immigrant labour (e.g. food production; construction), sharply lower net migration might put upward pressure on domestic worker wages. The US economy has been able to grow faster than potential GDP growth over the past two years in part due to the immigration surge boosting labour force growth, so a reversal in that trend could prove a headwind – although this may be offset by higher productivity from technology adoption and workers remaining in jobs longer.

The Trump administration's early geopolitical moves have provoked significant market volatility well beyond its tariff actions and have contained some shocking elements – not least the party of Ronald Reagan openly siding with the Russians in a war. The disastrous meeting between Zelensky, Trump and Vance raised significant questions about the future viability of NATO and the survival of *Pax Americana*. In terms of the impact on our outlook, we assume that Trump's own instincts and preferences play an outsized role in historically strategic policy, resulting in leadership that is unpredictable and likely to further test the boundaries of executive authority.

The Middle East also remains in a fragile state with the potential for further conflict between Israel and Iran. Of most concern is Taiwan, where the potential risks associated with a miscalculation or accidental escalation are significant, as Taiwan accounts for 60% of global semiconductor shipments and more than 90% of leading-edge semiconductor manufacturing capacity. A war game simulation estimated the potential impact on the global economy of a war in the Taiwan Strait at c$10trn or 10% of global GDP, significantly larger than the GFC or the pandemic. Taiwanese and Chinese stocks represented 10.7 of PCT's NAV at fiscal year end as opposed to 7.9% of the Dow Jones Global Technology Index. The potential impact of a deterioration in the political situation would likely be felt far more widely across the PCT portfolio, however, given Taiwan's centrality to the AI story, as well as the size of the Chinese market as a source of end demand.



Despite overall constructive economic and company trends, the market outlook is more complex than a year ago and appears more vulnerable to setbacks. The nature of the US administration being both radical and mercurial has elevated the risk profile. As one analyst put it: "*One should keep extremely wide confidence intervals in place when forecasting the administration's actions and the downstream macroeconomic impacts*". We do not see meaningful imbalances in the economy that will require a sharp downturn to unwind, although we are of course watching tariff impacts, labour market and inflation trends very closely for signs of weakness that we can respond quickly to if required. We expect higher volatility to become a more embedded feature of the equity market.

Investment Manager's Report continued

We are also open to the potential that the move to a multi-polar world might presage a more structural market regime shift under the surface where the US moves from a disinflationary posture with secular stagnation headwinds (dominated by demand-side shocks) to a more inflationary regime more exposed to supply-side shocks. A higher-inflation/higher-growth/higher-volatility environment could also see sustained rebuilding of term premia, which was estimated to be negative for much of the past decade and would have significant investment implications. It is too early to call a new regime (and we will at best be fast followers in doing so), but we are alive to the idea that the conditions for such a regime shift are increasingly apparent.

However, our overall outlook is positive because the AI story – albeit more complex – remains the most exciting market (and perhaps even macro) story we have come across, and it feels a high hurdle for investors to move structurally away from equities when the optionality embedded in AI is material in size and likely to play out over the next five years.

Technology Outlook

Earnings outlook

Increased spending on AI infrastructure meant 2024 proved one of the best years for IT spending since the pandemic with growth of 7.7%, exceeding earlier expectations (+6.8%) and well ahead of the 3.5% recorded in 2023. For 2025, worldwide IT spending is expected to further accelerate to +9.8% y/y. While data centre systems spending is expected to decelerate to +23.2% y/y from 39.4%, this still represents remarkable growth, driven by AI-optimised servers where spending is forecast to exceed twice that spent on traditional servers next year. In addition, all other spending categories are expected to accelerate in 2025, led by software (+14.2%), devices (+10.4%) and IT services (+9%). While these forecasts might be subject to some tariff-related headwinds, 2025 was recently expected to be the best year for IT spending since 2021 while 2024-25 may still represent the best back-to-back growth since 1995-96.

Table 1. Worldwide IT Spending Forecast (Millions of U.S. Dollars)

	2024 Spending	2024 Growth (%)	2025 Spending	2025 Growth (%)
Data Center Systems	329,132	39.4	405,505	23.2
Devices	734,162	6.0	810,234	10.4
Software	1,091,569	12.0	1,246,842	14.2
IT Services	1,588,121	5.6	1,731,467	9.0
Communications Services	1,371,787	2.3	1,423,746	3.8
Overall IT	**5,114,771**	**7.7**	**5,617,795**	**9.8**

Source: Gartner (January 2025)

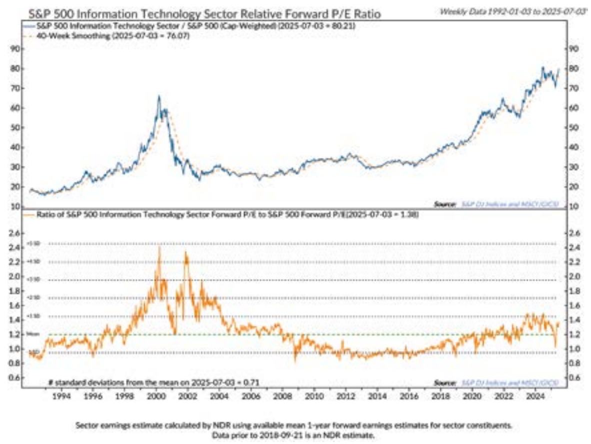
For 2025, the technology sector is expected to deliver revenue growth of 11.7%, while earnings are expected to increase by 18%, the highest of any US sector on both metrics. These forecasts are well in excess of anticipated S&P 500 market growth, where revenues and earnings are pegged at 4.9% and 9% respectively. The technology sector's outperformance is expected to continue in 2026 with early forecasts for 10.6%/16.6% comfortably ahead of market expectations (6.2%/13.4%). While these forecasts may appear at odds with tariff-related developments, corporate earnings have thus far proved more resilient than feared. First-quarter earnings season has been supportive, as (at the time of writing) 74% of S&P 500 companies have beaten on earnings per share (EPS, with the median earnings surprise of 8.5% while Q1 earnings growth is tracking at +12% versus the +6% consensus estimate at the start of the year. Tariff concerns have been flagged in virtually every earnings call, but the impacts have been largely contained so far. However, while macroeconomic conditions may create more significant crosscurrents, we believe technology fortunes this year will once again be determined by the path of AI progress.

Valuation

The forward P/E of the technology sector contracted modestly over the past year. Twelve months ago, valuations had rebounded to approximately 26x forward P/E, up from c24x at the end of FY23. This marked a full recovery from the post-pandemic compression, with valuations continuing to expand and reaching a peak of around 31x in the summer, before easing ahead of 2025. However, pronounced market weakness during 1Q25 caused a sharp correction, with valuations falling significantly before rebounding to 26x by fiscal year-end. Continued market strength post-period has driven valuations higher still, with technology stocks now trading at a forward P/E of 27.5x, above both the five-year (25.6x) and 10-year (21.7x) averages. This reflects elevated broader market valuations and the sustained momentum of AI as a central investment theme.

Source: Ned Davis, 30 May 2025.

The relative P/E of the technology sector, having recovered to post-bubble highs (1.4x) in 2023, ended 2024 broadly flat. However, this stability was interrupted by the DeepSeek-led market selloff in 1Q25 which saw the sector's premium compress to just 1.1x, its lowest relative level since the pandemic. The recent market recovery has helped lift this back to 1.35x. While this may suggest more limited near-term valuation upside, we believe that continued AI progress could support a structural re-rating of the sector, mirroring the upward valuation drift seen during the internet cycle of the mid-1990s.



Source: Ned Davis, 30 May 2025.

Mag-7 update

Of course, the valuation question remains significantly influenced by a select group of mega-cap technology stocks that as well as substantially driving returns last year, also dominate indices. Despite this, many of our earlier Mag-7 observations remain unchanged – they are unique, non-fungible assets trading at extended, but not excessive valuations. This reflects the fact that Mag-7 outperformance has largely tracked the group's relative earnings progress, with valuation expansion playing a secondary role – recently, the Mag-7 accounted for 33.4% of the S&P 500's market cap and 25.3% of its earnings – a similar ratio to this time last year, when these companies comprised about 29% and 22% of market cap and earnings, respectively. Following recent weakness in several of the Mag-7, the group is, at the time of writing, trading at the lowest valuation premium to the S&P 493 since 2019.

However, this year we are more focused on the sustainability of the mega-cap group's growth profile, rather than valuation. Earlier gains together with aggressive AI investment suggest future margin gains may become more difficult to deliver. At the same time, rising capital intensity has impacted free cashflow with estimates for this year at Alphabet, Amazon and Meta having fallen 20-25% year-to-date, according to Morgan Stanley.

Given the strong correlation between earnings revisions and recent Mag-7 performance, negative revisions are unlikely to be well received by the market, nor is the evolution to more capital-intensive business models likely to be straightforward. Investors may also interpret the direction of earnings revisions as indicative of whether AI-related spending is offensive or defensive, driven by the pursuit of new opportunities or aimed at protecting existing markets. As investors we cannot know the answer to this critical question (until it is too late) because companies never admit to being on the wrong side of technology change. However, new technologies often begin as complements and end as substitutes, which explains why previous technology cycles have rarely been kind to incumbents, with nearly 50% dropping out of the top ranks every decade.

The good news is that today's market leaders are hyperaware of obsolescence risk, as reflected in their massive R&D investments. In 2023 alone, the top five tech companies spent $223bn on R&D, an amount 1.6x greater than total US venture capital (VC) spending. As such, we are not yet concerned about the near-term risk posed to

Investment Manager's Report continued

Mag-7 by AI. Rather, we wonder if the negative reception to sharply higher hyperscale capex (from Alphabet, Amazon and Microsoft) signals the beginning of a new phase where these companies become less effective AI conduits. Of course, we will continue to evaluate each company on its individual merits and are willing to maintain large absolute weightings in these unique, category-defining assets. However, our null hypothesis has shifted from 'half-full' to 'half-empty,' as AI-driven risks to existing profit pools and the diminishing value of incumbency become more apparent. As a result, we have increased our relative underweight positioning in long-term holdings we find less compelling at current levels such as Alphabet, Apple and Microsoft.

Disruption ahead

The idea of previous winners becoming less effective conduits for AI appears to be already playing out within the software sector, evidenced by slowing industry growth, widening disparities in company performance and an increasingly uphill AI narrative battle. Earlier hopes that leading SaaS companies could monetise AI through premium-priced products have largely gone unrealised. Adobe struggled to drive the adoption of Firefly, a task complicated by rapid AI advancements elsewhere, such as Google's remarkable video-generation model Veo2 as well as OpenAI's Sora. Microsoft, despite its deep AI investments, has failed to show meaningful revenue acceleration from Copilot, even as Azure benefited from AI-driven workloads. Meanwhile, Workday recently lowered its medium-term revenue growth expectations, reinforcing broader concerns about industry deceleration.

Consumption-based software alternatives have fared little better – despite easing headwinds from cloud optimisation, growth has failed to reaccelerate. Weak execution, often symptomatic of a slowing growth environment, has further weighed on infrastructure stocks that were initially seen as better positioned to capture AI-driven workload growth. Additional negative developments include elevated executive turnover, further headcount reductions and limited strategic M&A beyond the industrial software subsector. Against this backdrop, the latest phase of post-pandemic pivot from growth to profitability (the private equity playbook) has gone unrewarded by a market increasingly concerned about terminal growth rates and obsolescence risk.

This concern appears well placed, as we believe AI represents a greater existential threat than an opportunity for many incumbent software providers – a view we outlined last year. Today, AI-assisted code generation is increasingly challenging the notion of 'code as a barrier' and every improvement in near zero-cost AI-written code further diminishes the standalone value of existing proprietary platforms. Looking ahead, AI is likely to automate many tasks currently performed by knowledge workers, reducing reliance on the very software tools designed to support them.

Limited strategic M&A

We believe potential disruption to pre-AI-vintage companies has played a large part in the dearth of strategic software M&A in recent years. Last year, deal value increased by 23% y/y (following a dire 2023) helped by private equity activity, which saw Everbridge, Instructure, Smartsheet and Zuora put out of their public market misery. There were also several strategic acquisitions, including IBM's acquisition of HashiCorp, alongside a notable wave of consolidation in design and industrial software. Synopsys' $35bn acquisition of Ansys was the largest deal of the year, while Emerson acquired AspenTech for $15bn and Siemens snapped up Altair for $10.3bn. Given NVIDIA's aspirations in this domain including Omniverse – a 3D collaboration platform – and its newly introduced Cosmos for accelerating physical AI systems, these high-multiple exits in simulation software may soon look inspired.

Software M&A Activity, ~$1 Billion EV or Higher, 2024

Acquirer	Target	Target Description	Date Announced	Enterprise Value ($M)	EV/NTM Rev	EV/LTM Rev	EV/ LTM Rec Revenue
Emerson Electric	Aspen Tech	Vertical Software	11/5/2024	15,180	12.3x	13.1x	NA
TA Associates	NEXUS AG	Healthcare facilities software	11/5/2024	1,321	4.2x	4.7x	NA
Siemens	Altair Engineering	Engineering Software	10/31/2024	10,313	14.9x	16.0x	NA
Silver Lake/GIC	Zuora	Middle Office apps	10/17/2024	1,647	3.5x	3.7x	4.1x
Blackstone/Vista Equity Partners	Smartsheet	Collaboration Software	9/24/2024	8,400	7.0x	8.1x	8.5x
Mastercard	Recorded Future	Cybersecurity Software	9/12/2024	2,650	NA	8.8x	NA
Salesforce	Own Company	Data Protection	9/6/2024	2,111	NA	NA	NA
Roper Technologies	Transact Campus	Educational Software	8/15/2024	1,500	4.6x	5.0x	NA
KKR	Instructure	Educational Software	7/25/2024	4,800	7.0x	8.6x	NA
Bain Capital	PowerSchool	Educational Software	6/7/2024	5,562	6.9x	7.7x	NA
SAP	WalkMe	Product Analytics Software	6/5/2024	1,279	4.4x	4.7x	NA
CyberArk (CYBR)	Venafi	Cybersecurity Software	5/20/2024	1,540	8.9x	10.3x	NA
Permira	Squarespace	Website Building Software	5/13/2024	6,900	5.5x	6.5x	NA
Thoma Bravo	Darktrace	Cybersecurity Software	4/26/2024	4,952	6.7x	8.1x	NA
IBM	Hashi Corp	Infrastructure Software	4/24/2024	6,400	9.9x	11.0x	15.2x
CoStar Group	Matterport	Vertical Software	4/22/2024	1,579	9.0x	10.0x	NA
Vista Equity Partners	ModelN	Vertical Software	4/8/2024	1,227	4.6x	4.8x	N/A
Thoma Bravo	Everbridge	Safety Software	2/5/2024	1,518	3.3x	3.4x	N/A
Roper Technologies	Procare	Vertical Software	1/25/2024	1,750	NA	NA	NA
Synopsys	Ansys	Design software	1/16/2024	35,000	14.5x	16.2x	NA
		2024 Total Deal Value		**115,669**			
		2024 Deal Average		**5,783**	**7.5x**	**8.4x**	**9.3x**
		Average of PE Deals		**4,041**	**5.4x**	**6.2x**	**6.3x**
		Average of Non-PE Deals		**6,412**	**9.5x**	**10.3x**	**15.2x**

Source: FactSet, Jefferies; Note; Highlighted rows denote PE M&A.

Looking ahead, expectations are for a further recovery in M&A activity this year, bolstered by a more accommodative regulatory environment under the new administration and over $2trn in private equity and venture capital dry powder. AI could serve as an additional catalyst, with subscale public and private companies likely seeking stronger partners just as some well-capitalised large-cap companies look for acquisitions to offset slowing organic growth.

Cloud update: darker clouds ahead?

As expected, the easing of cloud optimisation headwinds and a surge in AI-driven demand propelled revenue growth of over 20% among the three leading public cloud providers in 2024. AWS ended the year with an estimated 52% market share, down from 55% in 2023, as Microsoft Azure (now at 31%) captured most of these share gains, helped by its strategic relationship with OpenAI. Google Cloud maintained strong double-digit growth, holding a 13% share, though it remains a distant third. Meanwhile, Oracle Cloud Infrastructure (4%) has emerged as a fast-growing challenger, driven by competitively priced GPU offerings and its role in powering OpenAI's model training.

All cloud platforms continue to benefit from AI-related demand. In Q4, Microsoft attributed 1300bps of Azure's +31% revenue growth to AI up from 600bps of +28% Azure growth this time last year. In addition, Microsoft's overall AI revenues exceeded a $13bn run rate in 4Q24. While Amazon does not quantify AWS's AI-specific revenue, it called it "a multi-billion-dollar annualised revenue run-rate business". Likewise, Google Compute Platform (GCP) reported "very strong" AI demand. We continue to believe that public cloud will remain the default choice for compute and storage – Gartner estimates that 70-75% of new enterprise AI applications will be built and/or deployed primarily in cloud environments.

However, the primary challenge for the cloud incumbents is how to reaccelerate growth in a market already worth more than $320bn and where penetration has risen sharply. A recent Morgan Stanley CIO survey suggests that 42% of workloads were already in the public cloud in 4Q24, which is set to increase to 58% within three years. All things being equal, higher cloud penetration rates should equate to lower future growth and greater economic sensitivity. This may have been apparent in 4Q24 with all three public cloud vendors experiencing sequential deceleration and aggregate year-on-year growth falling to 20.7%, down from 22.2% in the previous quarter.

AI to the rescue? Maybe.

The hope is that cloud infrastructure and SaaS growth reaccelerate as enterprise AI adoption increases from just 3% of workloads today to an estimated 10% by 2027. This is one of the key debates for 2025 and beyond. However, history suggests that AI monetisation may prove less straightforward than many incumbents expect as others take the opportunity to challenge in adjacent markets, competing away the upside and potentially more. Early signs of substitution risk are already visible, with IT budgets increasingly favouring AI-related initiatives at the expense of traditional compute and storage. Likewise, cloud optimisation could prove a permanent feature, rather than a limited post-pandemic adjustment as AI excels at uncovering inefficiencies.

The shift to accelerated compute – the foundational architecture of AI – may also be ushering in a new era of competition for the public cloud giants. This could come in the form of hybrid compute which may be better positioned than it was pre-AI, able to optimise data pipelines by running different workloads in the most suitable locations. Gartner predicts that 90% of organisations will adopt a hybrid cloud approach by 2027. At the same time, established hyperscalers will also have to contend with so-called neo-clouds – new industry entrants (often former crypto miners) offering low-cost GPU rentals. Their advantage lies in ready-available to power and preferential access to NVIDIA GPUs. Over the past year, $20bn has been invested across 25 neo-cloud providers with CoreWeave leading the pack and doubling its data centre footprint. While the long-term viability of these neo-clouds remains uncertain, they are currently gaining share, pressuring GPU pricing and challenging industry assumptions, reinforcing the idea that Amazon is not the Walmart of cloud computing, but rather its Neiman Marcus.

In addition, there are other vast AI clusters being built outside traditional public cloud platforms. In October 2024, Meta CEO Mark Zuckerberg revealed that Llama 4 models were being trained on 100,000+ Nvidia H100 GPUs, while xAI's Colossus (used to train Grok 3) has 200,000 GPUs, making it the largest known AI compute cluster. Others have been built by TikTok owner ByteDance, while Tesla runs 35,000 H100 GPUs, alongside its in-house Dojo supercomputer. While these clusters are for internal use (to train models) today, history says this could change; after all, AWS began as Amazon's internal compute platform before it launched EC2 and S3 to external customers in 2006. Today, xAI uses Colossus to both train and run inference workloads for Grok. Other AI leaders are also becoming more self-sufficient, with many choosing to design their own silicon to reduce dependence on NVIDIA. At best, this may reduce their overall reliance on cloud providers. At worst, they might become direct competitors, scaling their infrastructure just as AWS did when it redefined the cloud industry.

The hyperscalers (and leading SaaS vendors) may also have to contend with future competition from AI Labs such as OpenAI and Anthropic. Historically, OpenAI relied entirely on Microsoft Azure for its infrastructure. However, this relationship is evolving, as evident from the $500bn Stargate announcement in January 2025

Investment Manager's Report continued

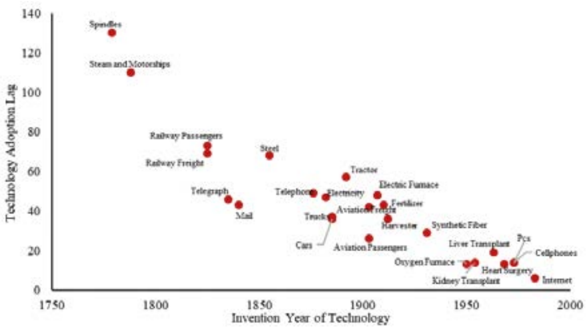
that saw Microsoft transition from OpenAI's exclusive infrastructure provider to a right of first refusal (RoFR) partner. This change likely reflects the differing priorities of a public company accountable to Shareholders and a private company aiming squarely for artificial general intelligence (AGI. OpenAI is also in flux, with CEO Sam Altman attempting to transition the company into a for-profit public benefit corporation (PBC) able to attract necessary investment. For now, Microsoft and OpenAI have reaffirmed their core partnership, which is set to remain in place through 2030. However, OpenAI has launched several applications that compete (or might compete) with Microsoft including SearchGPT and Operator, an agentic offering. More recently, OpenAI hired the CEO of Instacart as its CEO of Applications, to oversee its efforts to develop and scale customer-facing products.

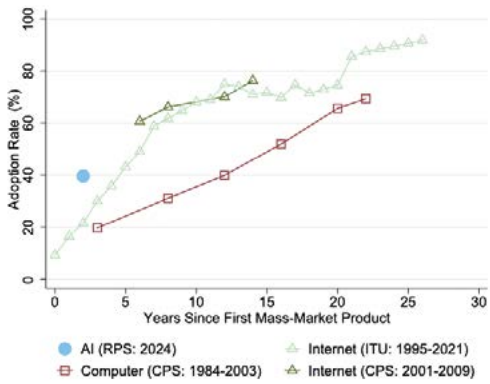
AI Cycle Update

Rapid adoption

Last year we argued that AI diffusion was likely to proceed rapidly, informed by the presence of essential AI building blocks – six billion smartphones, vast datasets and cloud infrastructure – and by historical adoption trends showing that implementation lags halved with each major general purpose technology (GPT): c80 years for steam, c40 years for electricity, and c20 years for ICT (Information and Communication Technologies). Today, it is clear that AI adoption is significantly outpacing historical trends with OpenAI recently announcing 500 million weekly active users, up from more than 100 million from February and adding more than a million users in a single hour. Similarly, Meta revealed in January that its AI assistant *(Meta AI)* had reached 700 million MAU (Monthly Active Users). More recently, Microsoft processed over 100 trillion tokens in its most recent quarter, up 5x y/y with *a record 50 trillion tokens processed in March alone*.

Although the pace of enterprise adoption has trailed consumer adoption, AI has become a strategic imperative. A recent McKinsey survey revealed that 72% of companies now actively use AI, up from 50% observed consistently over the past six years. Echoing this, half the S&P 500 constituents referenced AI on their Q4 2024 earnings calls – marking an all-time high. CIO surveys also consistently reveal that AI is the highest IT spending priority for 2025, followed by cybersecurity and digital transformation, both of which are likely being pulled into the AI conversation. Meta's open-source Llama model, along with its derivatives, has already been downloaded 650 million times while corporate use cases continue to extend well beyond software copilots. Walmart recently announced it had used GenAI to create or improve over 850 million pieces of data in its product catalogue, work that would have required "nearly 100 times the current headcount to complete in the same amount of time". Economist Erik Brynjolfsson (who expects AI to drive "at least 3%" average US productivity over the coming decade) believes we are "near the bottom of the productivity J-curve for AI". If so, corporate AI adoption should accelerate before long, although many companies are likely to remain guarded about disclosing the specifics of their AI "secret sauce."





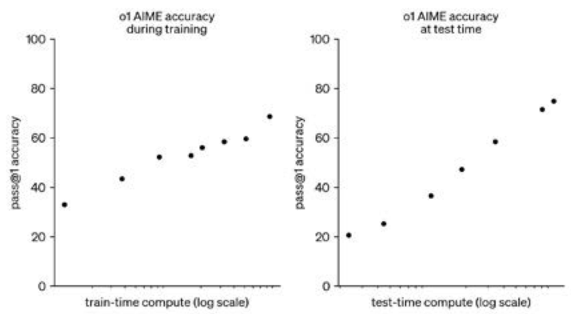
NBER Working Paper Series, February 2025.

Model progress

AI models made significant gains during a frenetic 2024. Frontier models made continued progress, led by OpenAI's GPT-4o, Google's Gemini 2.0, and Meta's Llama 3. While architectural advances and data curation improvements played a role, most of these gains came from post-training techniques and test-time scaling. Post-training model optimisation helped GPT-4o and Gemini 2.0 easily surpass previous benchmarks set by GPT-4 in code generation and multimodal understanding. GPT-4o also introduced a (remarkable) voice mode, enabling real-time, voice-based conversations, with the model also able to interpret non-verbal cues. Open-source models also continued to make strong progress, particularly in terms of cost efficiency with Llama 3 said to have achieved performance comparable to GPT-4 at just 1/50th of the cost. While OpenAI's GPT-5 was delayed, xAI released Grok 3 – the first Gen3 model (between 10 and 10 FLOPs of compute), an order of magnitude (OOM) greater than existing Gen2 models. Achieving the highest benchmark scores of any base model to date, Grok 3 suggests that pre-training scaling laws continue to hold for a new generation of AI.

A new scaling vector: test-time compute

However, the most significant gains last year were generated beyond scaling pretrained models. In September, OpenAI released its o1 models. Unlike most LLMs (large language models) which are *zero-shot* (processing inputs and generate outputs rapidly, relying only on the knowledge learned during training), o1 introduced the world to reasoning models which can generate internal chains of thought (CoT) at run-time. This enables the model to perform human-like multi-step reasoning; by breaking down complex tasks into manageable steps ('thinking' about the question) o1 significantly outperforms GPT-4o on most reasoning-heavy tasks and exceeds human PhD-level performance on a benchmark of physics, biology and chemistry problems.



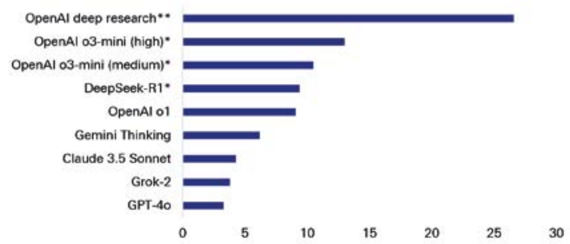
Source: One Useful thing, 24 February 2025.

Reasoning models perform predictably better the longer they are allowed to 'think' at test time (inference). As such, so-called test-time compute represents a powerful new approach for advancing AI capabilities, complementary to traditional 'brute force' model scaling. There has already been a rush of new reasoning models (including OpenAI o3, Anthropic's Claud 3.7 and DeepSeekR1). In addition, both OpenAI and Google have introduced advanced reasoning capabilities (branded 'Deep Research') to their flagship consumer offerings. These allow the models even longer to complete tasks, with OpenAI's Deep Research Mode *taking between 5-30 minutes*, depending on the complexity of the query.

Running out of benchmarks

Less than three years after the introduction of ChatGPT, OpenAI's o3 can solve 25% of problems on a Frontier Maths benchmark, where no other model has exceeded 2% previously. Even more remarkably, o3 achieved 76-88% on the ARC-AGI benchmark (built to measure progress toward AGI) as compared to 5% with GPT-4o in early 2024. If "GPT-4 offered us a glimpse of the future", reasoning models are surely early evidence of superhuman AI. They also represent a critical step towards agentic AI while accelerating the timeline towards AGI.

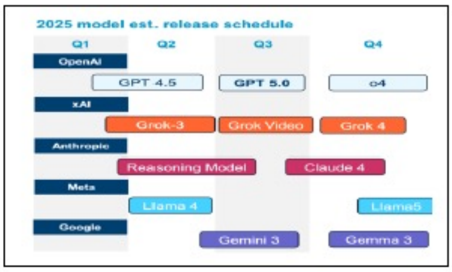
Figure 1: Open AI's deep research significantly outperforms earlier models in new Humanity's Last Exam (HLE) benchmark test



Source : OpenAI "Introducing deep research", Feb 2, 2025, Deutsche Bank
*Model is not multi-model, evaluated on text-only subset
**With browsing and Python tools

Capex strength set to continue

Model progress, intense competition and AGI aspirations resulted in a remarkable year for capex with the big four hyperscalers spending $226bn (+70% y/y) during 2024. Earlier concerns about a potential slowdown were lost in a blaze of upward capex revisions with estimates for 2024 rising 34% and 48% respectively during the year. This momentum continued into 2025 as each of the hyperscalers raised their expected capex budgets for the year during their Q4 reports.



Investment Manager's Report continued

Strong AI venture funding should also remain supportive for training and inference spending with $110bn (+62% y/y) raised in 2024. In October, OpenAI's $6.6bn raise took its valuation beyond any VC-backed technology company in history at the time of its IPO (initial public offering) while Anthropic raised an additional $4bn from Amazon last year. AI VC funding has accelerated into 2025 with AI companies raising $67bn in 1Q25 (+246% y/y) even though overall VC spending has only just recovered to 2021 levels.

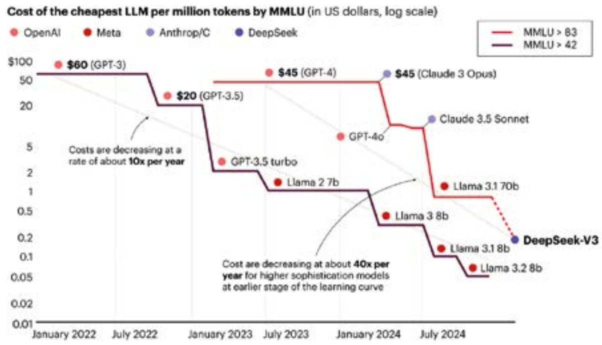
The pursuit of Gen-4 models (GPT-6 and beyond) is expected to further drive AI capex as they are likely to require more than one million H100s equivalent costing tens of billions. However, these mega-clusters are significantly more power hungry as they move from Gen-3 (100MW) to Gen-4 (1GW). For reference, 1GW of power is equivalent to half the estimated output of the Hoover Dam or the amount required annually to supply 3.2 million UK homes. Current estimates suggest that by 2028, data centres could consume up to 12% of projected US electricity use. This power imperative explains why power-related stocks have been 'pulled in' to the AI trade as hyperscalers scramble to acquire DC sites with readily available power and sign long-term Power Purchase Agreements (PPAs). The totemic deal between Microsoft and Constellation Energy signed in September which will see the infamous nuclear power facilities reopened on Three Mile Island, captured the zeitgeist perfectly.

Capex trade, interrupted

However, capex-related stocks were severely challenged by the release of DeepSeek R1 model in January as a small Chinese AI lab had seemingly closed the performance gap with US models at a fraction of the cost ($6m versus $100m spent on GPT-4). This sent shockwaves through the technology market, wiping out $1trn of market capitalisation as investors questioned the sustainability and necessity of current AI capex.

While it may still be too soon to fully assess the implications of DeepSeek's impressive innovations, the "just $6m" training costs have been widely debunked; reports indicate the company deployed tens of thousands of GPUs costing over $1bn. Likewise, cheap inference pricing is perhaps best viewed as another example of the ongoing, rapid decline in inference costs. As Anthropic CEO Dario Amodei noted, DeepSeek models are "roughly on the expected cost reduction curve that has always been factored into…calculations". For instance, input token cost price declines between OpenAI's o1-mini (September 2024) and the o3-mini (January 2025) represent an annualised price reduction of approximately 75%. These price reductions are possible because of 2x cost improvements coming from new hardware, as well as 4-10x improvement from algorithmic progress *per year*. As such, collapsing inference costs have been described as a "hallmark of AI improvement".

Rapidly declining AI Inference costs

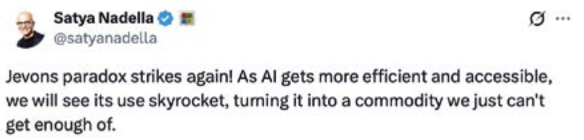


Source: Bain & Company

Indeed, collapsing inference costs have not prevented Microsoft growing its Azure AI revenues to a $13bn run rate nor have they derailed OpenAI's own revenue projections which are reportedly now forecast at $13bn in 2025 rising to $125bn in 2029, up from expectations of $12bn/$100bn last autumn. This points to a volume explosion in token usage already with lower inference pricing likely driving significantly higher revenues via higher usage (more users, more use-cases, more advanced models etc.). Reasoning models consume significantly more tokens than traditional frontier models because they only 'think' when generating tokens; deep research-type queries on OpenAI's o3 are said to require 2,000x more compute than o1 preview.

Reasoning models are also the foundation of agentic AI, enabling multi-step problem-solving and autonomous decision-making without human intervention. Not only do AI agents likely require 50-100x more tokens than single-shot requests, but we also expect agentic AI to act as a force multiplier in the coming years, scaling far beyond human-driven usage and current comprehension. NVIDIA CEO Jensen Huang has suggested that inference demand could increase by a factor of one million, or even one billion.

In time, these projections may even prove conservative should more efficient AI lead to far higher usage. The idea that greater efficiency can paradoxically lead to increased rather than decreased overall consumption of a resource was first articulated by William Jevons in 1865. Jevons observed that improved efficiency in coal usage actually drove up coal demand instead of reducing it by unlocking new, previously non-existent (invisible) markets at previous (higher) price points. History is littered with examples of Jevons paradox, including the steel industry transformed by the Bessemer process, the transition from DC to AC electricity and of course, *Moore's Law*. In the immediate DeepSeek aftermath, Microsoft CEO Satya Nadella exclaimed: "*Jevons paradox strikes again! As AI get more efficient and accessible, we will see its use skyrocket*". While this came as little immediate comfort to AI infrastructure-related stocks, we expect "any published DeepSeek improvement (to) be copied by Western labs almost immediately". As such, all future AI models should enjoy better performances at a lower cost which is likely to accelerate both AI adoption and model progress.



A less straightforward capex story

While most infrastructure-related stocks have rebounded strongly following the DeepSeek-related selloff, we remain bullish on the sustainability of AI capex growth. In part, this reflects that despite DeepSeek uncertainty, aggregate AI capex at the US hyperscalers *accelerated* in 1Q25 reaching $81bn (+71% y/y) while FY25 capex growth estimates increased to +44% y/y from +38% earlier.

That said, the advent of new scaling vectors means that the capex story has become more nuanced. Today, reasoning (or test-time compute) is "early on the scaling curve and therefore can make big gains quickly". However, once it and other optimisations have been more fully exploited, we still expect the path to maximum capability will be to train the largest, most dense model feasible. This assumes scaling laws continue to hold as they provide a high degree of the predictability for the returns on incremental investments in the (costly) pretraining process.

For now, scaling laws appear intact. In November 2024, Jensen Huang said "foundation model pre-training scaling is intact and is continuing" while Sam Altman posted "there is no (scaling) wall". However, scaling laws are likely to plateau naturally over time as the rate of AI model improvement follows an exponential decay. What this means is that the industry "will have to work harder over time to get further performance improvements.

In today's AI race, some of the contenders may decide that the diminishing returns and escalating costs are no longer justifiable, leading them to withdraw. This dynamic could explain the changing nature of the Microsoft/OpenAI relationship. Others may consider the performance of recent 'fast follower' models like DeepSeek and conclude the race is in fact, over. Looking at the number of active models above 10 FLOPs suggests that the field has already significantly thinned.

However, and continuing with the parallel, it is well understood that marginal improvements in sport yield outsized gains, with fractions of a second separating champions from the rest of the field. In elite sprinting, every 0.01 second improvement is the result of months, if not years of optimisation. Usain Bolt's world record 9.58 second 100 metre sprint in 2009 was only 1.6% faster than the record set by Asafa Powell in 2007, but that difference cemented his status as the fastest person in history. In endurance sports, the same principle applies; Eliud Kipchoge's sub-two-hour marathon in 2019 required breakthroughs in shoe technology, drafting strategies and meticulous pacing. At the cutting edge of performance, the compounding effect of marginal gains determines greatness.

The biggest opportunity

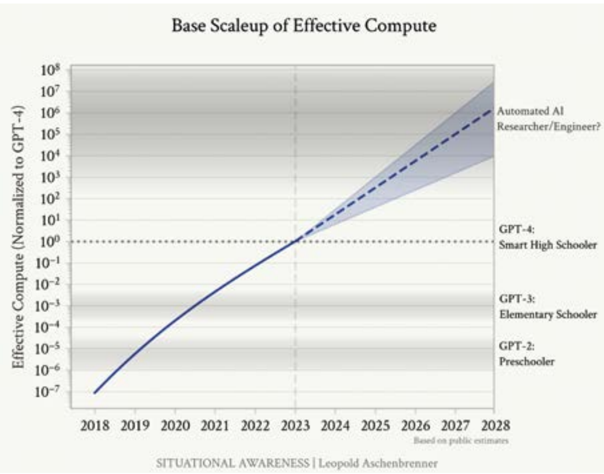
While these factors (accuracy; emergent behaviour; multimodality) explain our continued excitement around training-related AI capex, the most significant driver of today's AI spending remains the size of the prize. According to Bernstein, information workers represent 34% of the global labour force and contribute $20trn to GDP. A 20% productivity uplift could represent a $4trn opportunity and a potential $800bn in annual willingness to spend. If a 20% uplift appears optimistic, consider that McKinsey believes AI could automate 30-50% of tasks in about 60% of occupations by 2030. In the longer term, the opportunity is likely to be significantly greater should AI begin to substitute rather than augment human labour.

Much more than Moore

Unlocking this vast opportunity rests on continued advancement in model capabilities which, as outlined above, are progressing rapidly. As we have previously argued, humans struggle with non-linear change particularly when compounding over many years. The exponential scaling of semiconductors (as predicted by Moore's Law) was driven by an improvement of 1-1.5 orders of magnitude (OOMs) *per decade*. In contrast, AI scaling has been progressing at one OOM *per year* or 5-6x faster than Moore's Law. As a reminder, one OOM is a 10x difference, whereas 3 OOMs is equivalent to 1,000x.

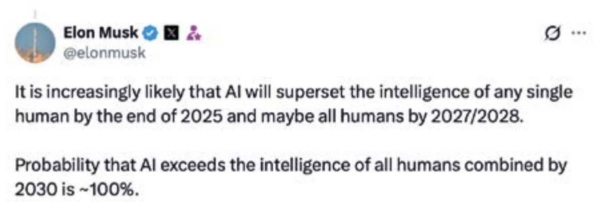
Investment Manager's Report continued

This exponential scaling is evident in the cost of AI, which – for a constant level of intelligence – has been declining by approximately 10× every 12 months, compared to Moore's Law, where the cost of silicon per square inch historically fell by around 2× every 18 months. This explains why leading models today are said to be "running out of benchmarks" where their predecessors just a decade ago "could barely identify simple images of cats and dogs". As one AI commentator argues, "we are racing through the OOMs, and it requires no esoteric beliefs, merely trend extrapolation of straight lines, to take the possibility of AGI…by 2027 extremely seriously".



AGI coming into view

When we first referenced AGI in last year's Annual Report, we were careful to downplay the likely timeline of so-called 'superintelligence'. Today, it feels increasingly possible that within a few years AI might be "able to understand, learn and apply knowledge across a range of cognitive tasks at a human-like level". Sam Altman has said that "systems that start to point to AGI are coming into view" with *superintelligence* possible "in a few thousand days". Elon Musk believes "AI will supersede the intelligence of any single human being by the end of 2025". Perhaps more importantly, Musk has suggested that the "probability that AI exceeds the intelligence of all humans combined by 2030 is 100%". Metaculus (a community-driven forecasting platform) anticipates the first general AI system by 2030, a year ahead of its forecast last year.

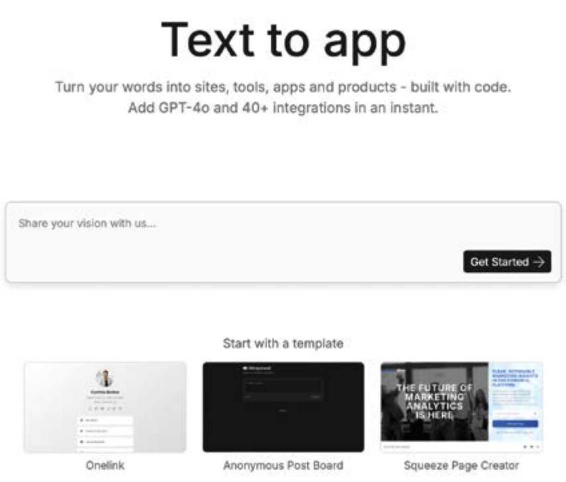


Agentic AI first

While there are still many dissenting voices around the AGI timeline, most AI commentators believe the next step on that journey is agentic AI with 2025 billed as the "year of agents". Like AGI, agentic definitions vary, reflecting a spectrum of agentic capabilities not dissimilar to differing levels of autonomy in vehicles.

Agentic AI comprises compound AI systems that chain together multiple task-specific models where the LLM decides the control flow of an application. The remarkable gains in reasoning models have paved the way for a new wave of AI agents designed to bridge the gap between LLM-based assistants (tools) and human agency. There has already been a flurry of agentic announcements from software companies such as Salesforce and ServiceNow. However, we are more focused on product previews such as OpenAI's *Operator* – "an agent that can use its own browser to perform tasks for you" – and Google's *Project Mariner* an experimental AI agent that can "think multiple steps ahead". Multiple Chinese AI labs have also launched agents, such as UI-TARS from ByteDance and *Manus* from Chinese startup Monica. Gartner predicts that by 2028, one-third of all GenAI interactions will use agents like these. Over time, these agents are likely to gain increasing autonomy, shifting decision-making authority away from the human in the loop toward the underlying LLM itself. At that point, they might more closely resemble the programs depicted in the movie *Tron* (1982), which independently operate and compete on behalf of their users, marking a significant evolution from today's human-guided 'copilot' systems.

Today, agentic AI remains nascent, with hallucination (error) rates still incompatible with agency. However, *Operator* provides our first real glimpse into a world where AI is no longer a tool used by humans, but instead performs tasks previously done by humans. Today, basic AI agents are already creating Neon (serverless) databases at *four times the rate of human developers*. End users simply describe what they want to build and AI agents autonomously initiate database operations, manage data workflows and scale infrastructure effortlessly.



Technology/AI risks

Given its centrality to sector fortunes, the key risk posed to technology stocks relate to AI. The Trust's significant exposure to AI means any setbacks to AI fundamentals or investment narrative could be magnified in the portfolio. These risks may include a slowdown in the pace of AI model improvement (including a tapering of the 'scaling laws' observed so far), production challenges presented by the rapid development cadence of each generation of leading-edge semiconductors (as we saw with NVIDIA's Blackwell delay) and other bottlenecks in scaling AI such as sourcing sufficient power for data centres and ever-larger datasets to train models. Other AI risks include the advent of 'cheaper' models like those introduced by DeepSeek that challenge capital intensity and negatively impact hyperscaler capex. Disappointing AI adoption (undermining investor confidence) or very rapid adoption (provoking public or political backlash) could also present challenges, although neither is likely to derail the technology's progress in the longer -term. There is also the risk that despite improvement, AI model hallucination rates remain incompatible with agentic AI, potentially delaying or preventing AGI.

Regulation also poses a significant threat to AI progress should it escalate sharply. While export controls aimed at slowing China's AI progress may become more effective as scaling continues, additional restrictions could stifle innovation while insufficient oversight could accelerate AI proliferation. Given that DeepSeek was heralded as AI's 'Sputnik moment', greater AI competition between the US and China could presage a new AI 'space race'. The original *Sputnik moment* led to the creation of NASA in 1958, with US space spending soaring from 0.1% of GDP in 1958 to over 4.4% by 1966 , culminating in the 1969 moon landing. A similar trajectory may now unfold in AI, as sovereign investments surge. However, AI competition, particularly if the industry continues to make rapid progress towards AGI, could increase the likelihood of *Manhattan Project*-type regulatory intervention. However, this might simply slow US progress while shifting leadership to more permissive nations, rather than mitigating risks.

On a more prosaic level, regulation also presents a significant risk to the sector should behavioural remedies challenge the natural monopoly status of some of today's mega-caps. We are hopeful the worst-case scenarios will be avoided given the critical role mega-cap US technology companies will play in counterbalancing the AI threat from China. Indeed, a further deterioration in US/Sino relations may present a greater risk and any escalation in tensions around Taiwan would likely put pressure on the semiconductor industry.

Other risks include tariffs which are impossible to fully assess other than at a very high level due to moving targets and the inherent lack of clarity (e.g. the semiconductor sector is still undergoing a Section 232 investigation). Even as these waypoints are reached, there is significant scope for exemptions and/or phased implementations given the need to deliver US AI supremacy. Valuation also remains a key risk, particularly following the absolute and relative rerating in the technology sector as well as the broader market. While we believe the rerating is appropriate given AI progress, it does leave valuations more exposed to disappointment, both within and beyond the technology sector. However, we remain dismissive of the notion that AI stocks are in a bubble, akin to the dot.com period in the late 1990s. While there are features of today's market that rhyme with that earlier period, we do not believe investors are really considering trillion-dollar market opportunities, scaling laws and an accelerated path to AGI. Factors that would challenge this view include much higher valuations (technology traded above 2x the market multiple in 2000), a 'hot' IPO market dominated by immature AI companies and the application of new valuation metrics necessary to justify elevated valuations. None of these conditions exist today.

Concentration risk

For several years, we have consistently reminded Shareholders of the concentration risk embedded both within the Trust and in the market cap-weighted benchmark around which the portfolio is constructed. Following another period of pronounced large-cap outperformance, this risk remains elevated. At year-end, our three largest holdings – NVIDIA, Apple and Microsoft –

Investment Manager's Report continued

accounted for approximately 23% of NAV and 31% of the benchmark. Our top five holdings, which also include Meta and Broadcom, represented around 34% of NAV and 50% of the benchmark.

As a large team with a growth-centric investment approach, we would welcome the opportunity to move materially underweight positions in the largest index constituents should we become concerned about their growth prospects, their positioning in an AI-first world or if we believe there are more attractive risk/reward profiles elsewhere. That said, large-caps continue to dominate small-caps, and the strong performance of the Mag-7 during 2024 serves as a reminder of the opportunity cost associated with a premature move away from unique assets, many of which still capture the zeitgeist of this technology cycle.

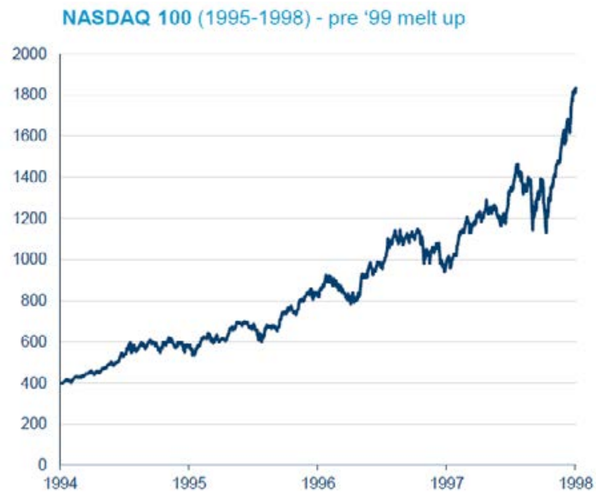
However, as previously discussed, there may be some early evidence of AI disruption beginning to challenge the investment narratives at certain mega-caps, including Alphabet and Apple. We have held both positions for close to 20 years but have meaningfully reduced them over the past 12 months. We remain unafraid and prepared to materially underweight or exit large index constituents should we become concerned about their growth or return prospects, or AI positioning. We will continue to communicate our thoughts and positioning as they evolve, just as we did when we pivoted the portfolio towards AI. For now, Shareholders should expect lower equity exposures to these stocks (potentially augmented by call options to mitigate upside risk) and greater daily variance in terms of our relative performance.

Conversely, while the Trust can hold up to a full benchmark weight subject to a maximum limit of 15%, we remain unlikely to do so; we struggle with the idea that we are reducing risk by making the portfolio ever more concentrated. Instead, our intention remains to construct a diversified portfolio comprising the best of what the benchmark has to offer, plus a selection of growth technology companies which investors may lack the resources or expertise to discover, analyse and monitor for themselves. We continue to believe that a diversified portfolio of growth stocks and themes capable of outperformance and constructed to withstand investment setbacks, should deliver superior returns over the medium term, particularly on a risk-adjusted basis.

Conclusion

The Trust has fully participated in the recent market rebound as we maintained our constructive positioning. This reflects our conviction in the significant AI progress and strong company results under the surface, even amid market and geopolitical volatility, and our belief that it remains within policymakers' interests and capacity to avert a severe global recession. NASDAQ puts helped to soften the Trust's beta during the sharpest phase of the market drawdown, as intended, and we have retained some protection given the timeline for progress on tariffs is short and there may well be temporary pauses or supply constraints even as things improve.

Setting aside current macroeconomic uncertainties, we believe recent volatility is best understood as a persistent feature of new technology cycles, when the innovation curve is at its steepest and both the pace of progress and scale of the opportunity are hard to define. The recent DeepSeek episode underscores this point, proving an important, if unwanted, reminder of this. In many ways, the current period feels highly analogous to the mid-1990s when people were excited about the potential of what Fed Chair Alan Greenspan would go on to call the "new economy" (in late 1997) but had not moved into the self-reflexive euphoria of the full dot.com bubble. Interestingly, between 1995 and 1998 – the internet years prior to the dot.com 'melt up' – there were nine NASDAQ Index corrections of -10% or more, seven of which were drawdowns of -15% or greater. However, during this volatile period, the Index rose by 350% (in US dollar terms). While history is an imperfect guide, investors should anticipate elevated volatility and bouts of AI-related risk aversion, even against a backdrop of continued AI progress.



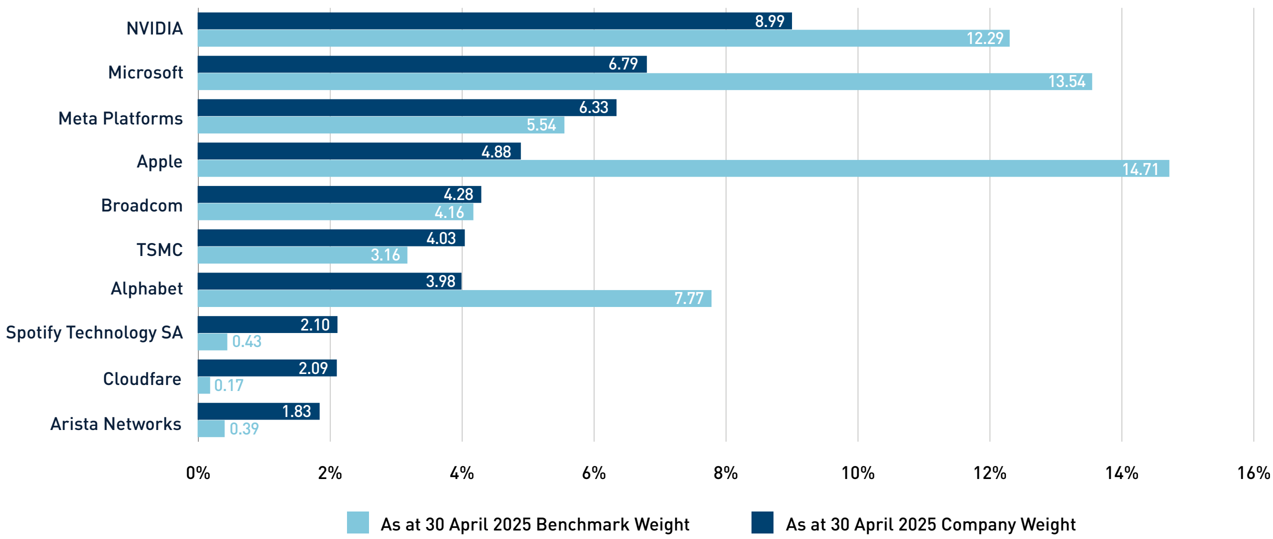
Source: Polar Capital and Bloomberg, January 2025.

To date, that progress has been remarkable – the product of rapid, non-linear scaling. Together with the advent of reasoning models, many of the building blocks necessary for agentic AI are falling into place. The promise of these agents is that they transform AI from a passive tool to an active participant in the digital ecosystem with infinite scalability. AI-enabled non-human scaling could change the world as we know it, just as agricultural mechanisation did in the 19th century (when labour force participation in agriculture declined from 58% in 1860 to 27% by 1920). However, before that, McCormick's horse-pulled reaper (1831) had already transformed the grain harvest by six-fold, increasing the amount of wheat that each person (and horse) could harvest in a day to 12-15 acres compared to two acres previously possible using tools like scythes. This not only helped the US wheat crop quadruple between the 1830s and the 1860s, but mechanised agriculture, and the surpluses it produced led to higher living standards and greatly improved food security. While the Great Irish Famine (1845-49) proved a tragic exception, peacetime famines had largely been eradicated in the US and Europe by the late 19th century.

We expect AI to unlock similar productivity gains and unknowable positive externalities while enabling individuals and businesses to reduce their dependency on human scaling, allowing them to "reap as much as they can sow".

*Data and statistics referenced within the Investment Manager's report may have changed between the financial year end and the date of publication.

Company vs Benchmark Weighting



Source: Polar Capital

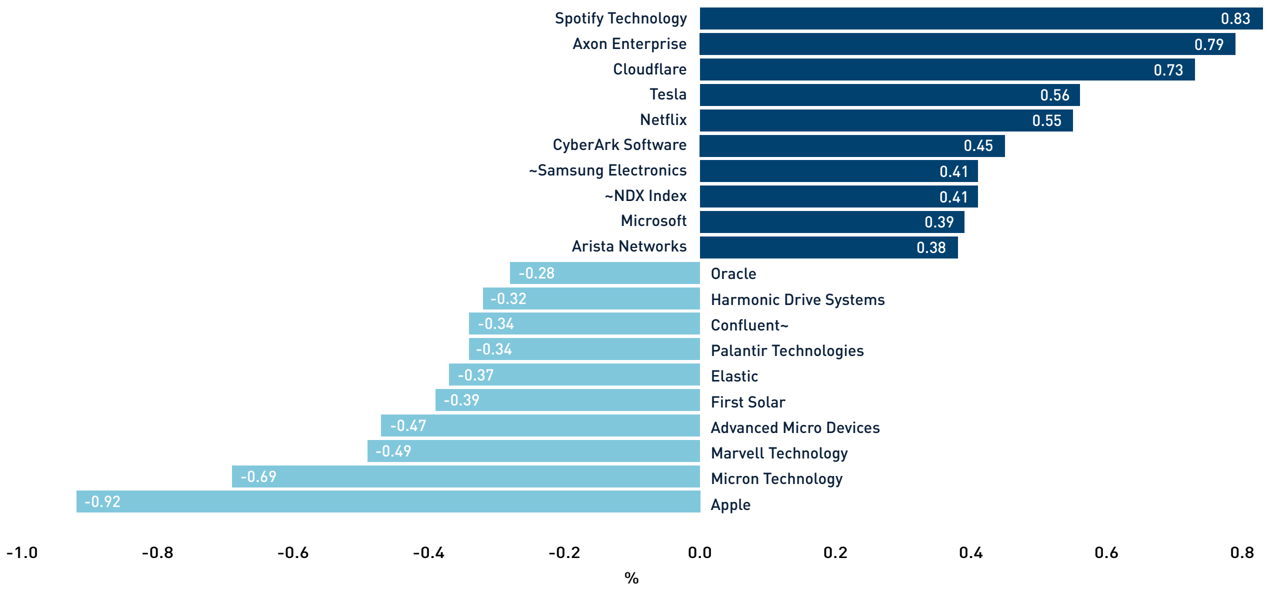
Ben Rogoff & Alastair Unwin
Polar Capital Technology Trust

10 July 2025*

Performance Attribution

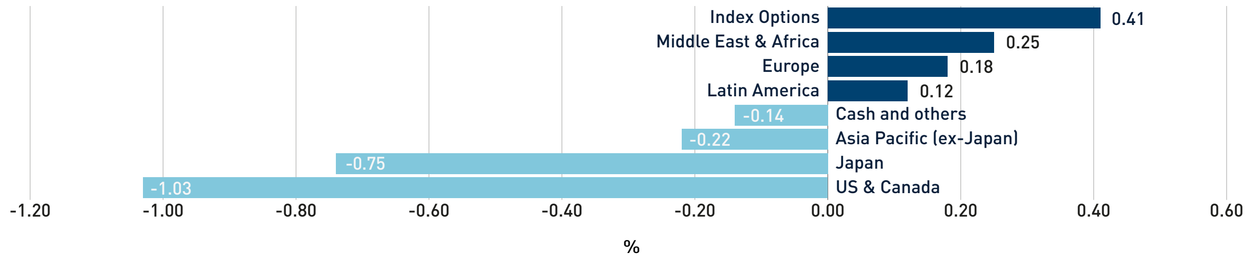
By Stock

The top ten relative contributors and the bottom ten relative detractors from performance over the year to 30 April 2025.



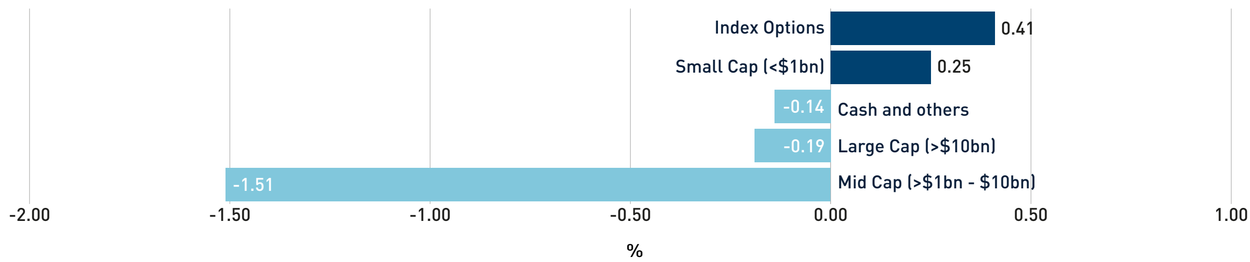
By Region*

year to 30 April 2025



By Market Capitalisation*

year to 30 April 2025



~ Not held at the year ended 30 April 2025.

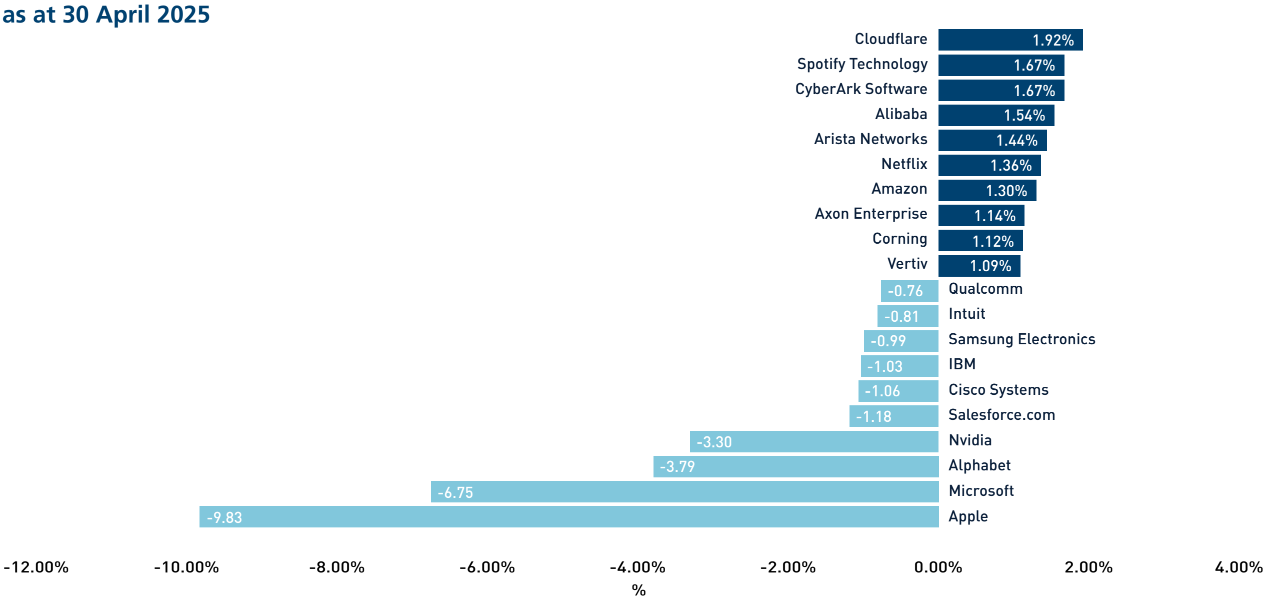
* This represents the gross return of the fund minus the benchmark return. This reflects the attribution effect where the fund's return is compared to the benchmark return (excluding ongoing charges of 0.77%).

All data sourced from Polar Capital LLP.

Portfolio Positioning

By Relative Stock Weighting

as at 30 April 2025



By Market Capitalisation

	Benchmark weighting 30 April 2025	% of invested assets 30 April 2025	% of invested assets 30 April 2024
Large Cap (>$10bn)	95.8	89.4	89.3
Mid Cap (>$1bn - $10bn)	3.8	10.1	10.0
Small Cap (<$1bn)	0.4	0.5	0.7
Total		**100.0**	**100.0**

By Region

	Benchmark weighting 30 April 2025	% of total net assets 30 April 2025	% of total net assets 30 April 2024
US & Canada	81.6	71.9	72.6
Asia Pacific (ex-Japan)	10.9	12.1	10.0
Europe (inc - UK)	5.1	6.2	6.6
Other Net Assets	-	3.7	2.4
Middle East & Africa	0.3	3.1	3.0
Japan	2.1	2.1	5.1
Latin America	-	0.9	0.3
Total		**100.0**	**100.0**

All data sourced from Polar Capital LLP.

Portfolio Review

Classification of Investments*

as at 30 April 2025

	North America (inc. Latin America) %	Europe %	Asia Pacific (inc. Middle East) %	Total 30 April 2025 %	Total 30 April 2024 %	Benchmark Weightings as at 30 April 2025 %
Semiconductors & Semiconductor Equipment	19.2	1.6	8.0	28.8	35.2	29.8
Software	14.8	1.4	3.0	19.2	22.8	27.2
Interactive Media & Services	10.3	0.1	1.2	11.6	13.4	15.8
Technology Hardware, Storage & Peripherals	5.6	-	0.8	6.4	8.2	17.9
IT Services	5.2	0.2	0.1	5.5	3.0	4.8
Electronic Equipment, Instruments & Components	3.7	-	1.8	5.5	3.8	0.3
Entertainment	2.0	2.1	-	4.1	2.5	0.6
Broadline Retail	2.2	-	1.5	3.7	2.2	-
Communications Equipment	2.7	-	0.1	2.8	1.6	2.4
Electrical Equipment	2.1	-	-	2.1	-	-
Aerospace & Defence	1.1	-	0.1	1.2	0.8	-
Capital Markets	0.9	-	-	0.9	-	-
Automobiles	0.8	-	-	0.8	0.8	-
Hotels, Restaurants & Leisure	0.7	-	-	0.7	0.5	0.2
Financial Services	0.3	0.4	-	0.7	0.2	-
Healthcare Equipment & Supplies	0.4	-	0.3	0.7	0.4	-
Healthcare Technology	0.4	-	-	0.4	-	-
Professional Services	-	0.3	-	0.3	-	-
Real Estate Management & Development	0.3	-	-	0.3	-	-
Building Products	-	-	0.2	0.2	0.4	-
Specialty Retail	-	0.1	-	0.1	-	-
Machinery	-	-	0.1	0.1	0.8	-
Trading Companies & Distributors	0.1	-	-	0.1	-	-
Chemicals	-	-	0.1	0.1	0.1	-
Media	-	-	-	-	0.5	-
Ground Transportation	-	-	-	-	0.3	-
Life Sciences Tools & Services	-	-	-	-	0.1	-
Total investments (£3,664,891,000)	**72.8**	**6.2**	**17.3**	**96.3**	**97.6**	
Other net assets (excluding loans)	2.0	0.4	3.4	5.8	3.7	
Loans	-	-	(2.1)	(2.1)	(1.3)	
Grand total (net assets of £3,804,889,000)	**74.8**	**6.6**	**18.6**	**100.0**	**-**	
At 30 April 2024 (net assets of £3,804,533,000)	74.9	6.8	18.3	-	100.0	

* The classifications are derived from the Benchmark as far as possible. The categorisation of each investment is shown in the portfolio available on the Company's website. Where a dash is shown for the Benchmark it means that the sector is not represented in the Benchmark. Not all sectors of the Benchmark are shown, only those in which the Company has an investment at the financial year end.

Top Ten Investments as at 30 April 2025

	Ranking 2025	Ranking 2024	Stock	Value of holding £'000 2025	Value of holding £'000 2024	% of total net assets 2025	% of total net assets 2024
NVIDIA Held since: 2016	1	(1)	Nvidia	342,219	395,876	9.0	10.4
			NVIDIA is a US fabless semiconductor company with leading market share in graphics processors (GPUs) used in gaming, professional visualisation, data centre and automotive. Supported by its CUDA programming model, the company's GPUs are critical components in Artificial Intelligence (AI) platforms helping to train neural networks.				
Microsoft Held since: 2007	2	(2)	Microsoft	258,174	335,337	6.8	8.8
			Founded in 1975, the company is the largest software company in the world and has built a dominant franchise in desktop software through its ubiquitous Windows operating system, Office productivity software and Azure Cloud computing service.				
Meta Held since: 2001	3	(4)	Meta Platforms	240,661	188,666	6.3	5.0
			Meta is the world's dominant social networking company. It also owns Instagram, a photo and video sharing social networking service and the instant messaging service WhatsApp among other products and services.				
Apple Held since: 2003	4	(5)	Apple	185,568	163,959	4.9	4.3
			Apple is a leading supplier of personal computers, smartphones, tablets and accessories such as AirPods that feature or integrate with the company's proprietary OS X operating system. Other services include AppleTV, Apple Music and its subscription-based iCloud storage.				
Broadcom Held since: 2023	5	(8)	Broadcom	162,907	96,108	4.3	2.5
			Broadcom Inc. is a global technology leader that designs, develops and supplies a broad range of semiconductor, enterprise software and security solutions				
Taiwan Semiconductor Held since: 2001	6	(6)	Taiwan Semiconductor	153,370	139,427	4.0	3.7
			Taiwan Semiconductor engages in the manufacture and sale of integrated circuits and wafer semiconductor devices. Its chips are used in personal computers and peripheral products; information applications; wired and wireless communications systems products; automotive and industrial equipment including consumer electronics such as digital video compact disc player, digital television, game consoles, and digital cameras.				
Alphabet Held since: 2005	7	(3)	Alphabet	151,504	278,153	4.0	7.3
			As the parent company of Google, the company is the dominant provider of Internet search, online advertising, web applications and tools and its Android (mobile OS) combined with Chrome (browser) and Google Maps have enabled it to maintain its market leadership during the mobile internet transition.				
Spotify Held since: 2022	8	(21)	Spotify Technology	79,947	40,702	2.1	1.1
			Spotify is a digital music, podcast, and video service that provides access to millions of songs and other content from creators all over the world.				
Cloudfare Held since: 2022	9	(14)	Cloudflare	79,538	60,421	2.1	1.6
			Cloudflare is a global cloud platform that offers a suite of network services, including content delivery network (CDN), cybersecurity, and Distributed Denial of Service) mitigation.				
Arista Held since: 2021	10	(13)	Arista Networks	69,589	62,166	1.8	1.6
			Arista Networks is an industry leader in data-driven, client to cloud networking for large data centre/AI, campus and routing environments.				
Top 10 investments				**1,723,477**		**45.3**	

Portfolio Review continued

Full Portfolio

as at 30 April 2025

Ranking					Value of holding		% of net assets	
2025	2024	Stock	Sector	Region	30 April 2025 £'000	30 April 2024 £'000	30 April 2025 %	30 April 2024 %
1	(1)	Nvidia	Semiconductors & Semiconductor Equipment	North America	342,219	395,876	9.0	10.4
2	(2)	Microsoft	Software	North America	258,174	335,337	6.8	8.8
3	(4)	Meta Platforms	Interactive Media & Services	North America	240,661	188,666	6.3	5.0
4	(5)	Apple	Technology Hardware, Storage & Peripherals	North America	185,568	163,959	4.9	4.3
5	(8)	Broadcom	Semiconductors & Semiconductor Equipment	North America	162,907	96,108	4.3	2.5
6	(6)	Taiwan Semiconductor	Semiconductors & Semiconductor Equipment	Asia Pacific	153,370	139,427	4.0	3.7
7	(3)	Alphabet	Interactive Media & Services	North America	151,504	278,153	4.0	7.3
8	(21)	Spotify Technology	Entertainment	Europe	79,947	40,702	2.1	1.1
9	(14)	Cloudflare	IT Services	North America	79,538	60,421	2.1	1.6
10	(13)	Arista Networks	Communications Equipment	North America	69,589	62,166	1.8	1.6
Top 10 investments					**1,723,477**		**45.3**	
11	(16)	CyberArk Software	Software	Asia Pacific	66,724	56,882	1.8	1.5
12	(44)	Shopify	IT Services	North America	60,224	21,874	1.5	0.6
13	(-)	Alibaba	Broadline Retail	Asia Pacific	58,628	-	1.5	-
14	(18)	KLA	Semiconductors & Semiconductor Equipment	North America	55,399	47,574	1.5	1.3
15	(32)	Netflix	Entertainment	North America	51,682	28,412	1.4	0.7
16	(36)	SAP	Software	Europe	51,502	26,651	1.4	0.7
17	(12)	Amazon.com	Broadline Retail	North America	49,473	73,038	1.3	1.9
18	(38)	Tencent	Interactive Media & Services	Asia Pacific	47,580	26,331	1.2	0.7
19	(26)	Axon Enterprise	Aerospace & Defence	North America	43,403	31,277	1.1	0.8
20	(-)	Corning	Electronic Equipment, Instruments & Components	North America	42,451	-	1.1	-
Top 20 investments					**2,250,543**		**59.1**	
21	(-)	Vertiv	Electrical Equipment	North America	41,332	-	1.1	-
22	(7)	Advanced Micro Devices	Semiconductors & Semiconductor Equipment	North America	38,698	134,752	1.0	3.5
23	(19)	ServiceNow	Software	North America	38,637	43,916	1.0	1.2
24	(-)	GE Vernova	Electrical Equipment	North America	38,540	-	1.0	-
25	(-)	MediaTek	Semiconductors & Semiconductor Equipment	Asia Pacific	37,690	-	1.0	-
26	(-)	Oracle	Software	North America	37,523	-	1.0	-
27	(89)	Palo Alto Networks	Software	North America	37,072	4,101	1.0	0.1
28	(41)	eMemory Technology	Semiconductors & Semiconductor Equipment	Asia Pacific	36,688	25,127	1.0	0.7
29	(-)	SK Hynix	Semiconductors & Semiconductor Equipment	Asia Pacific	35,455	-	0.9	-
30	(69)	MercadoLibre	Broadline Retail	North America	35,022	10,587	0.9	0.3
Top 30 investments					**2,627,200**		**69.0**	

Ranking 2025	Ranking 2024	Stock	Sector	Region	Value of holding 30 April 2025 £'000	Value of holding 30 April 2024 £'000	% of net assets 30 April 2025 %	% of net assets 30 April 2024 %
31	(-)	Robinhood Markets	Capital Markets	North America	34,817	-	0.9	-
32	(-)	Ciena	Communications Equipment	North America	34,743	-	0.9	-
33	(11)	CrowdStrike	Software	North America	34,179	74,376	0.9	2.0
34	(-)	Snowflake	IT Services	North America	33,248	-	0.9	-
35	(28)	Tesla	Automobiles	North America	31,138	30,877	0.8	0.8
36	(-)	Celestica	Electronic Equipment, Instruments & Components	North America	31,122	-	0.8	-
37	(-)	Xiaomi	Technology Hardware, Storage & Peripherals	Asia Pacific	30,418	-	0.8	-
38	(-)	Palantir Technologies	Software	North America	29,576	-	0.8	-
39	(-)	Credo Technology Group	Semiconductors & Semiconductor Equipment	North America	29,099	-	0.8	-
40	(35)	Elastic	Software	North America	28,732	26,879	0.8	0.7
Top 40 investments					**2,944,272**		**77.4**	
41	(10)	Micron Technology	Semiconductors & Semiconductor Equipment	North America	28,327	85,513	0.7	2.2
42	(64)	CommVault Systems	Software	North America	28,281	12,120	0.7	0.3
43	(15)	Pure Storage	Technology Hardware, Storage & Peripherals	North America	28,091	57,835	0.7	1.5
44	(51)	DoorDash	Hotels, Restaurants & Leisure	North America	27,460	19,289	0.7	0.4
45	(59)	Elite Material	Electronic Equipment, Instruments & Components	Asia Pacific	26,580	13,469	0.7	0.4
46	(-)	Astera Labs	Semiconductors & Semiconductor Equipment	North America	23,532	-	0.7	-
47	(-)	TDK	Electronic Equipment, Instruments & Components	Asia Pacific	22,911	-	0.6	-
48	(34)	HubSpot	Software	North America	22,426	26,899	0.6	0.7
49	(-)	Flex	Electronic Equipment, Instruments & Components	North America	21,733	-	0.6	-
50	(48)	Monday.com	Software	Asia Pacific	20,736	19,936	0.6	0.5
Top 50 investments					**3,194,349**		**84.0**	
51	(46)	Coherent	Electronic Equipment, Instruments & Components	North America	20,150	20,575	0.6	0.6
52	(9)	ASML	Semiconductors & Semiconductor Equipment	Europe	19,613	86,304	0.5	2.3
53	(77)	Nutanix	Software	North America	19,396	7,726	0.5	0.2
54	(25)	ASM International	Semiconductors & Semiconductor Equipment	Europe	19,313	31,519	0.5	0.9
55	(43)	Amphenol	Electronic Equipment, Instruments & Components	North America	19,061	23,267	0.5	0.6
56	(81)	Nova	Semiconductors & Semiconductor Equipment	Asia Pacific	17,053	7,111	0.5	0.2
57	(54)	Tokyo Electron	Semiconductors & Semiconductor Equipment	Asia Pacific	16,825	16,318	0.4	0.4
58	(-)	Atlassian	Software	Asia Pacific	16,680	-	0.4	-
59	(-)	MACOM Technology Solutions	Semiconductors & Semiconductor Equipment	North America	15,748	-	0.4	-
60	(-)	Adyen	Financial Services	Europe	15,304	-	0.4	-
Top 60 investments					**3,373,492**		**88.7**	

Portfolio Review continued

Full Portfolio continued

Ranking					Value of holding		% of net assets	
2025	2024	Stock	Sector	Region	30 April 2025 £'000	30 April 2024 £'000	30 April 2025 %	30 April 2024 %
61	(82)	Intuitive Surgical	Healthcare Equipment & Supplies	North America	14,850	6,821	0.4	0.2
62	(-)	Doximity	Healthcare Technology	North America	14,404	-	0.4	-
63	(50)	E Ink	Electronic Equipment, Instruments & Components	Asia Pacific	14,352	19,435	0.4	0.5
64	(-)	Twilio	IT Services	North America	13,980	-	0.4	-
65	(61)	Roblox	Entertainment	North America	13,934	13,212	0.3	0.4
66	(-)	Unity Software	Software	North America	13,536	-	0.3	-
67	(58)	BE Semiconductor Industries	Semiconductors & Semiconductor Equipment	Europe	12,153	13,834	0.3	0.4
68	(-)	RELX	Professional Services	Europe	11,742	-	0.3	-
69	(55)	ARM	Semiconductors & Semiconductor Equipment	Europe	11,691	14,683	0.3	0.4
70	(74)	Hoya	Healthcare Equipment & Supplies	Asia Pacific	11,409	8,276	0.3	0.2
Top 70 investments					**3,505,543**		**92.1**	
71	(-)	Toast	Financial Services	North America	10,990	-	0.3	-
72	(-)	Affirm	IT Services	North America	10,534	-	0.3	-
73	(-)	Take-Two Interactive Software	Entertainment	North America	9,659	-	0.3	-
74	(-)	Zillow	Real Estate Management & Development	North America	9,494	-	0.3	-
75	(-)	SiTime	Semiconductors & Semiconductor Equipment	North America	8,908	-	0.2	-
76	(-)	Cellebrite	Software	Asia Pacific	8,670	-	0.2	-
77	(91)	Klaviyo	Software	North America	8,567	2,841	0.2	0.1
78	(53)	Nitto Boseki	Building Products	Asia Pacific	8,231	16,690	0.2	0.4
79	(52)	Marvell Technology	Semiconductors & Semiconductor Equipment	North America	7,951	16,984	0.2	0.4
80	(37)	Advantest	Semiconductors & Semiconductor Equipment	Asia Pacific	7,866	26,645	0.2	0.7
Top 80 investments					**3,596,413**		**94.5**	
81	(-)	First Solar	Semiconductors & Semiconductor Equipment	North America	7,861	-	0.2	-
82	(-)	Wise	IT Services	Europe	7,571	-	0.2	-
83	(-)	Impinj	Semiconductors & Semiconductor Equipment	North America	5,800	-	0.2	-
84	(-)	SCOUT24	Interactive Media & Services	Europe	5,685	-	0.1	-
85	(63)	Fabrinet	Electronic Equipment, Instruments & Components	Asia Pacific	5,550	12,655	0.1	0.3
86	(-)	DocuSign	Software	North America	5,433	-	0.1	-
87	(-)	Zalando SE	Specialty Retail	Europe	5,170	-	0.1	-
88	(67)	Braze	Software	North America	4,767	11,516	0.1	0.3
89	(45)	Harmonic Drive Systems	Machinery	Asia Pacific	4,514	20,982	0.1	0.6
90	(-)	Xometry	Trading Companies & Distributors	North America	4,442	-	0.1	-
Top 90 investments					**3,653,206**		**95.8**	

Ranking 2025	Ranking 2024	Stock	Sector	Region	Value of holding 30 April 2025 £'000	Value of holding 30 April 2024 £'000	% of net assets 30 April 2025 %	% of net assets 30 April 2024 %
91	(-)	FOCI Fiber Optic Communications	Communications Equipment	Asia Pacific	2,888	-	0.1	-
92	(85)	MEC	Chemicals	Asia Pacific	2,871	4,692	0.1	0.1
93	(92)	Zuken	IT Services	Asia Pacific	2,595	2,748	0.1	0.1
94	(-)	Astroscale	Aerospace & Defence	Asia Pacific	2,327	-	0.1	-
95	(-)	Nlight	Electronic Equipment, Instruments & Components	North America	1,003	-	0.1	-
96	(96)	Cermetek Microelectronics	Electronic Equipment, Instruments & Components	North America	1	1	-	-
Total equities					**3,664,891**		**96.3**	
Other net assets					**139,998**		**3.7**	
Total net assets					**3,804,889**		**100.0**	

Note: Asia Pacific includes Middle East and North America includes Latin America.

Environmental, Social and Governance

ESG – Corporate Perspective

This report forms part of the Strategic report section

As an investment trust with a wholly non-executive, independent Board of Directors we delegate the operational aspects of running the Company to third parties, primarily the Investment Manager. However, the ultimate responsibility to stakeholders lies with the Board. We recognise that this includes elements of ESG (Environmental, Social and Governance principles collectively known as ESG) and over recent years ESG has become ever more important from an impact, risk and cost perspective across all aspects of the Company.

Despite investment trusts currently having relatively few regulatory reporting requirements, ESG is important to the Board and the Manager reports to the Board its assessment of the portfolio in ESG terms and the associated operations of Polar Capital. Whilst the Portfolio Managers integrate ESG considerations into their investment process, they are not required to have consideration of ESG factors when reviewing new, continuing or exiting investments; they are not required to take an investment decision solely on the basis of ESG factors.

The Board recognises that ESG is an evolving area, and intends to adopt emerging best practice in its analysis and reporting in line with regulatory requirements. On pages 16 to 35 the Investment Manager reports their assessment of the portfolio in ESG terms and the associated operations of the management house, Polar Capital. Below, we separate ESG into those areas that we as a Board can have a direct impact on and those areas where we are reliant on others.

ESG and third-party service providers

The Manager receives assurance on an annual basis that, where required, third-party service providers comply with the requirements of the Modern Slavery Act and adhere to a zero-tolerance policy to bribery and corruption. Considering the growing requirements surrounding ESG, third-party service providers have been engaged in providing copies of their ESG, Diversity and Inclusion and other related policies to the Company. The Board, via the Company Secretary and Manager will continue to monitor the practices of service providers and seek to assure itself that suitable policies and procedures are in place.

Corporate responsibility

The Company's core investment and administrative activities are undertaken by its Investment Manager which aims to limit the use of non-renewable resources and reduce waste where possible. The Investment Manager has a corporate ESG policy, which is available in the document library of the Company's website and wherever possible and appropriate, the parameters of such are considered and adopted by the investment team in relation to the Company's management and portfolio construction. As aforementioned, the Portfolio Managers are required to consider ESG factors when reviewing new, continuing or exiting investments but they are not required to take an investment decision solely on the basis of ESG factors.

The Board monitors the Investment Manager's approach to ESG including policies for improving their impact on the environment, and they themselves take into account ESG factors in the management of the Company. The Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013 require companies listed on the Main Market of the London Stock Exchange report on the greenhouse gas (GHG) emissions for which they are responsible and make appropriate disclosures under the Streamlined Energy and Carbon Reporting regulations. The Company is an investment trust, with neither employees nor premises, nor has it any financial or operational control of the assets which it owns. Consequently, it has no energy usage or GHG emissions to report from its operations nor does it have responsibility for any other emissions. Information on the GHG emissions of the Investment Manager can be found within the ESG and Sustainability area of their website www.polarcapital.co.uk.

Taskforce for Climate-Related Financial Disclosures (TCFD)

The Company notes the TCFD recommendations on climate-related financial disclosures. Whilst TCFD is currently not applicable to the Company, the Manager has produced a product level report on the Company in accordance with the FCA's rules and guidance regarding the disclosure of climate-related financial information consistent with TCFD Recommendations and Recommended Disclosures. The report can be found within the corporate information section of the Company's website: www.polarcapitaltechnologytrust.co.uk

The Board will continue to work alongside its Investment Manager to provide more information as it becomes available. Polar Capital supports TCFD's recommendations and is in the process of applying the guidance to ensure compliance going forward.

Diversity Policy and Gender Reporting

The Company has no employees and the Board is comprised of three female and three male independent non-executive Directors. The Board recognises the structure, size and composition, including the skills, knowledge, gender, ethnicity and experience of Directors, is sufficient for the effective direction and control of the Company.

The Board is mindful of the importance of having a suitably mapped board succession and renewal process in line with corporate governance best practice and the Nomination Committee keeps succession planning under review. As reported in the Chair's Statement, the Board continues to work on longer-term succession planning as some Directors will approach their nine year tenure on the Board within the next two to three years. The Board is in early-stage discussions and are working to finalise a managed programme of recruitment, appointment and retirement which will be carried out during 2026 with the expectation that such process will conclude by in Q4 2027. Further information will be shared when available.

The Board will continue to consider the benefits of diversity throughout any recruitment process, especially when compiling a shortlist of candidates and selecting individuals for interview in order to ensure a wide group of candidates. The Board has taken care to take account of this when developing job specifications and in the use of head-hunters who demonstrate an ability to widen the pool of candidates. We are acutely aware that not doing so could mean we do not attract candidates who support the Board as a whole to function as best it can. The Board's Diversity Policy is discussed further in the Corporate Governance Report on page 78.

The Company has not adopted a policy on human rights as it has no employees or operational control of its assets.

Modern Slavery Act

As an investment company, the Company does not provide goods or services in the normal course of business and does not have any customers. Accordingly, the Company does not consider that it falls within the scope of the Modern Slavery Act 2015 and therefore does not meet the criteria requiring it to produce a statement under the Act. The Company considers its supply chains to be of low risk as its suppliers are typically professional advisers.

A statement by the Manager under the Act has been published on their website.

Anti-bribery, corruption and tax evasion

The Board has adopted a zero-tolerance policy (which is available on the Company's website) to bribery, corruption and the facilitation of tax evasion in its business activities. The Board uses the principles of the policies formulated and implemented by the Investment Manager and expects the same standard of zero-tolerance to be adopted by third-party service providers. The Company has implemented a Conflicts of Interest policy to which the Directors must adhere, in the event of divergence between the Investment Manager's policy and the Company's policy the Company's policy shall prevail. The Company is committed to acting with integrity and in the interests of Shareholders at all times.

Risk and Responsibility

The Board has a schedule of principal risks and uncertainties and addresses how these are mitigated on pages 62 to 65; additionally how the Directors have undertaken their duties in compliance with s172 of the Companies Act 2006 is provided on pages 66 to 71.

Catherine Cripps
Chair

10 July 2025

ESG – Investment Perspective

Statement

The Company does not use a UK sustainability investment label pursuant to the FCA's Sustainability Disclosure Requirements and Labelling Regime. Sustainability labels help investors find products that have a specific sustainability goal. The Company does not use a sustainability label because it does not have a sustainability investment objective and does not commit to investing a minimum proportion of its assets in companies that display environmental and/or social characteristics.

Investment Policy and Strategy

The Investment Manager integrates the consideration of environmental, social and governance ('ESG') factors into its investment process for the Company in three steps:

1. exclusionary screening;
2. ESG analysis; and
3. stewardship

Each of these steps is described in further detail below. Please note that they are undertaken in conjunction with financial analysis carried out by the Investment Manager, the details of which are not provided in this disclosure.

Exclusionary screens

In accordance with applicable international treaties and laws, the Company adheres to formal exclusions on all companies that are linked to the production and/or marketing of controversial weapons (such as cluster munitions, anti-personnel mines etc.).

For the avoidance of doubt, the exclusions set out above do not apply to the Company's investments in other funds, whether closed ended or open ended, or to any cash or cash equivalent investments held by the Company.

ESG Analysis

Typically, the Investment Manager seeks to carry out ESG analysis on companies on a pre-investment basis in accordance with the process set out below, although it may not always be practicable for the Investment Manager to do so. Where the Investment Manager has not carried out its ESG analysis on a pre-investment basis, the Investment Manager seeks to carry out its ESG analysis on a post-investment basis.

The Investment Manager uses third-party research to conduct a first pass assessment of the ESG profiles of companies, including their exposure to, and management of, financially relevant ESG risks and opportunities in the industry relative to the companies' peers.

Prior to investment in a company, the Investment Manager will screen its performance against norms-based standards using third party data. The norms-based standards considered are the UN Global Compact, the UN Guiding Principles on Business and Human Rights and the International Labour Organisation's Conventions.

Where the Investment Manager deems risks identified by third party research and data as significant or material, the Investment Manager will check the information used by that third party to make sure it is accurate and timely and to ensure that it agrees with the third party's conclusion.

The Investment Manager recognises that limitations of third-party assessments can include issues around data accuracy and timeliness, the use of inappropriate peer groups, lack of coverage and/or a failure to consider the full context around some ESG issues.

More significantly, third parties do not always reflect the most material ESG risks and opportunities faced by a company when considered through the Investment Manager's own knowledge and industry experience.

Therefore, the Investment Manager, with the assistance of an in-house sustainability consultant, conducts its own proprietary ESG analysis and due diligence on companies by utilising company filings (including a company's annual report, Form 10-K, Form 20-F and Form 10-Q), sustainability reports, sell-side research, news reports and other sources, including governmental websites, to inform its view.

Particular attention is given by the Investment Manager to the company's involvement in material controversies, legal proceedings, regulatory issues, data breaches and other ESG risk factors. The Investment Manager also carries out an assessment of good governance, taking into account, among other factors, management structure, employee relations, staff and executive remuneration, and tax compliance.

However, the Investment Manager acknowledges the limitation of primary sources by virtue of inconsistent global sustainability reporting standards, lack of underlying data quality and availability, the resources of the company concerned and the lack of availability of primary sources altogether.

For the avoidance of doubt, no binding criteria is applied to the outcome of the Investment Manager's ESG assessment, and no minimum standards are set for investment or engagement. The Investment Manager's ESG analysis is intended to address material and financially relevant ESG risks and not to improve the ESG performance of investments.

Stewardship

The Investment Manager may, at its discretion engage with the company to gain a greater understanding of their ESG philosophy and practices and, where it feels it appropriate, to encourage improvement.

The Investment Manager may carry out engagements through meetings, calls, emails, or letters to company management or ESG and investor relations teams.

The Investment Manager may also exercise its voting rights in an investee company to encourage an improvement in, for example, ESG practices or ESG risk management where it sees fit.

Monitoring and Internal Oversight

The Investment Manager's Sustainability team, who are independent of the portfolio management team, carry out four-monthly oversight meetings during which the Company's ESG profile, including its climate risk profile and norms and controversies profile, is assessed with reference to third party data.

Metrics

Given that third party data is used as a starting point for the Investment Manager's assessment of the Company's portfolio and any prospective holdings, the Investment Manager shall report on the following third party ESG metrics:

- the ESG Rating of the portfolio;
- the portfolio's top 5 rated holdings;
- the portfolio's bottom 5 rated holdings;
- the percentage of portfolio holdings covered by the Investment Manager's primary ESG ratings provider; and
- the ESG rating distribution of portfolio holdings.

Please note that investee companies may not all be covered by the third party ESG data and ratings provider used by the Investment Manager. Investee companies that are unrated by the relevant provider will not be considered in the top 5 rated holdings and bottom 5 rated holdings metrics provided and therefore they may not be fully representative of the ESG profile of the portfolio.

The Investment Manager's reporting shall contain a year-on-year comparison (i.e. a comparison of the current reporting year against the prior reporting year) for all metrics listed with the exception of the ESG rating distribution of portfolio holdings. However, the Investment Manager does not commit to improving any of these metrics over time and this comparative analysis is provided for information purposes only.

Further, where the Investment Manager has engaged with companies on ESG matters over the reporting period, the Investment Manager may provide information related to those engagements including, but not limited to, engagement case studies.

ESG Dashboard

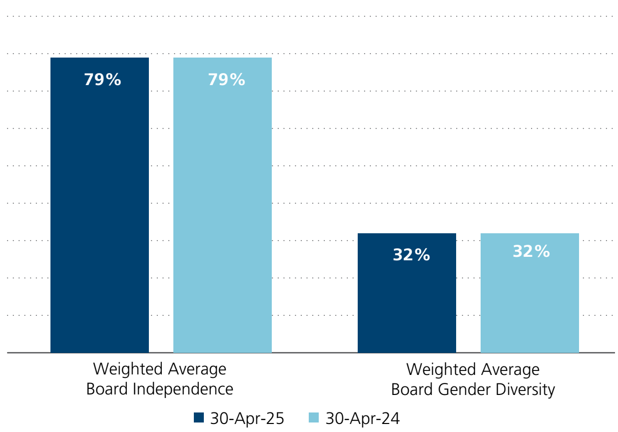
MSCI
ESG RATINGS

A

CCC	B	BB	BBB	A	AA	AAA

The MSCI ESG Rating for funds is designed to measure the resiliency of portfolios to long-term ESG risks and opportunities. The most highly rated funds consist of issuers with leading or improving management of key ESG risks. The ESG Rating is calculated as a direct mapping of ESG Quality Scores to letter rating categories (e.g. AAA = 8.6-10). The ESG Ratings range from leader (AAA, AA), average (A, BBB, BB) to laggard (B, CCC). The dashboard allows the Board to review the ratings of investee companies within the portfolio and informs discussions between the Board and Manager at Board meetings. All charts provided below are in respect of the portfolio as at 30 April 2025 / 30 April 2024.

Corporate governance



MSCI ESG Rating

30-Apr-25	Portfolio
Weighted Average ESG Score / Quality Score	**6.3**
Letter Rating	**A**

30-Apr-24	Portfolio
Weighted Average ESG Score / Quality Score	**6.7**
Letter Rating	**A**

Top Five Rated Holdings 2025

Security	Rating	Change
ServiceNow	AAA	↑
RELX	AAA	→
Nvidia	AAA	→
ASML	AAA	→
SAP	AAA	→

Source: MSCI

Top Five Rated Holdings 2024

Security	Rating	Change
Applied Materials	AAA	↑
Hoya	AAA	→
ASML	AAA	→
Nvidia	AAA	→
Taiwan Semiconductor	AAA	→

Bottom Five Rated Holdings 2025

Security	Rating	Change
Zuken	CCC	→
Astera Labs*	B	
Harmonic Drive Systems	B	→
Meta Platforms	B	→
Nlight	B	↓

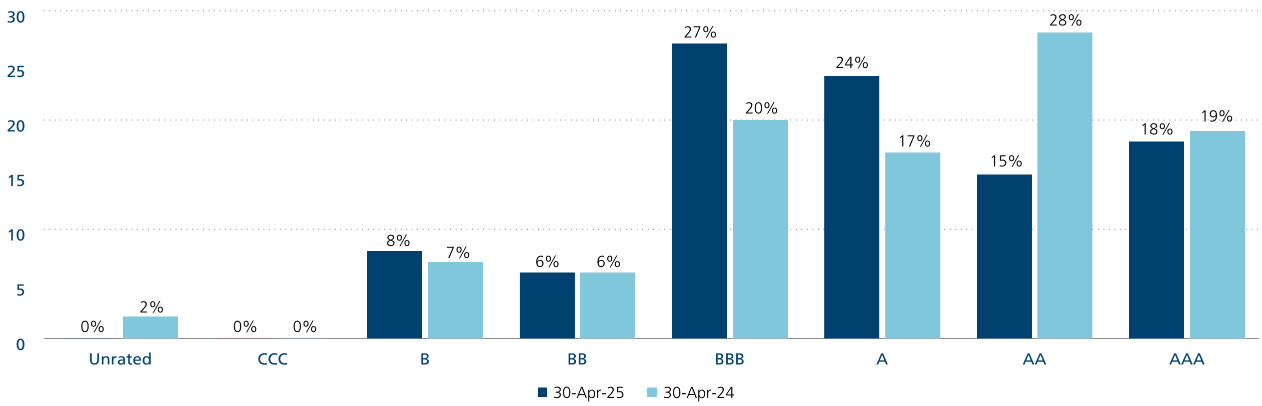
Source: MSCI
* No change data available as rating by MSCI commenced in January 2025.

Bottom Five Rated Holdings 2024

Security	Rating	Change
Zuken	CCC	→
Pinterest	B	↓
Meta Platforms	B	↑
The Trade Desk	B	→
Harmonic Drive Systems	B	→

MSCI Distribution of Ratings

33% of the fund's weighted portfolio holdings receive an MSCI ESG Rating of AAA or AA (ESG Leaders) and 8% receive an MSCI ESG Rating of B or CCC (ESG Laggards).



Weighted average carbon intensity

The fund's holdings have low carbon intensity, based on the weighted average carbon emissions per USD million sales.

Technology Trust Voting Overview

Voting Record 2025

Category	Number	Percentage
Number of votable meetings	95	
Number of meetings voted	95	100.0
Number of meetings with at least 1 vote Against, Withhold or Abstain	48	50.5

Voting Record 2024

Category	Number	Percentage
Number of votable meetings	97	
Number of meetings voted	95	98.0
Number of meetings with at least 1 vote Against, Withhold or Abstain	51	52.6

Source: MSCI, ISS

Vote cast statistics 2025

Number of votes FOR	84.8%
Number of votes AGAINST	11.9%
Number of votes ABSTAIN	0.3%
Number of votes WITHHOLD	2.6%
Number of votes on MSOP	6.1%

Vote Cast Statistics 2024

Number of votes FOR	78.9%
Number of votes AGAINST	13.4%
Number of votes ABSTAIN	0.4%
Number of votes WITHHOLD	3.8%
Number of votes on MSOP	7.0%

Source: MSCI, ISS

Corporate Governance

Strategic Report

This report forms part of the Strategic report section

This report has been provided in accordance with The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. The aim of this report is to provide information to Shareholders on the Company's strategy and the potential for such to succeed, including a fair review of the Company's performance during the year ended 30 April 2025, the position of the Company at the year end and a description of the principal risks and uncertainties, including both economic and business risk factors underlying any such forward-looking information.

Business Model and Regulatory Requirements

The Company's business model follows that of an externally managed investment trust providing Shareholders with access to an actively managed portfolio of technology shares selected on a worldwide basis.

The Company is designated as an Alternative Investment Fund (AIF) under the Alternative Investment Fund Management Directive (AIFMD) and, as required by the Directive, has contracted with Polar Capital LLP to act as the Alternative Investment Fund Manager (AIFM) and Investment Manager (or Manager) and HSBC Bank Plc to act as the Depositary.

Both the AIFM and the Depositary have responsibilities under AIFMD for ensuring that the assets of the Company are managed in accordance with the Investment Policy and are held in safe custody. The Board remains responsible for setting the investment strategy and operational guidelines as well as meeting the requirements of the FCA's UK Listing Rules and the Companies Act 2006.

The AIFMD requires certain information to be made available to investors in AIFs before they invest and requires that material changes to this information be disclosed in the Annual Report of each AIF. Investor Disclosure Documents, which set out information on the Company's investment strategy and policies, leverage, risk, liquidity, administration, management, fees, conflicts of interest and other shareholder information are available on the Company's website.

There have been no material changes to the information requiring disclosure. Any information requiring immediate disclosure pursuant to the AIFMD will be disclosed to the London Stock Exchange. Statements from the Depositary and the AIFM can be found on the Company's website.

Investment Objective and Policy

While observing the Dow Jones Global Technology Index (total return, Sterling adjusted, with the removal of relevant withholding taxes) as the Benchmark against which NAV performance is measured, Shareholders should be aware that the portfolio is actively managed and is not designed to track any particular benchmark index or market. The performance of the portfolio can vary from the Benchmark performance, at times considerably.

Over recent decades the technology industry has been one of the most vibrant, dynamic and rapidly growing segments of the global economy. Technology companies offer the potential for substantially faster earnings growth than the broader market.

Investments are selected for their potential shareholder returns, not on the basis of technology for its own sake. The Investment Manager believes in rigorous fundamental analysis and focuses on:

- management quality;
- the identification of new growth markets;
- the globalisation of major technology trends; and
- exploiting international valuation anomalies and sector volatility.

Changes to Investment Policy

Any material change to the Investment Policy will require the approval of the Shareholders by way of an ordinary resolution at a general meeting. The Company will promptly issue an announcement to inform Shareholders and the public of any change to its Investment Policy. No changes to the Investment Policy are presently anticipated.

Investment Strategy Guidelines and Board Limits

The Board has established guidelines for the Investment Manager in pursuing the Investment Policy. The Board uses these guidelines to monitor the portfolio's exposure to different geographical markets, sub-sectors within technology and the spread of investments across different market capitalisations.

These guidelines are kept under review as cyclical changes in markets and new technologies will bring certain sub-sectors or companies of a particular size or market capitalisation into or out of favour.

Asset Allocation

Technology may be defined as the application of scientific knowledge for practical purposes and technology companies are defined accordingly. While this offers a very broad and dynamic investing universe and covers many different companies, the portfolio of the Company (the 'Portfolio') is focused on companies which use technology or which develop and supply technological solutions as a core part of their business models. This includes areas as diverse as information, media, communications, environmental, healthcare, finance, e-commerce and renewable energy, as well as the more obvious applications such as computing and associated industries.

The Board has agreed a set of parameters which seek to ensure that investment risk is spread and diversified. The Board believes that this provides the necessary flexibility for the Investment Manager to pursue the Investment Objective, given the dynamic and rapid changes in the field of technology, while maintaining a spread of investments.

Market Parameters

With current and foreseeable investment conditions, the Portfolio will be invested in accordance with the Investment Objective and Policy across worldwide markets, generally within the following ranges:

- North America up to 85%.
- Europe up to 40%.
- Japan and Asia up to 55%.
- Rest of the world up to 10%.

The Board has set specific upper exposure limits for certain countries where they believe there may be an elevated risk.

The Company will at all times invest and manage its assets in a manner that is consistent with spreading investment risk and invests in a Portfolio comprised primarily of international quoted equities which is diversified across both regions and sectors.

Investment Limits

In applying the Policy, the Company will satisfy the following investment restrictions:

- The Company's interest in any one company will not exceed 10% of the gross assets of the Company, save where the Benchmark weighting of any investee company in the Company's portfolio exceeds this level, in which case the Company will be permitted to increase its exposure to such investee company up to the Benchmark 'neutral' weighting of that company or, if lower, 15% of the Company's gross assets.
- The Company will have a maximum exposure to companies listed in emerging markets (as defined by the MSCI Emerging Markets Index) of 25% of its net assets.
- The Company may invest in unquoted companies from time to time, subject to prior Board approval. Investments in unquoted companies in aggregate will not exceed 10% of the gross assets of the Company.

Such limits are measured at the time of acquisition of the relevant investment and whenever the Company increases the relevant holding.

In addition to the restrictions set out above, the Company is subject to Chapter 11 of the FCA's UK Listing Rules (UKLR) which apply to closed ended investment companies with a listing on the London Stock Exchange.

In order to comply with the current UKLR's, the Company will not invest more than 10% of its total assets at the time of acquisition in other listed closed ended investment funds, whether managed by the Investment Manager or not. This restriction does not apply to investments in closed ended investment funds which themselves have published investment policies to invest no more than 15% of their total assets in other listed closed ended investment funds. However, the Company will not in any case invest more than 15% of its total assets in other closed ended investment funds.

Strategic Report continued

Cash, Borrowings (Gearing) and Derivatives

The Company may borrow money to invest in the Portfolio over both the long and short-term. Any commitment to borrow funds is agreed by the Board and the AIFM.

The Investment Manager may also use from time-to-time derivative instruments, as approved by the Board, such as financial futures, options, contracts-for-difference and currency hedges. These are used for the purpose of efficient portfolio management. Any such use of derivatives will be made in accordance with the Company's policies on spreading investment risk as set out in this investment policy and any leverage resulting from the use of such derivatives will be subject to the restrictions on borrowings.

Cash

The Company may hold cash or cash equivalents if the Investment Manager feels that these will, at a particular time or over a period, enhance the performance of the Portfolio. The Board has agreed that management of cash may be achieved through the purchase of appropriate government bonds, money market funds or bank deposits depending on the Investment Manager's view of the investment opportunities and the benefits of diversification.

Gearing and Derivatives

The Company's Articles of Association permit borrowings up to the amount of its paid-up share capital plus capital and revenue reserves. The Company may use gearing in the form of bank loans which are used on a tactical basis by the Investment Manager, when considered appropriate. The Board monitors the level of gearing available to the Portfolio Manager and agrees, in conjunction with the AIFM, all bank facilities in accordance with the Investment Policy. The Board approves and controls all bank facilities and any net borrowings over 20% of the Company's net assets at the time of draw down will only be made after approval by the Board.

During the year, the Company had two loan facilities with ING Bank NV of 36m US Dollars and 3.8bn Japanese Yen (JPY), both of which were repaid in September 2024. The JPY loan was replaced with a three year fixed rate term loan of JPY 15bn from The Bank of Nova Scotia. The JPY loan has been fixed at an all-in rate of 2.106% pa. This loan is due to be repaid in September 2027.

Details of the loans are set out in Note 17 to the Financial Statements.

The Investment Manager's use of derivatives is monitored by the Board in accordance with the Company's investment policy and any leverage from the use of such derivatives will be subject to the restriction on gearing.

Future Developments

The Board remains positive on the longer-term outlook for technology and the Company will continue to pursue its Investment Objective. The outlook for future performance is dependent to a significant degree on the world's financial markets and their reactions to economic events and other geopolitical forces. In accordance with the Articles of Association, the Board will be proposing the five-yearly continuation vote of the Company at the Annual General Meeting to be held in September 2025; as discussed in more detail in the Chair's Statement, the Board is supportive of the Company continuing in its current form and will be recommending that Shareholders vote in favour of the resolution. The Chair's Statement and the Investment Manager's Report comment on the outlook.

Dividends

The Company's revenue varies from year to year and the Board considers the dividend position each year in order to maintain the Company's status as an investment trust. The revenue reserve remains in deficit and historically the Company has not paid dividends given its focus on capital growth. The Directors do not recommend, for the year under review, the payment of a dividend (2024: no dividend recommendation).

Service Providers

Polar Capital LLP has been appointed to act as the Investment Manager and AIFM as well as to provide or procure company secretarial services, marketing and website services which it arranges through Huguenot Limited, and administrative services, including accounting, portfolio valuation and trade settlement which it has arranged to deliver through HSBC Securities Services (HSS or the Administrator).

The Company also contracts directly, on terms agreed periodically, with a number of third parties for the provision of specialist services. The cost of the services outlined below are paid for directly by the Company and are separate from the Investment Management Fee payable to Polar Capital:

- Stifel Nicolaus Europe Limited as Corporate Broker;
- Equiniti Limited as Share Registrars;
- HSBC Securities Services as Custodian and Depositary;
- RD:IR for Investor Relations and Shareholder Analysis;
- Camarco as PR advisors; and
- Perivan Limited as designers and printers for shareholder communications.

Strategic Report continued

Investment Management Company and Management of the Portfolio

As the Company is an investment vehicle for Shareholders, the Directors have sought to ensure that the business of the Company is managed by a leading specialist investment management team and that the investment strategy remains attractive to Shareholders. The Directors believe that a strong working relationship with the investment management team will help to achieve the optimum return for Shareholders. As such, the Board and the Investment Manager operate in a supportive, co-operative and open environment.

The Investment Manager is Polar Capital LLP (Polar Capital), which is authorised and regulated by the Financial Conduct Authority, to act as Investment Manager and AIFM of the Company with sole responsibility for the discretionary management of the Company's assets (including uninvested cash) and sole responsibility to take decisions as to the purchase and sale of individual investments. The Investment Manager also has responsibility for asset allocation within the limits of the investment policy and guidelines established and regularly reviewed by the Board, all subject to the overall control and supervision of the Board.

Polar Capital provides a team of technology specialists led by Ben Rogoff. Each team member focuses on specific areas while Ben Rogoff, with Alastair Unwin as Deputy, has overall responsibility for the portfolio. Polar Capital also has other specialist and geographically focused investment teams which may contribute to idea generation. The technology investment team's biographies can be found on pages 10 and 11. The Investment Manager has other investment resources which support the investment team and has experience in administering and managing other investment companies.

Management fee

As reported within the Chair's Statement, the Company announced that it had concluded its three-yearly review of the base management fee arrangements with the Investment Manager, Polar Capital. The new base management fee is structured over two tiers, and the performance fee has been removed entirely.

With effect from 1 May 2025, the base management fee paid by the Company monthly in arrears to the Manager is calculated on the daily Net Asset Value ('NAV') as follows:

- Tier 1: 0.75 per cent. for such of the NAV up to and including £2bn.
- Tier 2: 0.60 per cent. for such of the NAV above £2bn.

Prior to 1 May 2025, the fee basis for the financial year ended 30 April 2025 was as follows:

- Tier 1: 0.80 per cent. for such of the NAV up to and including £2bn;
- Tier 2: 0.70 per cent. for such of the NAV between £2bn and £3.5bn; and
- Tier 3: 0.60 per cent. for such of the NAV above £3.5bn.

Any investment in funds managed by Polar Capital are wholly excluded from the base management fee calculation. Management fees of £30,854,000 (2024: £25,919,000) have been paid for the year to 30 April 2025 of which £2,246,000 (2024: £2,386,000) was outstanding at the year end and accrued within the financial statements.

Under the terms of the IMA, the Board may undertake a three-yearly review of the fee arrangements, the next of which will be undertaken in the financial year ending 30 April 2028, with the anticipation that any changes proposed and subsequently agreed will take effect from the start of the following financial year. The Board is however at liberty to review the fees at any time should they deem it appropriate and in the best interests of Shareholders to do so.

Longer-Term Viability

In accordance with the AIC Code of Corporate Governance (AIC Code), the Company is required to make a forward-looking longer-term viability statement. The Board has considered and addressed the ability of the Company to continue to operate over a period significantly beyond the twelve-month period required for the going concern statement. The Board has considered the industry and market in which the Company operates and believes that despite the market volatility and geopolitical events experienced during the financial year under review, there continues to be a strong appetite for technology investment. The Board continues to use five years as a reasonable term over which the viability of the Company should be viewed; Shareholders have the opportunity to vote on the continuation of the Company every five years, therefore the outlook for the next five-year period incorporates the continuation vote which will be put to Shareholders at the forthcoming AGM in September 2025.

The process and matters considered in establishing the longer-term viability are detailed within the Audit Committee Report on page 83. In establishing the positive outlook for the Company over the next five years to 30 April 2030, the Board has taken into account:

The ability of the Company to meet its liabilities as they fall due	The assessment took account of the Company's current financial position, its cash flows and its liquidity position, the principal risks as set out on pages 62 to 65 and the Committee's assessment of any material uncertainties and events that might cast significant doubt upon the Company's ability to continue as a going concern. The assessment was then subject to a sensitivity analysis over a five-year period, which stress tested a number of the key assumptions underlying the forecasts both individually and in aggregate for normal, favourable and stressed conditions and considered whether financing facilities will be renewed. The portfolio comprises a spread of investments by size of company, traded on major international stock exchanges. 99.9% of the current portfolio could be liquidated within four trading days and there is no expectation that the nature of the investments held within the portfolio will be materially different in future. The expenses of the Company are predictable and modest in comparison with the assets and there are no capital commitments foreseen which would alter that position. The ongoing charges of the Company for the year ended 30 April 2025 (excluding performance fees) were 0.77% (2024: 0.80%). Repayment of the bank facility, drawn down at the year end, and due in September 2027, would equate to approximately 42% of the cash or cash equivalents available to the Company at 30 April 2025, without having to liquidate the portfolio of investments. The Company has no employees and consequently does not have redundancy or other employment related liabilities or responsibilities.
The Company will propose a resolution on the continuation of the Company at the AGM in September 2025	The Company has within its corporate structure the requirement to hold a continuation vote every five years. The last continuation vote was passed at the AGM held in September 2020 with 100% of the votes in favour. Ahead of the upcoming continuation vote, the Board, Investment Manager and Corporate Broker have been seeking Shareholder views including any concerns and an indication of whether they were likely to vote in favour of the Company's continuation. No comments adverse to the continuation vote have been received to date and the Shareholders who provided feedback were minded, at the time of writing, to vote in favour of the resolution for the Company to continue. Shareholders highlighted the contact between the Investment Manager and Shareholders, the long term investment horizon of many Shareholders, the diversification of the Company's register of Shareholders and the Company's inclusion on many buy lists at private wealth managers and retail platforms. As such, the Directors are confident that the continuation vote will be passed at the AGM to be held on 10 September 2025 and therefore that the Company will continue in existence. The Directors acknowledge that there can be no certainty that the continuation vote will be passed although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.
Factors impacting the forthcoming years	The Investment Manager's Report and the Strategic Report provide a comprehensive review of factors which may impact the Company in forthcoming years. In making its assessment, the Board considered these factors alongside the Principal Risks and Uncertainties, and their corresponding mitigation and controls, as set out on pages 62 to 65.
Regulatory changes	Despite the increased level of regulation and the unpredictability of future requirements it is considered that regulation will not increase to a level that makes the running of the Company uneconomical or untenable in comparison to other competitive products. The Board is aware of the FCA's proposal to include the closed ended sector within scope of the Consumer Composite Investments (CCI) regime. The Board has contributed to the consultation process and supports the AIC's stance against the inclusion of investment trusts within this regime given the potential negative consequences for the sector.
Closed-ended Investment Funds	Despite high discounts across the sector, it is believed that the business model of being a closed ended investment fund will continue to be wanted by investors and the Company's Investment Objective will continue to be desired and achievable. Notwithstanding this, the Board regularly discusses the risks to the sector given the rise in shareholder activism and consolidation across the wealth management industry and has engaged in an active share buy back process to help address the discount to NAV that the Company's shares have traded at.

Strategic Report continued

Further, the Board recognises that there has been significant progress made in the technology sector and immense change in what is deemed to be a technology company which broadens the universe for potential investment. Technology remains a specialist sector for which there continues to be a need for independent specialist sector investment expertise. The Board therefore have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the five years to 30 April 2030.

Going Concern

The Board has also considered the ability of the Company to adopt the Going Concern basis for the preparation of the Financial Statements.

Consideration included the forthcoming continuation vote as well as the Company's current financial position, its liquidity position and its assessment. In addition, the Company's cash flows were stressed tested for base case and reasonable worse case scenarios. Further detail on the assessment for going concern is provided in the Report of the Audit Committee on page 82 and in Note 2(a) of the Financial Statements.

Key Performance Indicators

The Board appraises the performance of the Company and the Investment Manager, as the key supplier of services to the Company, against Key Performance Indicators (KPIs). The objectives of the KPIs comprise both specific financial and shareholder related measures and these KPIs have not differed from the prior year.

KPI	Control Process	Outcome
The provision of investment returns to Shareholders measured by long-term NAV growth and relative performance against the Benchmark. The Board is aware of the vulnerability of a sector specialist investment trust to a change in investor sentiment to that sector.	The Board reviews the performance of the portfolio in detail and hears the views of the Investment Manager at each meeting. The Board discusses the market factors giving rise to any discount or premium, the long or short-term nature of those factors and the overall benefit to Shareholders of any actions. The market liquidity is also considered when authorising the issue or buy back of shares when appropriate market conditions prevail.	At 30 April 2025 the total net assets of the Company amounted to £3,804,889,000 (2024: £3,804,533,000).The Company's NAV over the year to 30 April 2025, underperformed the Benchmark by 2.0%. The NAV per share rose by 3.1% from 315.41p to 325.20p while the Benchmark increased 5.1% in Sterling terms over the same period. As at 30 April 2025 the portfolio comprised 96 (2024: 96) investments. Investment performance is explained in the Chair's Statement and the Investment Manager's Report. The performance of the Company over the longer-term is shown by the ten year historic performance chart on page 3.
Monitoring and reacting to issues created by the discount or premium of the ordinary share price to the NAV per ordinary share with the aim of reducing discount volatility for Shareholders.	The Board receives regular information on the composition of the share register including trading patterns and discount/premium levels of the Company's ordinary shares. A daily NAV per share, diluted when appropriate, calculated in accordance with the AIC guidelines, is issued to the London Stock Exchange.	The discount/premium of the ordinary share price to NAV per ordinary share (diluted when appropriate) has been as follows: Financial year to 30 April 2025: • Minimum discount over year: 5.63% • Maximum discount over year: 19.42% • Average discount over year: 10.23%

KPI	Control Process	Outcome
	The Company does not have an absolute target discount level at which it buys back shares but has historically bought back significant amounts of the outstanding share capital when deemed appropriate and will continue to do so. This approach does not preclude a more active approach as discounts widen and the Investment Manager may consider that a single purchase or a series of purchases of shares in current or greater volumes, which would enhance the Company's NAV per share, would be an attractive investment of the Company's cash resources, given the positive long-term prospects for the Company's portfolio. As always, the Board keeps the level of discount under careful review and has been buying back shares actively at levels set out in the adjacent column.	In the year ended 30 April 2025, the Company bought back 36,208,671 ordinary shares (representing 2.6% of the issued share capital) at an average discount of 10.4%. Subsequent to the year end and to close of business 4 July 2025, the Company bought back a further 11,960,588 shares. The discount at close of business on 4 July 2025 was 9.9% Over the previous five financial years ended 30 April 2025: • Maximum premium over period: 6.06% • Maximum discount over period: 19.42% • Average discount over period: 9.38% Over the previous five financial years ended 30 April 2025 the Company has bought back a total of 203,142,981* Ordinary shares and issued 27,490,000* as a result of market demand.
To qualify and continue to meet the requirements for Sections 1158 and 1159 of the Corporation Tax Act 2010 ('investment trust status').	The Board receives regular financial information which discloses the current and projected financial position of the Company against each of the tests set out in Sections 1158 and 1159.	This has been achieved for every year since launch in 1996. HMRC has approved the investment trust status subject to the Company continuing to meet the relevant eligibility conditions and ongoing requirements. The Directors believe that the tests have been met in the financial year ended 30 April 2025 and will continue to be met.
Efficient operation of the Company with appropriate investment management resources and services from third party suppliers within a stable and risk-controlled environment.	The Board considers annually the services provided by the Investment Manager, both investment and administrative, and reviews on a cycle the provision and costs of services provided by third parties. The annual operating expenses are reviewed and any non-recurring project related expenditure is approved separately by the Board.	The Board has received and considered satisfactory the internal controls report of the Investment Manager and other key suppliers including contingency arrangements to facilitate the ongoing operations of the Company in the event of withdrawal or failure of services. The ongoing charges of the Company for the year ended 30 April 2025 was 0.77% of the average daily net assets (2024: 0.80%). There was no performance fee payable for the year ended 30 April 2025 (2024: nil).

* The figures have been rebased following the ten for one share split on 13 September 2024.

Strategic Report continued

Principal Risks and Uncertainties

The Board is responsible for the management of risks faced by the Company and through delegation to the Audit Committee, has established procedures to manage risk, oversee the internal control framework and determine the nature and extent of the principal risks the Company is willing to take in order to achieve its long-term strategic objectives.

The established risk management process the Company follows, identifies and assesses various risks, their likelihood, and possible severity of impact, considering both internal and external controls and factors that could provide mitigation. A post mitigation risk impact score as well as a risk appetite rating is then determined for each principal risk.

At each Audit Committee, identified principal risks are reviewed and reassessed against the backdrop of the dynamic external environment the Company is operating in. The Audit Committee carries out a robust assessment of overall risks and uncertainties faced by the Company with the assistance of the Investment Manager.

The Committee also identifies any emerging risks during its review process and continues to closely monitor these risks as they develop, implementing mitigating actions as necessary. Emerging risks during the financial year under review included the geopolitical landscape, in particular, the unravelling of the previous world order regarding security and trade which has resulted in a more inflationary and volatile environment. In addition, consideration was given to the impact on the Company's portfolio of the uncertainty around trade tariffs and the ongoing tension between China and Taiwan, using a detailed horizon analysis compiled by the investment management team.

The Principal Risks post mitigation are detailed on the following pages along with a high-level summary of their management through mitigation and status arrows to indicate any change in assessment over the past financial year.

Risk Cycle

Principal Risks and Uncertainties continued

Management of risks through Mitigation & Controls	Change during the year
PORTFOLIO RISK	
Failure to achieve investment objective on an absolute or relative basis.	⇔
Regular reporting and monitoring of the Company's investment performance against peer group, benchmark and detailed annual review of investment strategy with Investment Manager. Clear communication with Shareholders on the investment strategy through annual, half year reports and monthly factsheets. The Investment Manager also visits large Shareholders and has regular interaction with clients.	
Portfolio management errors including breach of investment policy.	⇔
Investment limits and restrictions are encoded into dealing and operations systems of the Manager to ensure there is early warning of any potential issue of compliance or regulatory matters. HSBC Depositary oversees all trades and monitoring against investment limits. The Board monitors the investment limits and restrictions and would investigate any breaches.	
OPERATIONAL RISK	
Failure in services provided by Investment Manager (Polar Capital LLP).	⇔
Compliance, trading and operational risk oversight by fully resourced and expert Polar Capital compliance, operations and risk functions. Periodic updates are received from Polar's operational risk team in respect of the key operational risks and the associated controls in place.	
Accounting / Financial and/or Custody Errors.	⇔
Management accounts are produced and reviewed monthly, statutory reporting and daily NAV calculations are produced by the external Administrator and verified by the Investment Manager. Accounting records are tested, and valuations verified independently as part of the year-end financial reporting process.	
Failure of Depositary, Custodian, Sub-Custodian or Deposit taker.	⇔
Due diligence and service reviews are undertaken with third-party service providers including the Custodian and Depositary with any exceptions highlighted to the Board.	
Unforeseeable natural disaster or other unpredictable event (Black Swan).	⇔
The Company has a disaster recovery plan in place along with a Black Swan Committee comprised of any two Directors, who are able to provide a response to such events as necessary.	
IT Failure, Fraud and Cyber Risk.	⇔
Annual review of internal control reports from suppliers including cyber protocols and disaster recovery procedures. The Board proactively seeks to keep abreast of developments through updates with representatives of the Investment Manager (Polar's Chief Technology Officer). Polar Capital has controls in place and has continued to evolve its cyber defence capabilities during 2024 and Q1 2025 amid a persistently hostile threat landscape.	

⇧ Increase ⇩ Decrease ⇔ Unchanged

Strategic Report continued

Principal Risks and Uncertainties continued

Management of risks through Mitigation & Controls	Change during the year
REGULATORY RISK	
Breach of Statutes & Regulations.	↔
Polar Capital Compliance and Operations ensure a strong compliance environment and report to Board on an annual basis. There is an independent risk function at Polar Capital. AIFMD limits are hardcoded into Bloomberg and monitored by the Operations and Compliance teams. The Depositary also monitors AIFMD limits and reports exceptions to the Board. In addition, the Investment Trust Fund Accountant reports to the Board on a monthly basis through the Investment Limits schedule. The Board receives regulatory reports for discussion and, if required, considers the need for any remedial action. In addition, as an investment company, the Company is required to comply with a framework of tax laws, regulation and company law. The Board monitors regulatory change with the assistance of the Investment Manager, Company Secretary and external professional suppliers and implements necessary changes should they be required.	
Failure to effectively communicate significant events to the shareholder and investor base.	↔
Polar Capital Sales Team and the Corporate Broker provide periodic reports to the Board on communications with Shareholders and feedback received. Experienced sales and client services team maintain the Company's website and ensure it contains documents holding relevant information and presentations from the Manager. Annual, half year reports and monthly factsheets are prepared by experienced company secretaries or specialist advisors. Statutory/regulatory documentation is compiled and checked by legal advisors, auditors or brokers (when necessary) and the Board undertakes a review prior to publication. Once published, the Chair offers annual meetings with Shareholders.	
ECONOMIC AND MARKET RISK	
Global geopolitical risk affecting changes in policy regarding taxes/assets, tariffs, trade agreements (NAFTA, China, Mexico), immigration and political tensions.	↔
The impact on the portfolio from geopolitical changes is monitored through existing control systems such as the monthly investment limits schedule. The Investment Manager regularly reports to the Board on geographic influences, the macro economic outlook and matters of interest in relation to the portfolio and utilises horizon scanning where appropriate.	
Uncertainty in regulatory environment.	↑
Potential regulatory change as a result of the changing political environment is closely monitored by the board with the help of the company secretary. The Investment Manager's Operations team monitors FX and interest rate exposure of portfolio. Note 27 describes the impact of changes in foreign exchange rates.	

↑ Increase ↓ Decrease ↔ Unchanged

Principal Risks and Uncertainties continued

Management of risks through Mitigation & Controls	Change during the year
KEY STAFF RISK	
Loss of Portfolio Manager or other key professionals by the Investment Manager through resignation, redundancy or change of control.	↔
The strength and depth of the investment team provides comfort that there is not over-reliance on one person, with alternative senior technology portfolio managers available to act if needed. For each key business process, roles, responsibilities and reporting lines are clear and unambiguous. Key personnel are incentivised by equity participation in the investment management company. Ali Unwin was appointed as Deputy Fund Manager and is responsible for managing the portfolio of the Company alongside Ben Rogoff, Lead Manager since 1 May 2006.	
The Board has insufficient resource and breadth of experience to oversee its operations.	↔
Respected industry recruitment companies are used to source suitably experienced candidates for non-executive directorships with detailed succession planning and skills analysis driving the recruitment process at Board level. A Board, Committee and Individual evaluation process is carried out annually and justification for re-election of Directors is provided in Annual Report to Shareholders.	

↑ **Increase** ↓ **Decrease** ↔ **Unchanged**

Section 172 Statement

This report forms part of the Strategic report section

The statutory duties of the Directors are detailed in s171-177 of the Companies Act 2006. The Board recognises that under s172, Directors have a duty to promote the success of the Company for the benefit of its Shareholders as a whole and in doing so have regard to the consequences of any decision in the long term, as well as having regard to the Company's wider stakeholders amongst other considerations. The fulfilment of this duty not only helps the Company achieve its Investment Objective but ensures decisions are made in a responsible and sustainable way for Shareholders.

To ensure that the Directors are aware of, and understand, their duties, they are provided with an induction, including details of all relevant regulatory and legal duties as a Director when they first join the Board, and continue to receive regular and ongoing updates on relevant good practice, legislative and regulatory developments. They also have continued access to the advice and services of the Company Secretary and, where deemed necessary, the Directors may seek independent professional advice. The Schedule of Matters Reserved for the Board, as well as the Terms of Reference of its committees are reviewed annually and further describe Directors' responsibilities and obligations and include any statutory and regulatory duties.

The Board seeks to understand the needs and priorities of the Company's Shareholders and stakeholders and these are taken into account during all of its discussions and as part of its decision-making process. As an externally managed investment company, the Company does not have any employees or customers, however the key stakeholders and a summary of the Board's consideration and actions where possible in relation to each group of stakeholders are described in the table below.

Stakeholder Group	How we engage with them
Shareholders	The Directors have considered shareholder engagement when making the strategic decisions during the year that affect Shareholders, the confirmation of the continued appointment of the Investment Manager and the recommendation that Shareholders vote in favour of the resolutions to be proposed at the AGM. The Directors have also engaged with and taken account of Shareholders' interests during the year. The Portfolio Manager has held numerous face-to-face meetings and interacted with a number of Shareholders and institutions in addition to presenting at a number of conferences during the year. Where appropriate, Directors are invited to attend these conferences to meet with Shareholders and prospective investors; in addition, the annual Investor Relations dinner was again held in October 2024. Positive feedback was received from all attendees of the dinner who welcomed the opportunity to interact with the Board and Manager. The Chair will write to the Company's largest Shareholders following the publication of the Annual Report and Financial Statements offering the opportunity to meet to discuss any matters of interest or concern. The Company's next AGM will be held at 2:30pm on Wednesday 10 September 2025 at the offices of Herbert Smith Freehills Kramer, Exchange House, Primrose Street, London, EC2A 2EG. The Board recognises that the AGM is an important event for Shareholders and the Company and is keen to ensure that Shareholders are able to exercise their right to attend, vote and participate. Shareholders will also be able to watch the proceedings of the AGM live via Zoom Conference. Details of how to access the online link are provided in the Notice of AGM. Once again, we will be inviting feedback from Shareholders and will take this into account when planning the 2026 meeting. The Board believes that shareholder engagement remains important and is keen that the AGM be a participative event for all Shareholders who attend. Shareholders are encouraged to send any questions ahead of the AGM to the Board via the Company Secretary at **cosec@polarcapital.co.uk** stating the subject matter as **PCTT-AGM**. The investment manager will give an in-person presentation and the Chair of the Board and all members of the Board will be in attendance and will be available to respond to questions and concerns from Shareholders.

Stakeholder Group	How we engage with them
	Should any significant votes be cast against a resolution, the Board will engage with Shareholders. Should this situation occur, the Board will explain in its announcement of the results of the AGM the actions it intends to take to consult Shareholders in order to understand the reasons behind the votes against. Following the consultation, an update will be published no later than six months after the AGM and the next Annual Report will detail the impact the shareholder feedback has had on any decisions the Board has taken and any actions or resolutions proposed.
	Relations with Shareholders The Board and the Manager consider maintaining good communications and engaging with Shareholders through meetings and presentations a key priority. The Board regularly considers the share register of the Company and receives regular reports from the Manager and the Corporate Broker on shareholder meetings attended and any concerns that have been raised in those meetings. The Board also reviews correspondence from Shareholders and may attend investor presentations. The Chair has met with Shareholders during the year and responded to comments raised both at the AGM and via email. Shareholders are able to raise any concerns directly with the Chair or the Board without intervention of the Manager or Company Secretary, they may do this either in person at the AGM or at other events, or in writing either via the registered office of the Company or to the Chair's specific email address **Chair.pctt@polarcapital.co.uk**. Shareholders are kept informed by the publication of annual and half year reports, monthly fact sheets, access to commentary from the Investment Manager via the Company's website and attendance at events at which the Investment Manager presents. The Company, through the sales and marketing efforts of the Investment Manager, encourages retail investment platforms to engage with underlying Shareholders in relation to Company communications and enable those Shareholders to cast their votes on shareholder resolutions; the Company however has no responsibility over such platforms. Shareholders who hold shares via an online stockbroker or platform are encouraged to exercise their vote through their respective platforms and where possible attend the AGM proceedings. Further information on how to vote through the platforms can be found on the AIC's website (www.theaic.co.uk) and in the Shareholder information section on page 145. The Company has also made arrangements with its Registrar for Shareholders, who own their shares directly rather than through a nominee or share scheme, to view their account online at www.shareview.co.uk. Other services are also available via this service.

Section 172 Statement continued

Stakeholder Group	How we engage with them
	Outcomes and strategic decisions during the year **AGM** This year the Board will hold a physical AGM. However, in order to provide those Shareholders who are unable to attend the AGM physically with an opportunity to view the AGM, the Board will make a zoom link available to enable Shareholders to watch the proceedings of the AGM live via Zoom Conference. Details of how to access the online link are provided in the Notice of AGM. Further details can be found on pages 141 to 142 of the shareholder information section. **Buybacks** Further to shareholder authority being granted, the Company has the facility to conduct share buy backs when, in normal market conditions, it is in the best interests of Shareholders to do so. The Company bought back a total of 36,208,671 shares during the year under review. Subsequent to the year end and to close of business 4 July 2025, the Company bought back a further 11,960,588 shares. **Gearing** The Company is aware of the positive effect that leverage can have in increasing the return to Shareholders when utilised. The Company has a term loan in place with The Bank of Nova Scotia, which expires in September 2027. Consideration will be given to the renewal of or the replacement of the term loan if it is deemed to be in the best interests of the Company's Shareholders in maximising returns. Please see note 17 for further information. **Continuation Vote** The Company has within its corporate structure the requirement to hold a continuation vote every five years. The last continuation vote was held in September 2020, for which 100% of the votes cast were in favour, and the next continuation vote will be held at the forthcoming AGM on 10 September 2025. Ahead of the upcoming continuation, the Board, Investment Manager and Corporate Broker have been seeking Shareholder views including any concerns and an indication of whether they were likely to vote in favour of the Company's continuation. No comments adverse to the continuation vote have been received to date and the Shareholders who provided feedback were minded, at the time of writing, to vote in favour of the resolution for the Company to continue. Shareholders highlighted the contact between the Investment Manager and Shareholders, the long term investment horizon of many Shareholders, the diversification of the Company's register of Shareholders and the Company's inclusion on many buy lists at private wealth managers and retail platforms. As such, the Directors are confident that the continuation vote will be passed at the AGM to be held on 10 September 2025 and therefore the Company will continue in existence. The Directors acknowledge that there can be no certainty that the continuation vote will be passed although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. **Directors' Remuneration** The remuneration of Directors is reviewed regularly and was increased with effect from 1 May 2024 and again from 1 May 2025, to reflect the rise in inflation and bring the fees of the Directors more in line with the wider market. Further details are provided in the Report of the Remuneration Committee in the annual report.

<table>
<tr><th>Stakeholder Group</th><th>How we engage with them</th></tr>
<tr><td>Investment Manager</td><td>
Engagement

Through the Board meeting cycle, regular updates and the work of the Management Engagement Committee reviewing the services of the Investment Manager twice yearly, the Board is able to safeguard shareholder interests by:

• Ensuring adherence to the Investment Management Policy and reviewing the agreed management and performance fees;
• Ensuring excessive risk is not undertaken in the pursuit of investment performance;
• Reviewing the Investment Manager's decision making and consistency in investment process;
• Ensuring compliance with statutory legal requirements, regulations and other advisory guidance such as consumer duty and aspects of operational resilience; and
• Considering the succession plans for the Technology Team in ensuring the continued provision of portfolio management services.

Maintaining a close and constructive working relationship with the Manager is crucial as the Board and the Investment Manager both aim to continue to achieve consistent, long-term returns in line with the Investment Objective. The culture which the Board maintains to ensure this involves encouraging open discussion with the Investment Manager; recognising that the interests of Shareholders and the Investment Manager are aligned, providing constructive challenge and making Directors' experience available to support the Investment Manager. This culture is aligned with the collegiate and meritocratic culture which Polar Capital has developed and maintains.

Outcome and Strategic Decisions during the year

ESG

The Board continued to engage with the Investment manager to understand how ESG has been integrated into the overall house style, the technology team investment approach and decision making as well as the methodology behind this. The Board also receives information on how ESG affects Polar Capital as a business and the technology team in particular.

Consumer Duty

The Board continues to work with the Investment Manager to ensure the obligations of the new Consumer Duty regulations are appropriately applied to the Company. All communications including the website, fact sheets and other published documentation are reviewed regularly to ensure they are appropriate for all end users.

Management

The Management Engagement Committee has recommended the continued appointment of the Investment Manager on the terms agreed within the Investment Management Agreement.
</td></tr>
</table>

Section 172 Statement continued

Stakeholder Group	How we engage with them
Investee Companies	**Stewardship** The Board has instructed the Investment Manager to take into account the published corporate governance policies of the companies in which it invests. The Board has also considered the Investment Manager's Stewardship Code and Proxy Voting Policy. The voting policy is for the Investment Manager to vote at all general meetings of companies in favour of resolutions proposed by the management where it believes that the proposals are in the interests of Shareholders. However, in exceptional cases, where it believes that a resolution could be detrimental to the interests of Shareholders or the financial performance of the Company, appropriate notification will be given and abstentions or a vote against will be lodged. The Investment Manager reports to the Board, when requested, on the application of the Stewardship Code and Voting Policy. The Investment Manager's Stewardship Code and Voting Policy can be found on the Investment Manager's website in the Corporate Governance section (www.polarcapital.co.uk). The Technology Investment Team also use the services of ISS to assist with their own evaluation of companies' proposals or reporting ahead of casting votes on behalf of the Company at their general meetings. In the event that an investee company has share blocking in place, the default position is to refrain from voting to ensure the ability to trade these stocks if required. During the year ended 30 April 2025, votes were cast at 100% of investee company general meetings held. At 50% of those meetings a vote was either cast against management recommendation, withheld or abstained from. Further information on how the Investment Manager considers ESG in its engagement with investee companies can be found in the ESG Report on pages 46 to 51. **Outcomes and strategic decisions during the year** During the year the Board discussed the impact of ESG and other market factors and how the Investment Manager factors these into its strategy, investment and decision-making process. The Board receives information on the ratings of investee companies and is able to use this as tool to inform discussions with the Manager during Board meetings.
Service Providers	**Engagement** The Directors have frequent engagement with the Company's other key service providers through the annual cycle of reporting, site visits and due diligence meetings. This engagement is completed with the aim of having effective oversight of delegated services, seeking to improve the processes for the benefit of the Company and to understand the needs and views of the Company's service providers, as stakeholders in the Company. Further information on the Board's engagement with service providers is included in the Corporate Governance Statement and the Report of the Audit Committee. During the year under review, due diligence meetings have been undertaken by the Investment Manager and where possible, service providers have joined meetings to present their reports directly to the Board or the Audit Committee as appropriate. **Outcomes and strategic decisions during the year** The reviews of the Company's service providers have been positive and the Directors believe their continued appointment is in the best interests of the Shareholders and the Company as a whole. The accounting and administration services of HSBC Securities Services (HSS) are contracted through Polar Capital and provided to the Company under the terms of the IMA. The Board, through due diligence undertaken by the Company Secretary and the Polar Capital Compliance team, is satisfied that the service received continues to be of a high standard.

Stakeholder Group	How we engage with them
Proxy Advisors	**Engagement** The support of proxy adviser agencies is important to the Directors, as the Company seeks to retain a reputation for high standards of corporate governance, which the Directors believe contributes to the long-term sustainable success of the Company. The Directors consider the recommendations of these various proxy voting agencies when contemplating decisions that will affect Shareholders and also when reporting to Shareholders through the Half Year and Annual Reports. Recognising the principles of stewardship, as promoted by the UK Stewardship Code, the Board welcomes engagement with all of its investors. The Board recognises that the views, questions from, and recommendations of many institutional investors and proxy adviser agencies provide a valuable feedback mechanism and play a part in highlighting evolving Shareholders' expectations and concerns. **Outcomes and strategic decisions during the year** Where possible the Chair and other representatives of the Company have engaged with the stewardship teams of some larger investors to understand and address their expectations in terms of board governance, recruitment and diversity. Prior to the Company's AGMs, the Company engages with agencies including PIRC and ISS to fact check their advisory reports and clarify any areas or topics contained within the report. This ensures that whilst the proxy advisory reports provided to Shareholders are objective and independent, the Company's actions and intentions are represented as clearly as possible to assist with Shareholders' decision making when considering the resolutions proposed at the AGM.
The AIC	**Engagement** The Company is a member of the AIC and has supported lobbying activities. Representatives of the Manager sit on a variety of forums run by the AIC which aids development and understanding of new policies and procedures. The Directors may cast votes in the AIC Board Elections each year and regularly attend AIC events. The Board supports the AIC's 'My share, my vote' campaign and encourages all Shareholders to do the same by signing the petition on the AIC's website; the AIC are lobbying government to make a change in company law to require nominees, which includes retail platforms, to automatically and without charge, pass on voting rights and information to the underlying Shareholders which at present is optional. We encourage this action as we believe shareholder engagement is important.

Approved by the Board on 10 July 2025

By order of the Board

Jumoke Kupoluyi, ACG
Polar Capital Secretarial Services Limited

Company Secretary

Report of the Directors

The Directors, who are listed on pages 10 and 11, present their annual report, together with their Report on Corporate Governance and the Audited Financial Statements for the year ended 30 April 2025. In addition, the attention of Shareholders is drawn to the Strategic Report Section (Chair's Statement, the Investment Manager's Report, Strategic Report, and the ESG and Section 172 Statements) which provides further commentary on the activities and outlook for the Company.

Introduction and Status

The Company is incorporated in England and Wales as a public limited company and domiciled in the United Kingdom. It is an investment company as defined in Section 833 of the Companies Act 2006, operating as an investment trust in accordance with sections 1158 and 1159 of the Corporation Tax Act 2010 (as amended by section 42(2) of the Finance Act 2011). Its ordinary shares are listed and traded on the London Stock Exchange.

As an investment trust the Company's ordinary shares are excluded from the FCA's restrictions which apply to non-mainstream investment products. The Company conducts its affairs and intends to do so for the foreseeable future so that the exclusion continues to apply.

Life of the Company

The Articles of Association of the Company provide that a vote on whether the Company should continue in operation be proposed as an ordinary resolution at every fifth AGM of the Company.

Such a resolution was proposed at the AGM held on 2 September 2020 and was passed with 100% of the votes cast in favour of continuing for a further five years. The next continuation vote will be proposed at the forthcoming AGM to be held on 10 September 2025.

The current Directors of the Company are listed on pages 10 and 11. All the Directors held office throughout the year under review, with the exception of Adiba Ighodaro who was appointed on 3 December 2024. All Directors will seek election/re-election at the AGM in September 2025 in accordance with the AIC Code, which recommends that Directors are re-elected annually. The fees paid to the Directors are set out in the Directors' Remuneration Report. The Board have considered the support for the Directors' re-election and the rationale for such is set out on pages 10 and 11. The Corporate Governance report on page 78 provides more information on the composition of the Board.

Financial Instruments

The Company's financial risk management objectives and policies arising from its financial instruments and its exposure to risk are disclosed in note 27 to the Financial statements.

UK Listing Rule 6.6

Listing Rule 6.6 requires the Company to include certain information in a single identifiable section of the Annual Report or a cross reference table indicating where the information is set out. The Directors confirm there are no disclosures to be made pursuant to this rule.

Corporate Governance Statement

The Report on Corporate Governance on pages 74 to 80 forms part of this Directors' Report.

Capital Structure

Issued

The Company's share capital is divided into ordinary shares of 2.5p nominal value each. At 30 April 2025, there were 1,373,150,000 ordinary shares in issue of which 203,142,981 were held in treasury (2024: 166,934,310* ordinary shares held in treasury). As at close of business on 4 July 2025, the latest practicable date prior to signing of this report, there were 1,373,150,000 ordinary shares in issue of which 215,103,569 were held in treasury.

* The comparative figures have been rebased following the ten for one share split on 13 September 2024.

Changes During the Year

At the Annual General Meeting held on 11 September 2024, Shareholders approved a resolution to split the existing Ordinary Shares of 25 pence each into ten new Ordinary Shares of 2.5 pence each. Following the completion of this share split, 137,315,000 Ordinary Shares of 25 pence each (including those shares held in treasury) were sub-divided into 1,373,150,000 new Ordinary Shares of 2.5 pence each on 13 September 2024.

In the year under review, the Company bought back 36,208,671 ordinary shares (representing 2.6% of issued share capital) which were placed into treasury. Since the year ended 30 April 2025 to close of business 4 July 2025, a further 11,960,588 shares have been bought back and placed in treasury. Further details can be found in Note 18 on page 122 to the Financial Statements.

Further information on transferability and the voting rights attached to these shares can be found in the shareholder information page 143.

Powers to issue and make market purchases of ordinary shares

The Board was granted authority by Shareholders at the AGM in 2024 to allot equity securities up to a nominal value of £3,432,875, representing approximately 10 per cent. of the then issued share capital, and to issue those shares for cash without offering those shares to Shareholders in accordance with their statutory pre- emption rights. New ordinary shares will not be allotted and issued at below the Net Asset Value.

The Board also obtained shareholder authority at the AGM in 2024 to make market purchases up to a nominal value of £5,145,879 representing approximately 14.99 per cent. of the then issued share capital, or 205,835,180 ordinary shares, for cancellation or holding as treasury shares in accordance with the terms and conditions set out in the resolution.

The level of the ordinary share price discount or premium to the Net Asset Value together with internal guidelines for the repurchase or issuance of new ordinary shares are kept under regular review by the Board. The Board considers that discount volatility is unattractive to Shareholders but as a specialist investment fund, market sentiment can create sustained discount pressure. With this in mind the Board has a pragmatic approach to share buy backs. While there is no formal discount policy the Board discusses the market factors giving rise to any discount or premium, the long or short-term nature of those factors and the overall benefit to Shareholders of any actions. The Board regularly considers, in comparison to the sector and peers, the level of premium and discount of the share price to the NAV and ways to enhance shareholder value including share issuance and buy backs.

These powers to issue and make market purchases of ordinary shares will expire at the AGM to be held in September 2025 and renewal of the authorities will be sought at that AGM.

Major interests in ordinary shares

As at the year end of 30 April 2025, the Company had received notifications from the following Shareholders in respect of their own and their clients' interests in the voting rights of the Company:

Shareholder	Type of Holding	Number of Shares	% of voting rights*
Rathbone Brothers plc~	Indirect	177,241,430	15.31%
Brewin Dolphin Ltd	Indirect	99,468,290	8.59%
Lazard Asset Management LLC	Both	63,834,540	5.51%
Quilter plc	Indirect	58,663,161	5.06%

~ position following the all-share combination of Rathbones Group Plc with Investec Wealth & Investment Limited

* The above percentages are calculated by applying the ordinary shareholdings as notified to the Total Voting Rights of the issued ordinary share capital at 4 July 2025 of 1,158,046,431 and do not necessarily match the submitted TR1's.

Environmental, Social and Governance ("ESG")

The Board is responsible for the corporate elements of ESG and for ensuring ESG is factored into the investment process. Details of how ESG is considered and where corporate requirements are met is provided on pages 46 to 51.

Disclosure of information to the Auditor

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's Auditors are unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's Auditors are aware of that information.

Annual General Meeting

The AGM of the Company will be held on Wednesday 10 September 2025. Please see pages 141 and 142 for further information on the resolutions to be proposed at the meeting.

By order of the Board

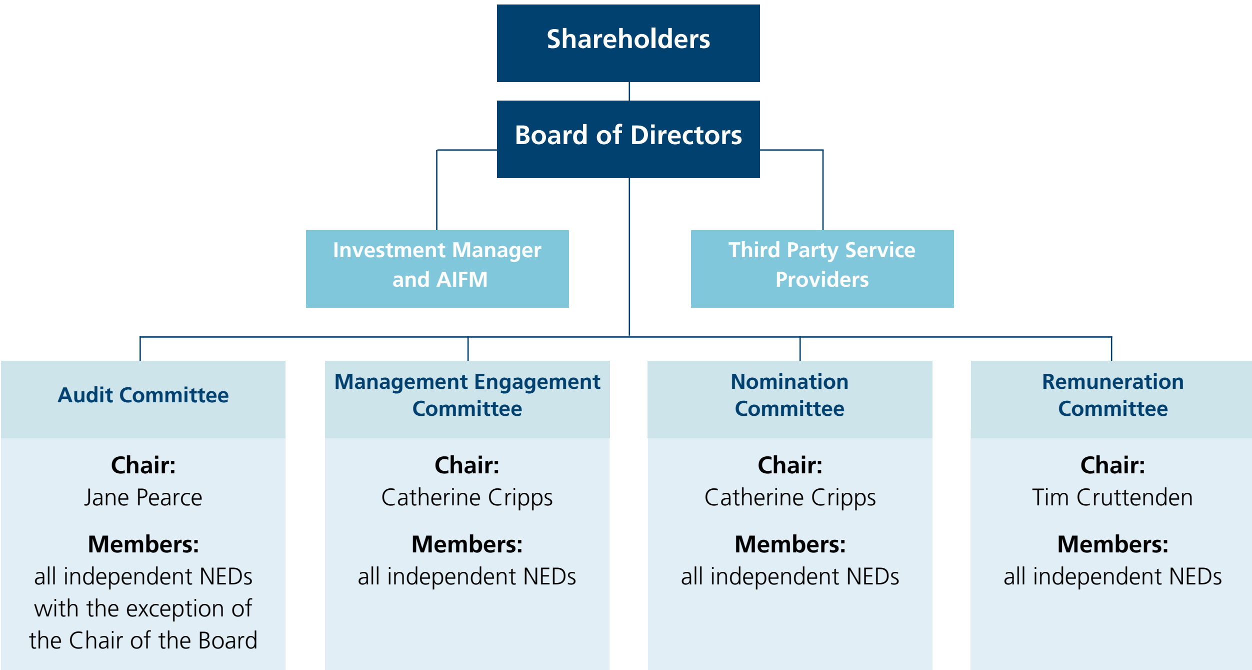
Jumoke Kupoluyi, ACG
Polar Capital Secretarial Services Limited

Company Secretary

10 July 2025

Report on Corporate Governance

The Directors recognise the importance of strong corporate governance and acknowledge that they are ultimately accountable to the Company and its Shareholders and are therefore responsible for the good governance of the Company. The Company has no employees and the Directors rely on third parties to administer the Company and to provide investment management services. The following diagram demonstrates the governance framework within which the Company is managed.



As an externally managed investment trust, some provisions of the Financial Reporting Council (FRC) UK Code of Corporate Governance (the UK Code) are not relevant, including those relating to the roles of chief executive, executive directors' remuneration, statement of gas emissions and the requirement to have an internal audit function, therefore the Board has considered the Principles and Provisions of the Association of Investment Companies Code of Corporate Governance (the AIC Code) and considers that reporting against the Principles and Provisions of the AIC Code provides more relevant information to Shareholders.

The AIC Code addresses the relevant principles set out in the FRC UK Code as well as additional principles and recommendations on issues that are specific to investment trust companies. The FRC has endorsed and confirmed that by following the AIC Code, boards of investment companies (including those structured as investment trusts) will meet their obligations under the UK Code.

Statement of Compliance and Application of The AIC Code's Principles

The Board believes that the Company's current practices are consistent in all material respects in applying the principles and complying with the provisions of the AIC Code. The Board will continue to observe the principles and recommendations set out in the AIC Code.

The AIC Code's principles and provisions are structured into five sections: Board leadership and purpose; division of responsibilities; composition, succession and evaluation; audit, risk and internal control; and remuneration. The Company's application of the principles and compliance with the provisions of each section is detailed on the following pages.

Board Leadership and Purpose (Principles A-E, Provisions 1-7)

Purpose

The purpose of the Company is to provide a vehicle in which investment is spread across a diversified portfolio of technology companies which aim to deliver long term capital growth to Shareholders. The Investment Objective and Policy seeks to achieve this purpose by providing investors with global exposure to technology companies and sets parameters to ensure the portfolio is diversified and excessive risk is not undertaken. As an externally managed investment trust, the culture of the Company is consequential of the Board's diversity, decisions and behaviours which are aligned with the values and behaviours of the Investment Manager, interaction between the two and engagement with the Company's stakeholders. The Board monitors this culture, including the policies and practices it implements to maintain it.

Board Leadership

The Directors, collectively as the Board, is responsible for leading the Company and the strategic direction of such and the Board engages various third-party providers to implement the strategy. In promoting the long-term sustainable success of the Company, the performance of the Company's portfolio is constantly reviewed in view of value generation for Shareholders by achievement of the investment objective. The engagement of third-party providers is considered regularly along with the fee rates payable to each. The largest financial commitment of the Company is with the Investment Manager with whom the Board reviews fees regularly; with the latest review being undertaken during this financial year. Further detail is provided below in the Report of the Management Engagement Committee on page 93.

The Company's performance over the previous ten years can be found on page 3 and how the Board views its duties is considered in the s172 statement on pages 66 to 71. The Board's engagement with Shareholders and stakeholders and how it contributes to strategic decision making is also discussed within the s172 statement.

Participation from both groups is encouraged and the Board can be easily contacted through the Company Secretary. The Company's service providers are subject to periodic visits and attend service review and other meetings throughout the year, ensuring effective engagement. Fulfilling the Investment Objective and the Company's performance is the focus of the Board's primary discussions in meetings, these are also reported on at least monthly.

The Board's effectiveness, including how it promotes the long-term sustainable success of the Company, is reviewed annually and is facilitated by an external evaluator every three years. The evaluation process is managed by the Nomination Committee and the outcomes from this year's external evaluation are detailed in the Report of the Nomination Committee on page 91.

Role, Responsibilities and Committees of the board

The Board has delegated to each of the Audit, Management Engagement, Remuneration and Nomination committees specific remits detailed within the terms of reference which are available on the Company's website, but the final responsibility in these areas remains with the Board. In addition to formal meetings, the Board also holds ad hoc meetings or creates ad hoc committees (such as the Black Swan Committee) to enact or approve policies or actions agreed in principle by the whole Board. The Chair of each committee attends the AGM to deal with questions relating to the Financial Statements and their specific mandates.

Attendance at each of these meetings is disclosed on page 76. Given the size of the Board and that all the Directors of the Company are non-executive, all members of the Board serve on each Committee, with the exception of the Board Chair Catherine Cripps who is an invited guest at meetings of the Audit Committee. This encourages unity, clear communication and prevents duplication of discussion between the Board and the Committees.

Report on Corporate Governance continued

The number of formal meetings of the Board and its committees held during the year ended 30 April 2025 and the attendance of individual Directors are shown below.

	Board & Strategy	Audit	Management Engagement	Remuneration	Nomination	2024 AGM
Number of meetings						
Catherine Cripps*	6	3	2	1	2	1
Tim Cruttenden	6	3	2	1	2	1
Charlotta Ginman^	4	2	1	1	1	1
Adiba Ighodaro~	2	-	-	-	-	-
Charles Park	6	3	2	1	2	1
Jane Pearce	6	3	2	1	2	1
Stephen White	6	3	2	1	2	1

* Invited guest
^ retired September 2024
~ appointed 3 December 2024

Investment Manager

The Board has contractually delegated the day-to-day management of the portfolio to Polar Capital LLP (the 'Manager' or 'Investment Manager'), directly represented by Ben Rogoff as Portfolio Manager and Alastair Unwin as Deputy Fund Manager. It is the sole responsibility of the Portfolio Managers to take decisions as to the purchase and sale of individual investments other than unquoted investments where the Board is consulted. The Portfolio Manager has responsibility for tactical gearing, asset allocation and sector selection within the guidelines established and regularly reviewed by the Board.

The Manager is responsible for providing or procuring accountancy services, company secretarial and administrative services. The Company Secretary also ensures that all Directors receive in a timely manner all relevant management, regulatory and financial information. Representatives of the Manager attend all Board meetings in a variety of capacities including investment management, compliance, risk and marketing, enabling the Directors to probe further on matters of concern or seek clarification on certain issues.

The whole Board reviews the performance of the Manager in all service disciplines and at each Board meeting, the Company's performance against the market and a peer group of funds with similar investment objectives is reviewed. The investment team provided by the Manager, led by Ben Rogoff, has long experience of investment in technology. In addition, the Manager has other investment resources which support the investment team and has experience in managing and administering other investment trust companies.

The Board and Investment Manager work in a collaborative manner and the Chair encourages open discussion and debate.

Report of The Nomination Committee

Catherine Cripps chairs the Nomination Committee and all independent non-executive Directors are members. The Report of the Nomination Committee can be found on page 91.

Report of The Audit Committee

Jane Pearce chairs the Audit Committee and all Directors are members with the exception of the Chair of the Board, who may be invited to attend meetings as a guest. The Audit Committee Report is set out on pages 81 to 85.

Report of The Remuneration Committee

Tim Cruttenden as Senior Independent Director, chairs the Remuneration Committee and all independent non- executive Directors are members. The Report of the Remuneration Committee can be found on pages 86 to 90.

Division Of Responsibilities (Principles F-I, Provisions 8-21)

The Chair

The Chair is responsible for the leadership of the Board and works with the Company Secretary for setting the Board meeting agendas and for balancing the issues presented to each meeting. Open and honest debate is encouraged at each Board meeting and the Chair keeps in touch with both the Company Secretary and other Directors between Board meetings. Catherine Cripps was appointed to the Board in September 2021 and appointed as Chair of the Board in

September 2022. The Chair was independent on appointment and continues to meet the criteria for independence.

The Senior Independent Director ('SID')

The Board does not have any executive directors; therefore Tim Cruttenden as the SID leads on matters relating to Chair succession, evaluation and remuneration of the Chair and non-executive Directors. The SID can be contacted via the Registered Office of the Company.

Board Responsibilities

The Board currently comprises six non-executive Directors who are all considered to be independent. The Board carefully considers various guidelines including those of the 2024 AIC Code and Companies Act 2006 in determining the independence of Directors. The Board is satisfied that all Directors are independent from the Manager and are free from any relationships or factors that could affect their judgement or ability to exercise independent thinking. The Board considers that its overall composition is adequate for the effective governance of the Company. A formal schedule of matters specifically reserved for decision by the full Board has been defined and a procedure has been adopted for individual Directors, in the furtherance of their duties, to take independent professional advice at the expense of the Company. No such advice has been sought during the year.

The Directors have access to the advice and services of the Company Secretary which is provided in compliance with the IMA through Polar Capital Secretarial Services Limited. An appointed representative, Jumoke Kupoluyi, ACG, is responsible to the Board for ensuring that Board procedures are followed and that applicable rules and regulations are complied with. The Board and Investment Manager operate in a supportive, co-operative and open environment. The Board acknowledges that PIRC (Pensions and Investment Research Consultants Limited, an independent corporate governance and shareholder advisory consultancy) has confirmed its voting guidelines and recommends voting against the laying of the Annual Report at an AGM where the Investment Manager provides company secretarial services to the Company. The Board believe the benefits gained by utilising the services of a Company Secretary provided by the Investment Manager far outweigh any perceived risk or conflicts in the view of PIRC. The Company Secretary is provided to the Company as an independent service and the appointed representative acts as an officer of the Company and not an employee of the Investment Manager when working with the Board and the Company.

The Board has a schedule of regular meetings through the year and meets at additional times as required. During the year, Board and Committee meetings were held to deal with the ongoing stewardship of the Company and other matters including the setting and monitoring of investment strategy and performance, review of the Financial Statements, ESG and considering any shareholder feedback. The level of share price discount or premium to the net asset value are kept under review along with matters affecting the industry and the evaluation of third-party service providers. The Board was responsible for considering, reviewing and implementing appropriate policies in respect of regulatory changes that impacted the Company.

The Board continues to consider the Company's strategy and its relevance to the market and Shareholders as a whole at each Board meeting and at least one Board meeting per year includes an in-depth focus on strategy. Through this process the Board supervises the management of the investment portfolio, the work of the Investment Manager, the risks to which the Company is exposed and their mitigation, and the quality of services received by the Company.

The Nomination Committee seeks to balance the time required, skills, knowledge and experience of individual Directors to form an effective and efficient Board. Directors may adopt external appointments in compliance with the Board's conflicts of interests policy which also considers the time commitment of external appointments.

Directors' Professional Development

When new Directors are appointed they are offered an induction course provided by the Manager. Directors are welcome to visit the Manager at any time to receive an update on any aspect of interest or a refresher on the Manager's operations both generally and those which are specific to the Company. Directors are also provided on a regular basis with key information on the Company's policies, regulatory and statutory obligations and internal controls. Changes affecting Directors' responsibilities are advised to the Board as they arise. Directors may also regularly participate in professional and industry seminars and may use the Manager's online training resources to ensure they maintain their knowledge. The programme of 'deep-dive' internal controls reviews with suppliers serve to both maintain the level of internal review undertaken with suppliers but also to enhance the Directors' understanding of the services and any enhancements or changes made to such.

Report on Corporate Governance continued

Conflicts Of Interest

Directors have a duty to avoid a situation in which they have a conflict of interest or a possible or perceived conflict with the interests of the Company. The Company's Articles of Association contain provisions to permit the Board to authorise conflicts or potential conflicts.

The Board has in place a policy to govern situations where a potential conflict of interest may arise, for example where a Director is also a director of a company in which the Company invests or may invest. Where a conflict situation arises, the conflicted Director is excluded from any discussions or decisions relating to the matter of conflict. The Conflicts Register is reviewed at every Board meeting and the Directors are reminded of their obligations for disclosure. No Director has declared the receipt of any material benefits other than their emoluments and associated expenses in their capacity as a Director of the Company.

There were no contracts subsisting during or at the end of the year in which a Director is or was interested and which is or was significant in relation to the Company's business or to the Director since its introduction. All the Directors were considered independent of the Investment Manager and had no relationship or conflicts which were likely to affect their judgement.

The Directors' interests in the ordinary shares of the Company are set out on page 89 of the Directors' Remuneration Report.

Composition, succession and evaluation (principles j-l, provisions 22-28)

Board Composition, Diversity and Recruitment

In accordance with the Disclosure, Guidance and Transparency Rules, the Company is required to have a Diversity Policy. The Board is committed to considering diversity at all stages of recruitment to the Board and has worked hard to ensure the broadest range of candidates are found when recruiting new directors. When recruiting directors, the Nomination Committee seeks to follow the diversity recommendations of the various Governance Reviews, amongst other factors; consideration is given to all forms of diversity in order to balance both the expertise on, and the structure of, the Board as a whole. Full details of the skills and experience of the Directors can be found on pages 10 and 11.

During the full year under review there were six non-executive Directors. The Board notes the reporting requirements of the FCA Diversity and Inclusion Policy and has chosen to align its diversity reporting reference date with the Company's financial year end, 30 April 2025.

The Company has met all three targets on board diversity at its chosen reference date: i) at least 40% of a board should be women*; ii) at least one senior role should be held by a woman*; and iii) at least one board member should be from a non-white ethnic background, as defined by the Office of National Statistics (ONS).

* due to the Company being an investment trust with no employees or executive directors the Board considers senior roles on the Board to comprise the Chair, the Chair of the Audit Committee and the Senior Independent Director.

As required under UKLR 6.6.6R(9), further detail in respect of the diversity targets as at 30 April 2025 are provided in the tables below.

	Number of board members	Percentage of the board	Number of senior positions on the board (Chair, Audit Chair and SID)
Men	3	50%	1
Women	3	50%	2

	Number of board members	Percentage of the board	Number of senior positions on the board (Chair, Audit Chair and SID)
White British or other (including minority-white groups)	5	83.3%	2
Minority Ethnic	1	16.6%	-

As an externally managed investment trust, the Company has no executive directors or employees therefore columns relating to executive roles/management have been omitted from the tables. As per the AIC's Guidance, the Company considers the role of Board Chair and Chair of the Audit Committee as senior board positions and the below disclosures are made on this basis.

Performance and Re-election

The Board formally reviews the performance of the Directors each year and considers any recommendations of the Nomination Committee, the deliberations of which take place in the absence of any Board nominee. Directors are required to stand for election by Shareholders at the first AGM following their appointment to the Board and each Director will stand for re-election annually.

The rationales for each Director seeking re-election are included in the Board of Directors biographies on pages 10 to 11 and the Chair's letter which accompanies the Notice of Annual General Meeting at which the re-election resolution is being put to Shareholders.

When considering Board structure and composition, the Committee seeks to ensure the candidates considered will enhance the Board and replace or refresh desired skill sets. The Board has a policy to consider diversity and has worked hard to ensure the broadest range of candidates are found when recruiting new directors.

Further information on the Company's succession, evaluation and recruitment process can be found in the report of the Nomination Committee on page 91.

Audit, Risk And Internal Control (Principles M-O, Provisions 29-36)

Internal Controls

The Board has overall responsibility for the Company's system of internal control, for reviewing its effectiveness and ensuring that risk management and control process are embedded in the day-to-day operations which are operated or overseen by the Investment Manager. The Board, through the Audit Committee, has established a process for identifying, evaluating, monitoring and reviewing, and managing the principal risks faced by the Company. This is documented through the use of a Risk Map which is subject to regular review by the Audit Committee and accords with the Guidance on Risk Management, Internal Control and Related Financial and Business Reporting issued by the Financial Reporting Council. As the Company has no employees and its operational functions are carried out by third parties, the Audit Committee does not consider it necessary for the Company to establish its own internal audit function. The Investment Manager has an internal audit function and shares any findings from the internal auditors which are relevant to the Company.

Contracts with suppliers are entered into after full and proper consideration by the Board of the quality and cost of the services offered, including the control systems in operation in so far as they relate to the affairs of the Company.

The Investment Manager has an internal control framework to provide reasonable but not absolute assurance on the effectiveness of the internal controls operated on behalf of its clients. The Manager is authorised and regulated by the Financial Conduct Authority and its compliance department monitors the Company's compliance with the various rules and regulations applicable to it including the FCA's rules, AIFMD and GDPR, for example.

The Audit Committee reviews and reports to the Board on the operation of the controls which are embedded within the business of the Manager and other third-party suppliers. Controls and risk management covering the risks identified, including financial, operational, compliance, safeguarding of assets, maintenance of proper accounting records and the publication of reliable financial information are monitored by a series of regular reports from the Investment Manager including risks not directly the responsibility of the Investment Manager.

Operation of Internal Controls

The process was active throughout the year and up to the date of approval of this Annual Report. However, such a system is designed to manage rather than eliminate risks of failure to achieve the Company's business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board, in assessing the effectiveness of the Company's internal controls has, through the Audit Committee, received formal reports on the policies and procedures in operation. Where control failures have occurred an exceptions report is provided along with mitigations in place to ensure the control is met in future. For the year under review, no material errors or control failures were identified. The Manager and the key service providers have subsequently provided confirmation that their control environments continued to operate effectively up to the date of signing these Financial Statements.

The Board also considers other reports provided by third-party suppliers and ad hoc reports from the Investment Manager are supplied to the Board as required.

The Manager has delegated the provision of accounting, portfolio valuation and trade processing to HSBC Securities Services but remains responsible to the Company for these functions and provides the Board with information on these services.

Report on Corporate Governance continued

Remuneration (Principles P-R, Provisions 37-42)

The Remuneration Committee is chaired by Tim Cruttenden and all independent non-executive Directors are members of the Committee. The Company's remuneration policy, approved by Shareholders at the AGM in September 2023, is detailed within the Report of the Remuneration Committee on page 86 and explains how the policy is designed to support strategy and promote long-term sustainable success.

The Committee meets at least annually and is responsible to the Board for consideration and recommendations in relation to Directors' remuneration. Further details are provided in the Report of the Remuneration Committee on pages 86 to 90. The Directors are excluded from discussions in relation to their own remuneration.

Jumoke Kupoluyi ACG
Polar Capital Secretarial Services Limited
Company Secretary

10 July 2025

Audit Committee Report

This report forms part of the Strategic report section

Jane Pearce
Chair of the Audit Committee

Introduction from The Chair

I am pleased to present my second report to Shareholders as Chair of the Audit Committee for the year ended 30 April 2025.

Committee Composition

The Committee comprises all of the independent non-executive Directors; with the exception of the Chair of the Board who attends Committee meetings by invitation.

The Audit Committee, as a whole, has competence relevant to the sector in which the Company operates. Committee members have a range of financial, investment and other relevant sector experience, including fund management in both listed and private equity funds. The requirement for at least one member of the Committee to have recent and relevant financial experience is satisfied by various members of the Committee who are Chartered Accountants and some of whom also chair audit Committees for other public companies. More information about the Committee members can be found in the Directors' biographies on pages 10 and 11.

During the year the Audit Committee met three times, with all members of the Committee attending each meeting, with the exception of Charlotta Ginman who retired on 11 September 2024 and Adiba Ighodaro who joined as a member of the Committee following her appointment to the Board as a non-executive Director on 3 December 2024.

Committee Role and Responsibilities

The Committee has written terms of reference which clearly define its responsibilities and duties. The terms of reference which are reviewed annually by the Committee and are approved by the Board, is available to view on the Company's website, www.polarcapitaltechnologytrust.co.uk

Matters considered by the Audit Committee during The Year

Risk and Controls

The Committee assists the Board by reviewing risks and controls on an ongoing basis.

Geopolitical events

We have continued to monitor the geopolitical landscape, in particular, the unravelling of the previous world order regarding security and trade which has resulted in a more inflationary and volatile environment. In addition to this, the uncertainty around trade tariffs and the ongoing tension between Taiwan and China continues. The manager has done extensive work on assessing the sectoral and wider financial implications of any escalation in the region and we have reviewed this at the Audit Committee. Further details can be found in the Investment Manager's Report on pages 16 to 35. The Committee will continue to monitor the impact of these events which appear in our assessment of risk and the ability to achieve the Company's investment objective.

The Committee regularly reviews the operational resilience of its various service providers in connection with the mitigation of the business risks posed by geopolitical events. The Committee is pleased to confirm that all service providers have continued to demonstrate their ability to provide services to the expected level, with no breaks in the services provided or significant operational failures.

New Regulation and Guidance

Since my last report to you, the Committee has not had to consider any new material regulations, however it continues to follow developments in the relevant regulatory environment and review the outcomes of the FRC's annual Audit Quality Reviews and discuss any material findings with the Auditor. As noted last year, the Committee is aware of the recent revisions to the UK Code, specifically those relating to risk management, material and internal controls which are applicable to

Audit Committee Report continued

accounting periods beginning on or after 1 January 2026. The AIC has recently updated the 2019 AIC Code to reflect relevant changes made to the UK Code. The Committee will consider the impact of these changes and report on any applicable changes made in the Annual Report following the effective date.

Significant Reporting Matters

Annual Report and Financial Statements (the 'Annual Report')

The Board has asked the Committee to once again confirm that in its opinion the Annual Report as a whole can be taken as fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's financial position, performance, business model and strategy. In doing so the Committee has given consideration to:

- the ongoing comprehensive control framework around the production of the Annual Report, including the verification processes in place to deal with the factual content;
- the extensive levels of review that are undertaken in the production process, by the Investment Manager and the Committee; and
- the internal control environment as operated by the Investment Manager and other suppliers including any checks and balances within those systems.

As a result of the work performed, the Committee has concluded that the Annual Report for the year ended 30 April 2025, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders and other stakeholders to assess the Company's performance, business model and strategy, and this has been recommended to the Board.

Valuation of Investments

During the year the Committee once again reviewed the robustness of the Investment Manager's processes in place for recording investment transactions as well as ensuring the valuation of assets is carried out in accordance with the adopted accounting policies and as laid out in Note 2(f). No unquoted valuations were held at the Company's year end.

Existence and Ownership of Investments

During the year the Committee received reassuring quarterly reports from the Depositary on its work and safe keeping of the Company's investments, in accordance with the AIFM Regulations. No errors have been reported during the year.

Other Reporting Matters

Accounting Policies

During the year the Committee ensured that the accounting policies as set out on pages 110 to 115 were applied consistently throughout the year. In light of there being no unusual transactions during the year or other possible reasons, there were no changes to currently adopted policies. There were no new UK-adopted International Accounting Standards ("UK-adopted IAS") or amendments to UK-adopted IAS applicable to the current year which had any significant impact on the Company's Financial Statements.

Going Concern

The Audit Committee considered the ability of the Company to adopt the Going Concern basis for the preparation of the Financial Statements. Having reviewed the Company's financial position, the Committee is satisfied that it is appropriate for the Board to prepare the Financial Statements for the year ended 30 April 2025 on a going concern basis.

The Committee's review of the Company's financial position included:

- Consideration of the current cash and debt ratios of the Company; the ability to repay outstanding bank facilities with 42% cash equivalents readily available to the Company as at 30 April 2025; the diversification of the portfolio; and the analysis of portfolio liquidity, which estimated liquidation of 99.9% of the portfolio within four trading days. The Committee is mindful of the economic outlook, geopolitical landscape (as outlined above) and the longer term impact this may have on the global economy, the portfolio and the sector in which the Company operates. These risks continue to be monitored through the Company's risk map and are supplemented with horizon scanning where applicable; and
- The Company's financial performance during the year under review, the lack of impact on dividend income received and there being no exposure to unquoted assets at the year-end.

The upcoming continuation vote which the Company is required to put to Shareholders every five years was also considered. The last continuation vote was passed at the AGM held in September 2020 with 100% of the votes in favour. Based on engagement with major Shareholders and advisors, the long term performance of the portfolio and the outcome of previous continuation votes, the Directors are confident that the continuation vote will be passed at the AGM to be held in September 2025 and therefore that the Company will continue in existence. Further details on the engagement with Shareholders can be found in the s172 Statement on pages 66 to71.

Viability Statement

The Committee considered the Company's longer-term viability, with reference to the FRC's Guidance on Risk Management, Internal Control and Related Financial and Business Reporting, and concluded that the Board may state its reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment.

The assessment took account of the Company's current financial position, its cash flows and its liquidity position, the principal risks as set out on pages 62 to 65 and the Committee's assessment of any material uncertainties and events that might cast significant doubt upon the Company's ability to continue as a going concern.

The assessment was then subject to a sensitivity analysis projected over a five-year period, which tested a number of the key assumptions including income and expenditure underlying the forecasts both individually and in aggregate for normal, favourable and stressed conditions. In conducting the stress tests, the Company's principal risks such as failure to achieve the investment objective, global geopolitical risk, black swan events and IT Failure, fraud and cyber risk were grouped into three buckets according to their post mitigation scores and, where possible, material values were attached to the key risks materialising and evaluated to assess the effect of this on the Company's ability to continue as a going concern and its viability over a five-year period. The Committee recommended to the Board that the Company's longer term prospects to continue its operations and meet its expenses and liabilities as they fall due over the next five years to 30 April 2030 were reasonable. See pages 59 and 60 for further details.

Taxation and Expenses

The Committee sought to ensure that the Company was compliant with section 1158 of the Corporation Tax Act 2010 throughout the year, by seeking and receiving confirmation that the Company continues to meet the eligibility conditions. In the year under review, Grant Thornton LLP provided services to the Company as tax agents in Taiwan and Arkk Solutions provided the iXBRL and ESEF tagging of the Company's accounts for submission to HM Revenue and Customs.

At the Audit Committee meeting in May 2025, the Committee also considered the allocation of expenses between capital and income and agreed to continue with the Company's stated accounting policy of allocating the indirect costs to revenue and any performance fees to capital, in line with market practice and permitted by the AIC SORP (Statement of Recommended Practice). There were no performance fees paid or accrued for the financial year under review.

Interim Report and Financial Statements

The Committee considered and reviewed the Interim Report and Financial Statements, which are not audited or reviewed by the external Auditors, to ensure that they remained consistent with the accounting policies used in the annual Financial Statements.

Internal Controls and Risk Management

The Board has ultimate responsibility for the management of risk throughout the Company and has asked the Audit Committee to assist in maintaining an effective internal control environment. The Company maintains a Risk Map which seeks to identify, monitor and control principal risks as well as identifying emerging risks. At each Audit Committee meeting, the Committee reviews the Risk Map to identify the principal and emerging risks facing the business including those that might threaten its business model, future performance, liquidity and reputation.

Alongside this, the Committee considers the likelihood, impact, mitigating factors and controls to reduce the impact of such risks as described on pages 62 to 65. Any material changes to the Risk Map are proposed to the Board for consideration and if appropriate, adoption.

Furthermore, the Audit Committee discusses and assesses emerging risks and where appropriate recommends changes to the Risk Map, as well as thinking of different ways of illustrating the level of risk faced by the business. The Committee will actively continue to monitor the system of internal controls through the regular review of the Risk Map and the internal control environment in order to provide assurance that they operate as intended and that the Risk Map reflects developing and new risks.

As part of the year end process the Audit Committee undertook a review of the effectiveness of the system of internal controls taking into account any issues that had arisen during the course of the year. The Committee acknowledges that the Company is reliant on the systems utilised by external suppliers. Representatives of the Investment Manager reported to the Committee on the system of internal controls in place for the performance

Audit Committee Report continued

of the Investment Manager's duties under the Investment Management Agreement. Presentations and internal control reports were also received from other key suppliers on the quality and effectiveness of the services provided to the Company. In addition, employees of the Manager conducted an onsite due diligence visit with HSBC in September 2024 where they received thorough presentations from representatives covering the work of the Operations, Risk Administration and Accounting Teams, in addition to the Custodian and Depositary.

No matters of concern with any areas of service were raised at any of the meetings or on reviewing the internal controls reports.

The Audit Committee has reviewed the Investment Manager's policies on whistleblowing, anti-bribery and the Modern Slavery Act and is satisfied that the Investment Manager has controls and monitoring processes in place to implement their policies across the main contractors which supply goods and services to the Investment Manager and the Company. The Company has adopted an Anti-Corruption policy which incorporates Anti-Bribery, Anti-Slavery and the Corporate Criminal Offence of Tax Evasion. In addition to this the Company has issued a data privacy notice in relation to the General Data Protection Regulation. All such policies can be found on the Company's website www.polarcapitaltechnologytrust.co.uk.

There were no issues of concern arising from the reviews of the internal controls environment the Company relied upon during the course of the year ended 30 April 2025.

External Auditor

The Committee, on behalf of the Board, is responsible for overseeing the relationship with the external Auditor, including ensuring the quality and robustness of the audit.

Appointment and Tenure

Following a formal and competitive tender process, KPMG LLP ('KPMG') was appointed as the Company's external Auditor with their first year as the Company's Auditor being the year ended 30 April 2018. KPMG continues to be the company's Auditor. Richard Kelly who was the signing partner last year has been replaced by Richard De La Rue who will complete his first audit cycle and sign off as Partner with the Company for the financial year under review. Mr De La Rue has previously been involved with the audit as engagement quality review partner for FY24.

In accordance with current legislation, the Company is required to tender the external audit no later than for the year ending 30 April 2028, after ten full audit years by the incumbent auditor. However, the Committee keeps the external audit function under review and may choose to undertake an audit tender process earlier than prescribed should it be deemed in the best interests of Shareholders. The re-appointment of KPMG as Auditor to the Company will be submitted for shareholder approval at the AGM to be held in September 2025, together with a separate resolution to authorise the Directors to set the remuneration of the Auditor.

The Company has complied throughout the year ended 30 April 2025 with the provisions of the Statutory Audit Services Order 2014, issued by the Competition and Markets Authority ('CMA Order'). There are no contractual obligations restricting the choice of external auditor. The external Auditor is invited to all Committee meetings and receives copies of all relevant papers and meeting minutes.

The Audit

The scope of the annual external audit was agreed in advance with the Committee with a focus on areas of audit risk and the appropriate level of audit materiality. The Auditors reported to the Audit Committee on the results of the audit work and highlighted any issues which were significant or material in the context of the Financial Statements. There were no adverse matters brought to the Audit Committee's attention in respect of the financial year 2025 which were material or significant or which should be brought to Shareholders' attention.

Effectiveness

The Audit Committee monitored and evaluated the effectiveness of the Auditors under the terms of their appointment based on an assessment of their performance, qualification, knowledge, expertise and resources. The Auditors' effectiveness was also considered along with other factors such as audit planning and interpretations of accounting standards. This evaluation has been carried out throughout the year by meetings held with the Auditors, by review of the audit process and by comments from the Investment Manager and others involved in the audit process.

The representatives of the Auditor are provided with an opportunity to address the Committee and independently, the Audit Chair, without the Investment Manager present to raise any concerns, or discuss any matters relating to the audit work, the cooperation of the Investment Manager and others in providing any information and the quality of that information including the timeliness in responding to audit requests. No concerns were raised by the Auditor or the Audit Committee in relation to the service provided by the Investment Manager or any other third-party service provider.

Independence
To fulfil the Committee's responsibility regarding the independence of the Auditor, the Committee reviewed the senior staffing for the audit, the Auditors arrangements concerning any conflicts of interest, the extent of any non-audit services, the Auditors independence statement and any other issues that may affect the Auditors independence. Subsequent to the review, the Audit Committee concluded that the Auditor remained independent and continued to act in an independent manner.

Fees
As part of the year end audit, the Committee considered and re-confirmed the level of fees pre-agreed and payable to the Auditor bearing in mind the nature of the audit and the quality of services received. The annual audit fee for the year was £82,000 (2024: £80,000). The fee represents a minor inflationary increase on the prior year.

Non-Audit Services
The Audit Committee's policy on the provision of non-audit services by the Auditors is available on the Company's website. The policy was produced in line with the FRC Ethical Standards and any non-audit services are required to be pre-approved by the Audit Committee. KPMG LLP were appointed to undertake their first annual audit for the year ended 30 April 2018 and have not provided any non-audit services to the Company in the year under review, or in the previous year.

Effectiveness of The Committee
During the year, as part of the review of the performance of the Board, the effectiveness of the Audit Committee was assessed by an independent third party, Fletcher Jones. The review process involved each Director completing a questionnaire, followed by private one-to-one conversations between the external reviewer and each Director and with the Company's Portfolio Manager, other Company representatives and the Corporate Broker.

It was noted that the Audit Committee, plays a crucial role in overseeing the company's financial reporting and internal controls. It was concluded that the committee benefits from the Chair's extensive experience as a Chartered Accountant and technology equity research analyst. The committee's effectiveness was further demonstrated by the unqualified audit reports received for the financial years ending 30 April 2023 and 30 April 2024, indicating robust financial oversight and governance.

Additionally, the diverse expertise of the board members, including backgrounds in investment management, risk assessment, and financial analysis, contributes to the committee's comprehensive approach to audit and risk management. It was also noted that the Audit Committee has carefully and professionally overseen all processes related to the preparation of the annual report and accounts.

Jane Pearce
Chair of the Audit Committee

10 July 2025

Directors' Remuneration Report

Tim Cruttenden
Senior Independent Director and Chair of the Remuneration Committee

Introduction

This report is submitted in accordance with the Large and Medium-Sized Companies and Groups (Accounts and Reports) (Amendment) Regulation 2013 (the 'Regulations'), The Companies (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019 and the Listing Rules of the Financial Conduct Authority in respect of the year ended 30 April 2025. It has been audited where indicated.

Chair's Report

The Remuneration Committee is Chaired by Tim Cruttenden who is also the Senior Independent Director (SID).

The Remuneration Committee ("the Committee") comprises all the independent non-executive Directors and has written terms of reference, which are available to view on the Company's website, www.polarcapitaltechnologytrust.co.uk. The terms of reference clearly define the Committee's responsibilities and duties.

The Committee meets at least annually and is responsible for recommending the framework for the remuneration of Directors, including the ongoing appropriateness of the Remuneration Policy and the individual remuneration of Directors based on their contributions. The Committee aims to pay fees relative to other companies in the sector commensurate with the responsibilities and time commitments of the Board. On at least an annual basis and within the current year, we considered the time and commitment required of the Directors and of the Chair of the Board. The remuneration review carried out in May 2025 is detailed on page 87.

Remuneration Policy

Shareholders approved the current Directors' Remuneration Policy by way of an ordinary resolution passed at the AGM in September 2023. Such Policy came into effect on 1 May 2024 and shall remain in force until 30 April 2027.

Company's Policy on Directors' Remuneration effective until 30 April 2027

How policy supports strategy and promotes long term sustainable success	Operation	Opportunity
The Board consists entirely of independent non-executive Directors, who meet regularly to deal with the Company's affairs. The intention is that fees payable reflect the time spent by them individually and collectively, be of a level appropriate to their responsibilities and be in line with market practice, sufficient to enable candidates of high calibre to be recruited and retained.	Non-executive Directors have formal letters of appointment and their remuneration is determined by the Board within the limits set by the Articles of Association. Fees are reviewed annually but the review will not necessarily result in any change to rates. No Director is involved in deciding their own remuneration level. Non-executive Directors are appointed initially for a three-year term, subject to annual re-election by Shareholders in accordance with the AIC Code. All fees are paid by credit transfer monthly in arrears, to the Director concerned.	The Company's policy in relation to fees is to offer only a fixed basic fee in line with equivalent roles within the sector with additional fees for the roles of Chair of the Company, Chair of the Audit Committee and SID. In accordance with the Company's Articles of Association, any Director who performs, or undertakes to perform, services which the Directors consider go far beyond the ordinary duties of a Director, may be paid such additional remuneration (whether by way of fixed sum, bonus, commission, participation in profits or otherwise) as the Directors may determine. In such instances, when the Remuneration Committee believes that there have been exceptional circumstances and a Director's services have been substantially beyond what is typically expected, the Remuneration Committee will authorise a payment to a Director and provide details of the events, duties and responsibilities that gave rise to such within the Remuneration Implementation Report.
As the Company is an investment trust and all Directors are non-executive, it is considered inappropriate to have any long-term incentive schemes or benefits.	Non-executive Directors do not receive any bonus, nor do they participate in any long-term incentive schemes or pension schemes.	There are no performance conditions relating to non-executive Directors fees.

As per previous AGM resolutions Shareholders will be asked to consider a non-binding vote for the approval of the Directors' Remuneration Report which reports on how the current policy has operated during the year to 30 April 2025. The result of the Shareholder vote on the Remuneration Policy submitted to the 2023 Annual General Meeting and the latest Directors' Remuneration Report were as follows:

	Implementation Report for the Year ended 30 April 2024	Remuneration policy for the three years ended on 30 April 2027
Votes for	99.87% of votes cast	99.89% of votes cast
Votes against	0.13% of votes cast	0.11% of votes cast
Votes withheld	69,913	28,035

2024/25 Fees Paid

In the year under review the Directors' fees were paid at the following annual rates, the Chair £65,500; other Directors £36,000 with the Chair of the Audit Committee receiving an extra £8,500 and the Senior Independent Director receiving an extra £4,200 for performing such additional roles.

Fee Review

The Committee carries out an annual review of fees paid to the Directors. While such a review will not necessarily result in any change to the rates, the Committee believes that it is important that these reviews happen annually. The Committee usually favours modest annual increases rather than larger increases awarded at longer intervals.

In May 2025, the Committee carried out a review of Directors' remuneration which included a selection of peer comparisons and external reports including the Nurole Compensation Report and the Trust Associates 2024 Fee Review. No external remuneration consultant was used. Consideration was also given to the rise in inflation and the retail price index since the last change in Directors' fees and the increased level of input and responsibility the members of the Board have in relation to enhanced regulations and requirements. As a result, the Committee decided to implement the following increases with effect from 1 May 2025:

Chair of the Board

The annual fee for the Chair of the Board has been increased from to £65,500 to £67,200 pa. This is an increase of 2.6% year-on-year.

Directors

The annual fee for a non-executive Director has been increased from £36,000 to £37,000 pa, representing a 2.8% increase. Directors' fees for the year ending 30 April 2025, including the recent appointments and retirements from the Board, total £250,347. The maximum aggregate amount provided for in the Company's Articles of Association (the Articles), Article 99 is £350,000.

The Board remains committed to ongoing shareholder dialogue and any views expressed by Shareholders on the fees being paid to Directors would be taken into consideration by the Remuneration Committee in the annual review of Directors' fees. No such views have been received from Shareholders. The Directors did not participate in discussions on the fees applicable to their own roles.

Chair of Audit Committee and Senior Independent Director

The supplement for the Chair of the Audit Committee increased by c.5.9% to £9,000 (2024: £8,500) to bring this in line with those of peers and to reflect the additional time required in connection with audit regulation, whilst the supplement for the Senior Independent Director remained unchanged at £4,200.

Other Fees and Incentives

As the Company is an investment trust it has no executive Directors or employees and as all the Directors are non-executive, it is considered inappropriate to have any long term incentive schemes. The fees are not specifically related to the Directors' performance, either individually or collectively.

The Directors are entitled to be reimbursed for reasonable expenses incurred by them in connection with the performance of their duties and attendance at Board and General Meetings. In certain circumstances, under HMRC rules, travel and other out of pocket expenses reimbursed to the Directors may be considered as taxable benefits.

The taxable expenses, for example, comprise of expenses incurred by the Directors attending Board and other meetings held in London. Such expenses are paid to the Directors grossed up for taxation and shown in the taxable column of the Directors remuneration table.

Directors' Remuneration Report continued

Letters of Appointment

In accordance with recommended practice, the Directors do not have service agreements but instead each Director has received a letter setting out the terms of their appointment under which they provide their services to the Company. Following the financial year, the Directors' letters of appointment were reviewed and updated to ensure they reflect current regulation and best practice. There were no changes to the primary terms of appointment. A sample equivalent to the Directors' Letter of Appointment is available on the Company's website.

A Director may resign by giving one month's notice in writing to the Board at any time. The Directors are not entitled to payment for loss of office.

In accordance with the Articles, any new Director is required to stand for election at the first AGM following their appointment, and in accordance with good corporate governance practice all Directors stand for re-election by Shareholders every year thereafter.

Directors' And Officers' Liability Insurance / Indemnity

Directors' and officers' liability insurance is held by the Company in respect of the Directors. The Company has, to the extent permitted by law and the Company's Articles, provided each Director with a Deed of Indemnity which, subject to the provisions of the Articles and s234 of the Companies Act 2006 'qualifying third party indemnity provisions', indemnifies the Directors in respect of costs which they may incur relating to the defence of any proceedings brought against them arising out of their position as Directors (excluding criminal and regulatory penalties). Directors' legal costs may be funded up-front provided they reimburse the Company if the individual is convicted or, in an action brought by the Company, judgement is given against them. These provisions were in force during the year and remain in force.

Remuneration Implementation Report

Remuneration Paid In The Year Ended 30 April 2025 (Audited)

The fees payable in respect of each of the Directors were as follows:

	Year ended 30 April 2025			Year ended 30 April 2024		
Director	Fixed Fee	Taxable Expenses[1]	Total Remuneration	Fixed Fee	Taxable Expenses[1]	Total Remuneration
Catherine Cripps (Chair)	£65,500	-	£65,500	£63,600	-	£63,600
Tim Cruttenden (Senior Independent Director)	£40,200	-	£40,200	£39,200	-	£39,200
Adiba Ighodaro (appointed 3 December 2024)	£14,908	-	£14,908	-	-	-
Charles Park	£36,000	-	£36,000	£35,000	-	£35,000
Stephen White	£36,000	-	£36,000	£35,000	-	£35,000
Jane Pearce (appointed as Chair of the Audit Committee 31 October 2023)	£44,500	£3,562	£48,062	£38,500	£2,882	£41,382
Charlotta Ginman (retired as Chair of the Audit Committee 31 October 2023)*	£13,239	-	£13,239	£38,500	-	£38,500
Total	**£250,347**	**£3,562**	**£253,909**	**£249,800**	**£2,882**	**£252,682**

* retired 11 September 2024

Note 1: Taxable travel and subsistence expenses incurred in attending Board and Committee meetings. The Company's policy is to reimburse Directors for both non taxable and taxable expenses and for the latter reimbursed amount to be grossed up at the Director's marginal tax rate so that the net reimbursed amount equates to the original expenses sum.

No pension contributions or other remuneration or compensation was paid or payable by the Company during the year to any of the Directors. Consequently, the figures shown above comprise the single total remuneration figure for each Director.

The table below contains the annual percentage change in remuneration in the five financial years prior to the current year in respect of each Director:

Fee Rates	Year to 30 April 2021	Year to 30 April 2022	Year to 30 April 2023	Year to 30 April 2024	Year to 30 April 2025	Year ahead from 1 May 2025
Chair	£46,500	£50,000	£55,000	£63,600	£65,500	£67,200
	+5.0%	+7.5%	+10.0%	+15.6%	+3.0%	+2.6%
Director's fees	£30,000	£31,500	£33,000	£35,000	£36,000	£37,000
	+5.6%	+5.0%	+4.7%	+6.1%	+2.9%	+2.8%
Additional fees						
Chair of Audit Committee	£6,000	£7,000	£7,000	£7,000	£8,500	£9,000
	+20.0%	+16.6%	0.0%	0.0%	21.4%	+5.9%
Senior Independent Director	£4,000	£4,200	£4,200	£4,200	£4,200	£4,200
	+8.1%	+5.0%	0.0%	0.0%	0.0%	0.0%

Directors' Share Interests (Audited)

Neither the Company's Articles nor the Directors' letters of appointment require Directors to hold shares in the Company.

The interests in the ordinary shares of the Company of the Directors in office at 30 April 2025 and 30 April 2024 are as follows:

Ordinary Shares	30 April 2025	30 April 2024^
Catherine Cripps	4,810	4,810
Tim Cruttenden*	12,690	12,690
Charlotta Ginman#	-	49,410
Adiba Ighodaro~	2,448	-
Charles Park	18,400	18,400
Jane Pearce	10,970	10,970
Stephen White	100,000	100,000

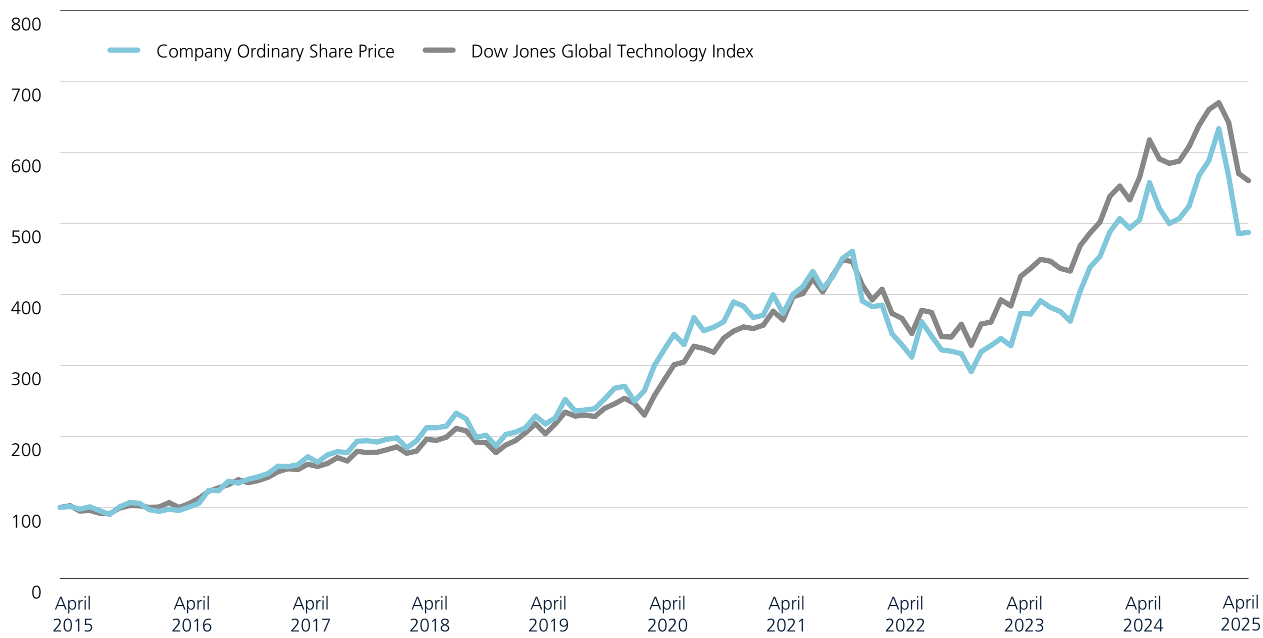
* including PCA's
\# retired 11 September 2024
~ appointed on 3 December 2024
^ The comparative figures have been rebased following the ten for one share split on 13 September 2024.

There have been no changes in these interests between the end of the financial year and to close of business 10 July 2025.

Performance

The Large and Medium-Sized Companies and Groups (Accounts and Reports) (amendment) Regulations 2013, (Schedule 8, Part 3 (18, 4(c))) require a line graph to be included in the Directors' Remuneration Report showing the total shareholder return for each of the financial years in the relevant period, being the five financial years with the last being the period under review. Each subsequent annual graph is required to increase by one year until the maximum relevant period of ten years is reached; thereafter the relevant period will continue to be ten years. The Dow Jones Global Technology Index is shown because, as a market capitalisation weighted index based on the entire global technology sector, it is the most relevant benchmark.

Directors' Remuneration Report continued



Relative Importance Of Spend On Pay

Under the Regulations (Schedule 8, Part 3 (20)), the Directors' Remuneration Report must show a comparison of all remuneration paid to employees to all distributions (including dividends and share buy backs) paid to Shareholders for the current year, preceding year and the difference between those years. This is to assist the Directors in understanding the relative importance of spend on pay.

The Company has no employees and while the Directors do not consider that the comparison of Directors' remuneration with distributions to Shareholders is a meaningful measure of the Company's overall performance, for comparison purposes the table below compares Directors' fees with the level of dividends paid, profit after tax and the cost of share buy backs undertaken by the Company.

	2025	2024	Change	
	£'000	£'000	£'000	%
Directors' total remuneration*	254	253	1	0.4%
Dividends paid or declared in respect of the financial year	-	–	-	-
Net profit for the year and total comprehensive income	118,355	1,115,437	(997,082)	(89.4)%
Ordinary shares repurchased into treasury	117,935	139,045	(21,110)	(15.2)%

Tim Cruttenden
Senior Independent Director and Chair of the Remuneration Committee

10 July 2025

Report of the Nomination Committee

Catherine Cripps
Chair of the Nomination Committee

The Nomination Committee (the Committee) is chaired by Catherine Cripps and comprises all the independent non-executive Directors. The Committee has written terms of reference, which are available to view on the Company's website, www.polarcapitaltechnologytrust.co.uk. The terms of reference clearly define the Committee's responsibilities and duties.

The Committee meets at least annually and is responsible to the Board for the size, structure and composition of the Board as well as for succession planning and the tenure policies for the Chair and Directors.

Meetings and Work Undertaken

During the financial year ended 30 April 2025 the Nomination Committee met twice and considered the following:

Board Evaluation

The Committee is responsible for coordinating the evaluation of the Board and considering the conclusions from that review. Evaluation of the Board, individual Directors and the committees is undertaken annually. The evaluation undertaken in 2024-2025 was led by an external facilitator, Fletcher Jones Ltd, following a review of relevant Board advisory firms by the Board. Fletcher Jones has not provided any other services to the Company and does not have any other commercial connections to the Company or Polar Capital LLP. This review is the first that Fletcher Jones has conducted for the Company.

The review process was tailored to the specific environment, operating style and strategic goals and challenges faced by the Company. It involved each Director completing a questionnaire, followed by private one-to-one conversations between the external reviewer and each Director and with the Company's Portfolio Manager, other Company representatives and the Corporate Broker. The anonymity of the respondents was ensured throughout the process, in order to promote an open and frank exchange of views.

The external reviewer provided a formal report of their findings, which was considered by the Nominations Committee and the Board. The report presented an objective view on the current working of the Board as a whole as well as the quality of contributions made by individual Directors. The intention of the review process was to further strengthen the working of the Board by providing an opportunity for the objective consideration of the Board's strengths and current skills, any areas for further development, and any potential gaps in its composition. The report also considered the challenges, opportunities and strategic direction of travel anticipated over the near to medium-term.

The report's findings noted that the Board and each Committee was operating effectively, with an appropriate and sufficient balance of experience and skills on all areas of importance, resulting in a well-managed, well-run, and effective board. Some minor points for development were highlighted, which will be discussed and actioned by the Board. The main theme coming though the report is that of a respectful Board faced with a number of challenges, topics such as discount management, risk profile, gearing strategy and succession planning are all discussed proactively.

Following this review, the Committee has determined that each of the Directors standing for election /re-election continued to offer relevant experience, effectively contributed to the operation of the Board and had demonstrated independent views on a range of subjects. The Committee is therefore satisfied that the structure, mix of skills and operation of the Board continue to be effective and relevant for the Company.

External evaluations have been completed every three years whilst the Company has been a constituent of the FTSE 350. The next externally administered Board Evaluation will be carried out in FY2028 unless it is deemed to be required earlier.

Report of the Nomination Committee continued

Succession

The Board believes that retaining Directors with sufficient experience of the Company, investment industry and financial markets is of benefit to Shareholders while recognising that regular refreshment of approach is equally of benefit and importance. The Board does not consider that the length of a Director's tenure, in isolation, reduces his or her ability to act independently. The Board believes that continuity and experience add significantly to the strength of the Board. Directors will ordinarily retire from the Board at the AGM following nine-years of service.

As reported in the Chair's Statement, a recruitment process was undertaken during 2024 in order to find and appoint a new non-executive director following the retirement of Charlotta Ginman who reached her nine-year tenure in September 2024. As part of this process, the Nominations Committee on behalf of the Board, engaged Egon Zehnder to assist with the recruitment search to identify suitably qualified external candidates for the role. A detailed role specification was compiled and presented to the selected recruitment agent to source candidates for consideration.

Following a review of a long list of candidates, the Nominations Committee selected a short list of candidates for interview; selection was based on candidates' fulfilment of required skill sets, taking into account board dynamics and board fit and the wider diversity criteria. A suitable candidate was not identified through the selected recruitment firm, however, wider networks and alternative routes to finding candidates were explored which culminated in the appointment of Adiba Ighodaro to the Board with effect from 3 December 2024. Adiba will stand for election by Shareholders at the AGM to be held in September 2025.

The Board continues to work on longer-term succession planning as some Directors will approach their nine year tenure on the Board within the next two to three years. The Board is in early-stage discussions and are working to finalise a managed programme of recruitment, appointment and retirement which will be carried out during 2026 with the expectation that such process will conclude by in Q4 2027. Further information will be shared when available.

Chair Tenure Policy

The Board considers that in the specific circumstances of an investment company, where corporate knowledge and continuity can add value, there may be merit in appointing one of its members to the Chair. In addition, there may be circumstances where succession plans are disrupted such that an internal candidate with some years' existing experience is the most appropriate candidate for the Chair. In other circumstances an external candidate may be more appropriate. The Board supports the best practice of Directors remaining on the Board for no-longer than nine years but acknowledges that in exceptional circumstances the Chair may remain on the Board for up to twelve years.

Committee Evaluation

As referenced above, the activities of the Nomination Committee were considered as part of the externally facilitated evaluation which took place during the financial year. The report's findings noted that the Board and each Committee was operating effectively, with an appropriate and sufficient balance of experience and skills on all areas of importance, resulting in a well-managed, well-run, and effective board.

Catherine Cripps
Chair of the Nomination Committee

10 July 2025

Management Engagement Committee Report

Catherine Cripps
Chair of the Management Engagement Committee

The Management Engagement Committee (the Committee) is chaired by Catherine Cripps and comprises all the independent non-executive Directors. The Committee has written terms of reference, which are available to view on the Company's website, www.polarcapitaltechnologytrust.co.uk. The terms of reference clearly define the Committee's responsibilities and duties.

The Committee meets at least twice a year and is responsible for reviewing the performance of the Investment Manager along with the Company's other service providers. The Committee is also responsible for keeping under review the terms of the Investment Management Agreement (IMA) and the Manager's appointment as AIFM.

Performance Evaluation Process

Investment Manager

During the financial year ended 30 April 2025, the Committee met twice to consider the relationship with and, the services provided by the Manager. In addition, the Committee reviewed the terms of the IMA including the level and structure of management and performance fee paid or payable to the Manager, making relevant recommendations to the Board when appropriate.

The Board keeps the fee arrangements with Polar Capital LLP under review and considers any recommendations of the Committee. During the year under review, the Committee reflected on the changes made to the management fee arrangements which took effect on 1 May 2022 and performance fee which took effect on 1 May 2019. As announced in December 2024, we concluded our three-yearly review of the base management fee and agreed a new tiered base structure which became effective from 1 May 2025. In addition, we also negotiated the complete removal of the performance fee. Further details on the new Management fee structure can be found on page 58 of the Strategic Report.

Under the terms of the IMA, the Board may undertake a three-yearly review of the fee arrangements, the next of which is planned to commence in 2027, with the anticipation that any changes proposed and subsequently agreed will take effect from the start of the following financial year. The Board is however at liberty to review the fees at any time should they deem it appropriate and in the best interests of Shareholders to do so.

The Committee has reviewed the performance of the Investment Manager in managing the portfolio over the longer-term. The review also considered the quality of the other services provided, including the strength of the investment team, the depth of the other services provided and the resources available to provide such services. The Board reflected on the positive impact from the continued recruitment into various teams at the Investment Manager to support the Company, which includes the investment team, marketing, administration, and the organisation on the Company's behalf of third party suppliers, and the quality of the Shareholder communications.

Following review, the Committee concluded that it is in the best interests of Shareholders as a whole that the appointment of Polar Capital LLP as Investment Manager is continued on the terms agreed on 12 April 2019.

Other Suppliers

The Board also monitors directly or through the Investment Manager the performance of its other key service providers.

- The Board has directly appointed HSBC Bank Plc as both Depositary and Custodian, and Stifel Nicolaus as Corporate Broker. The Depositary reports quarterly and makes an annual presentation to the Board. The Corporate Broker regularly provides reports to the Board and joins Board meetings on request to discuss markets and other issues.
- The Registrar, Equiniti Limited, is directly appointed by the Board and the performance of its duties is monitored by the Company Secretary.
- Other suppliers such as printers, website designers and PR agents are monitored by the Company Secretary and each supplier reports to the Board as and when deemed necessary.

Committee Evaluation

During the year, as part of the review of the performance of the Board, the effectiveness of the Management Engagement Committee was also assessed by an independent third party. The report's findings noted that the Board and each Committee was operating effectively, with an appropriate and sufficient balance of experience and skills on all areas of importance, resulting in a well-managed, well-run, and effective board.

Catherine Cripps
Chair of the Management Engagement Committee

10 July 2025

Statement of Directors' Responsibilities in respect of the Annual Report and Financial Statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK-adopted international accounting standards and applicable law.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its profit or loss for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with UK-adopted international accounting standards;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility Statement of the Directors in respect of the Annual Report and Financial Statements

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the issuer, together with a description of the principal risks and uncertainties that they face.

We consider the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's position and performance, business model and strategy.

Catherine Cripps
Chair

10 July 2025

KPMG LLP's Independent Auditor's Report

to the members of Polar Capital Technology Trust PLC

1. Our opinion is unmodified

In our opinion:

- the financial statements of Polar Capital Technology Trust PLC give a true and fair view of the state of the Company's affairs as at 30th April 2025, and of the Company's profit for the year then ended;
- the financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

What our opinion covers

We have audited the financial statements of Polar Capital Technology Trust PLC ("the Company") for the year ended 30th April 2025 included in the Annual Report, which comprise the Statement of Comprehensive Income, Statement of Changes in Equity, Balance sheet, Cash Flow Statement and the related Notes, including the accounting policies in note 2.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion and matters included in this report are consistent with those discussed and included in our reporting to the Audit Committee ("AC").

Our Independence

We have fulfilled our ethical responsibilities under, and we remain independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities.

We have not performed any non-audit services during FY25 or subsequently which are prohibited by the FRC Ethical Standard.

We were first appointed as auditor by the shareholders for the year ended 30 April 2018. The period of total uninterrupted engagement is for the 8 financial years ended 30 April 2025. The next financial year which requires a tender is 30 April 2027.

The engagement partner is required to rotate every 5 years. Richard De La Rue will be required to rotate off after the FY28 audit.

Total audit fees for the year were £82k and audit related fees and fees for other services were £nil. Non-audit fees as a percentage of total audit and audit related fees were 0%.

2. Going concern, viability and principal risks and uncertainties

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease their operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

KPMG LLP's Independent Auditor's Report continued

Going concern	
We used our knowledge of the Company, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to adversely affect the Company's available financial resources and metrics relevant to debt covenants over this period were: – the impact of a significant reduction in the valuation of investments and the implications for the Company's debt covenants; – the liquidity of the investment portfolio and its ability to meet the liabilities of the Company as and when they fall due; – the operational resilience of key service organisations; and – the existence of a continuation vote in September 2025. We considered whether these risks could plausibly affect the liquidity or covenant compliance in the going concern period by assessing the degree of downside assumption that, individually and collectively, could result in a liquidity issue, taking into account the Company's current and projected cash and liquid investment position (a reverse stress test). We also considered the Company's assessment of the likelihood of the continuation vote being unsuccessful having sought shareholder views. This included reviewing the written responses received by the Company and inquiries of the directors and the investment manager on discussions held with shareholders. We also performed an independent analysis on recent votes in other investments trusts and considered the Company's performance, including its share price discount to NAV relative to other UK investment trusts. We considered whether the going concern disclosure in note 2(A) to the financial statements gives a full and accurate description of the Directors' assessment of going concern, including the identified risks and related sensitivities. Accordingly, based on those procedures, we found the directors' use of the going concern basis of accounting without any material uncertainty for the Company to be acceptable. However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.	**Our conclusions** – We consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate; – We have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period; – We have nothing material to add or draw attention to in relation to the directors' statement in note 2(A) to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Company's use of that basis for the going concern period, and we found the going concern disclosure in note 2(A) to be acceptable; and – The related statement under the UK Listing Rules set out on page 60 is materially consistent with the financial statements and our audit knowledge.

<table>
<tr><th colspan="2">Disclosures of emerging and principal risks and longer-term viability</th></tr>
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Our responsibility

We are required to perform procedures to identify whether there is a material inconsistency between the directors' disclosures in respect of emerging and principal risks and the viability statement, and the financial statements and our audit knowledge.

Based on those procedures, we have nothing material to add or draw attention to in relation to:

- the directors' confirmation within the Principal Risks and Uncertainties disclosure on page 62 that they have carried out a robust assessment of the emerging and principal risks facing the Company, including those that would threaten its business model, future performance, solvency and liquidity;
- the Principal Risks and Uncertainties disclosures describing these risks and how emerging risks are identified and explaining how they are being managed and mitigated; and
- the directors' explanation in the Viability Statement of how they have assessed the prospects of the Company, over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We are also required to review the Viability Statement set out on page 58 under the UK Listing Rules.

Our work is limited to assessing these matters in the context of only the knowledge acquired during our financial statements audit. As we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of anything to report on these statements is not a guarantee as to the Company's longer-term viability.

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Our reporting

We have nothing material to add or draw attention to in relation to these disclosures.

We have concluded that these disclosures are materially consistent with the financial statements and our audit knowledge.

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3. Key Audit Matter

What We Mean
Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: – the overall audit strategy; – the allocation of resources in the audit; and – directing the efforts of the engagement team.

We include below the Key Audit Matters in decreasing order of audit significance together with our key audit procedures to address those matters and our findings from those procedures in order that the Company's members, as a body, may better understand the process by which we arrived at our audit opinion. These matters were addressed, and our findings are based on procedures undertaken, in the context of, and solely for the purpose of our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

KPMG LLP's Independent Auditor's Report continued

3.1 Valuation of quoted investments

Financial Statement Elements				Our assessment of risk vs FY24	Our findings
	FY25	FY24	◀▶	*The risk has remained the same as the prior year*	**FY25: no differences**
Valuation of Investments held at fair value through profit or loss	**£3,664m**	£3,713m			FY24: no differences

Description of the Key Audit Matter	Our response to the risk
The Company's portfolio of quoted investments makes up 94% (2024: 96%) of the Company's total assets (by value) and is one of the key drivers of results. We do not consider these investments to be at a high risk of significant misstatement, or to be subject to a significant level of judgement or estimation uncertainty because they comprise liquid, level 1 investments. However, due to their materiality in the context of the financial statements as a whole, they are considered to be one of the areas which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit.	We performed the detailed tests below rather than seeking to rely on any of the Company's controls, because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described below. **Our procedures included:** – **Test of detail**: Agreed the valuation of 100% of level 1 investments in the portfolio to externally quoted prices; and – **Enquiry of custodians**: Agreed 100% of level 1 investment holdings in the portfolio to independently received third party confirmations from investment custodians.

Communications with the Polar Capital Technology Trust's Audit Committee

Our discussions with and reporting to the Audit Committee included:

- Our approach to the audit of the valuation of the quoted investment portfolio including details of our planned substantive procedures, use of specialists and the extent of our controls reliance.
- Our conclusions on the valuation of quoted level 1 investments, including differences identified.
- Our assessment of whether any misstatement identified through these procedures was material.
- Our assessment of whether disclosures in respect of quoted investments were appropriate.

Areas of particular auditor judgement

No areas of significant judgement were identified as the investments are predominantly level 1 securities.

Our findings

We found no differences (2024: no differences) from the holdings confirmations nor from the externally quoted prices of a size to require reporting to the Audit Committee.

Further information in the Annual Report and Accounts: See the Audit Committee Report on page 83 for details on how the Audit Committee considered Valuation of quoted investments as an area of significant attention, page 112 for the accounting policy on Valuation of quoted investments, and note 13 for the financial disclosures.

4. Our Ability to Detect Irregularities, and Our Response

Fraud - Identifying and responding to risks of material misstatement due to fraud	
Fraud Risk Assessment	To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included: – enquiring of Directors as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud; – reading Board and Audit Committee minutes; – assessing the segregation of duties in place between the Directors, the Administrator and the Company's investment manager; and – Using analytical procedures to identify any unusual or unexpected relationships.
Risk Communications	We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.
Fraud Risks	As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because revenue is non-judgemental and non-complex, with limited opportunity for manipulation. We did not identify any additional fraud risks.
Procedures to Address Fraud Risks	We evaluated the design and implementation of the controls over journal entries and other adjustments and made inquiries of the Administrator about inappropriate or unusual activity relating to the processing of journal entries and other adjustments. We substantively tested all material post-closing entries and a sample of journal entries made at the end of the reporting period. Based on the results of our risk assessment procedures and understanding of the process, including the segregation of duties between the Directors, Investment Manager and the Administrator, no high-risk journal entries or other adjustments were identified.

Laws and Regulations - Identifying and responding to risks of material misstatement relating to compliance with laws and regulations	
Laws and Regulations Risk Assessment	We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the Directors, the Investment Manager and the Administrator (as required by auditing standards), and discussed with the Directors the policies and procedures regarding compliance with laws and regulations.
Risk Communications	We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.
Direct Laws Context and Link to Audit	The potential effect of these laws and regulations on the financial statements varies considerably. The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and its qualification as an Investment Trust under UK taxation legislation, any breach of which could lead to the Company losing various deductions and exemptions from UK corporation tax, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

KPMG LLP's Independent Auditor's Report continued

Laws and Regulations - Identifying and responding to risks of material misstatement relating to compliance with laws and regulations	
Most Significant Indirect Law/ Regulation Areas	The Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: money laundering, data protection, bribery and corruption legislation and certain aspects of company legislation recognising the financial and regulated nature of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors, the Investment Manager and the Administrator and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context	
Context of the Ability of The Audit to Detect Fraud or Breaches of Law or Regulation	Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

5. Our Determination of Materiality

The scope of our audit was influenced by our application of materiality. We set quantitative thresholds and overlay qualitative considerations to help us determine the scope of our audit and the nature, timing and extent of our procedures, and in evaluating the effect of misstatements, both individually and in the aggregate, on the financial statements as a whole.

£39.0M (FY24: £38.6M) Materiality for The Financial Statements as a Whole	**What we mean** A quantitative reference for the purpose of planning and performing our audit.
	Basis for determining materiality and judgements applied Materiality for the financial statements as a whole was set at £39.0m (FY24: 38.6m). This was determined with reference to a benchmark of Total Assets. Consistent with FY24, we determined that Total Assets remains the main benchmark as the business model of Polar Capital Technology Trust means that the investment portfolio and wider asset base (i.e. cash and cash equivalents) is the primary driver of the performance of the Company. Consequently, the primary financial indicator to understand the Company's performance is considered to be Total Assets. Our materiality of £39.0m was determined by applying a percentage to the Total Assets. When using a benchmark of Total Assets to determine overall materiality, KPMG's approach for listed entities considers a guideline range 0.5% to 1% of the measure. In setting overall materiality, we applied a percentage of 1% (FY24: 1%) to the benchmark.

£29.2M (FY24: £28.9M) Performance Materiality	**What we mean** Our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.
	Basis for determining performance materiality and judgements applied We have considered performance materiality at a level of 75% (FY24: 75%) of materiality for Polar Capital Technology Trust PLC's financial statements as a whole to be appropriate. We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

£1.9M (FY24: £1.9M) Audit Misstatement Posting Threshold	**What we mean** This is the amount below which identified misstatements are considered to be clearly trivial from a quantitative point of view. We may become aware of misstatements below this threshold which could alter the nature, timing and scope of our audit procedures, for example if we identify smaller misstatements which are indicators of fraud. This is also the amount above which all misstatements identified are communicated to Polar Capital Technology Trust's Audit Committee.
	Basis for determining the audit misstatement posting threshold and judgements applied We set our audit misstatement posting threshold at 5% (FY24: 5%) of our materiality for the financial statements. We also report to the Audit Committee any other identified misstatements that warrant reporting on qualitative grounds.

The overall materiality for the financial statements of £39.0m (FY24: 38.6m) compares as follows to the main financial statement caption amounts:

	Total Assets		Net Assets	
	FY25	FY24	**FY25**	FY24
Financial statement Caption	**£3,907m**	£3,864m	**£3,804m**	£3,804m
Materiality as % of caption	**1%**	1%	**1.03%**	1.02%

KPMG LLP's Independent Auditor's Report continued

6. The Scope of Our Audit

Scope	**What we mean** How the auditor determined the procedures to be performed across the Company.
	Our audit of the Company was undertaken to the materiality level specified above and was performed by a single audit team. As disclosed within the Strategic Report on page 56, administrative operations of the Company are provided by HSBC Securities Services Limited (the 'Administrator'). We therefore identified the financial reporting system operated by the Company's Administrator to be the main IT system relevant to our audit. We obtained and read the Administrator's type 2 service organisation controls report to assist us in evaluating the design of the general IT controls of the main finance system. We took a fully substantive approach in all areas of our audit, consistent with our approach noted within the key audit matters in section 3 of our report, as we consider this to be a more efficient and effective approach to gaining the appropriate audit evidence. We did not plan to rely on any of the Company's controls in relation to any areas of our audit, because the nature of the majority of the Company's balances (including Investments, cash and loans) is such that we would expect to obtain audit evidence primarily from external confirmations (for Investment holdings, cash and loans) and by agreeing the valuation of 100% of investments in the portfolio to external market data.

7. Other Information in the Annual Report

The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

All other information	
Our responsibility Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge.	**Our reporting** Based solely on that work we have not identified material misstatements or inconsistencies in the other information.
Strategic report and directors' report	
Our responsibility and reporting Based solely on our work on the other information described above we report to you as follows: – we have not identified material misstatements in the strategic report and the directors' report; – in our opinion the information given in those reports for the financial year is consistent with the financial statements; and – in our opinion those reports have been prepared in accordance with the Companies Act 2006.	

<table>
<tr><th colspan="2">Directors' remuneration report</th></tr>
<tr><td>Our responsibility
We are required to form an opinion as to whether the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.</td><td>Our reporting
In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.</td></tr>
<tr><th colspan="2">Corporate governance disclosures</th></tr>
<tr><td>Our responsibility
We are required to perform procedures to identify whether there is a material inconsistency between the financial statements and our audit knowledge, and:
– the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy;
– the section of the annual report describing the work of the Audit Committee, including the significant issues that the Audit Committee considered in relation to the financial statements, and how these issues were addressed; and
– the section of the annual report that describes the review of the effectiveness of the Company's risk management and internal control systems.</td><td>Our reporting
Based on those procedures, we have concluded that each of these disclosures is materially consistent with the financial statements and our audit knowledge.</td></tr>
<tr><td>We are also required to review the part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified by the UK Listing Rules for our review.</td><td>We have nothing to report in this respect.</td></tr>
<tr><th colspan="2">Other matters on which we are required to report by exception</th></tr>
<tr><td>Our responsibility
Under the Companies Act 2006, we are required to report to you if, in our opinion:
– adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
– the Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
– certain disclosures of directors' remuneration specified by law are not made; or
– we have not received all the information and explanations we require for our audit.</td><td>Our reporting
We have nothing to report in these respects.</td></tr>
</table>

KPMG LLP's Independent Auditor's Report continued

8. Respective Responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 94, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The Company is required to include these financial statements in an annual financial report prepared under Disclosure Guidance and Transparency Rule 4.1.17R and 4.1.18R. This auditor's report provides no assurance over whether the annual financial report has been prepared in accordance with those requirements.

9. The Purpose of Our Audit Work and to Whom We Owe Our Responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the terms of our engagement by the Company. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report, and the further matters we are required to state to them in accordance with the terms agreed with the Company, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Richard De La Rue (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

15 Canada Square
LONDON
EH14 5GL

10 July 2025

Financial Statements

Statement of Comprehensive Income

For the year ended 30 April 2025

		Year ended 30 April 2025			Year ended 30 April 2024		
	Notes	Revenue return £'000	Capital return £'000	Total return £'000	Revenue return £'000	Capital return £'000	Total return £'000
Investment income	3	19,055	-	19,055	15,471	-	15,471
Other operating income	4	6,309	-	6,309	6,438	-	6,438
Gains on investments held at fair value	5	-	128,523	128,523	-	1,147,978	1,147,978
Gains/(losses) on derivatives	6	-	2,767	2,767	-	(22,030)	(22,030)
Other currency losses	7	-	(1,649)	(1,649)	-	(1,292)	(1,292)
Total income		25,364	129,641	155,005	21,909	1,124,656	1,146,565
Expenses							
Investment management fee	8	(30,854)	-	(30,854)	(25,919)	-	(25,919)
Other administrative expenses	9	(1,644)	-	(1,644)	(1,393)	-	(1,393)
Total expenses		(32,498)	-	(32,498)	(27,312)	-	(27,312)
Gains before finance costs and tax		(7,134)	129,641	122,507	(5,403)	1,124,656	1,119,253
Finance costs	10	(1,786)	-	(1,786)	(1,874)	-	(1,874)
Profit before tax		(8,920)	129,641	120,721	(7,277)	1,124,656	1,117,379
Tax	11	(2,366)	-	(2,366)	(1,942)	-	(1,942)
Net profit for the year and total comprehensive income		(11,286)	129,641	118,355	(9,219)	1,124,656	1,115,437
Earnings per share (basic and diluted) (pence)*	12	(0.95)	10.92	9.97	(0.75)	91.17	90.42

*The comparative figures have been rebased following the ten for one share split on 13 September 2024.

The total column of this statement represents the Company's Statement of Comprehensive Income, prepared in accordance with UK-adopted International Accounting Standards.

The revenue return and capital return columns are supplementary to this and are prepared under guidance published by the AIC.

All items in the above statement derive from continuing operations.

The Company does not have any other comprehensive income.

The notes on pages 110 to 132 form part of these Financial Statements.

Statement of Changes in Equity

For the year ended 30 April 2025

	Notes	Share capital £'000	Capital redemption reserve £'000	Share premium £'000	Special non-distrib-utable reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
Total equity at 30 April 2023		34,329	12,802	223,374	7,536	2,683,759	(133,659)	2,828,141
Total comprehensive income/(expense):								
Profit/(loss) for the year to 30 April 2024		-	-	-	-	1,124,656	(9,219)	1,115,437
Transactions with owners, recorded directly to equity:								
Ordinary shares repurchased into treasury	18, 22	-	-	-	-	(139,045)	-	(139,045)
Total equity at 30 April 2024		34,329	12,802	223,374	7,536	3,669,370	(142,878)	3,804,533
Total comprehensive income/(expense):								
Profit/(loss) for the year to 30 April 2025		-	-	-	-	129,641	(11,286)	118,355
Transactions with owners, recorded directly to equity:								
Ordinary shares repurchased into treasury	18, 22	-	-	-	-	(117,935)	-	(117,935)
Share split costs	22	-	-	-	-	(64)	-	(64)
Total equity at 30 April 2025		34,329	12,802	223,374	7,536	3,681,012	(154,164)	3,804,889

The notes on pages 110 to 132 form part of these Financial Statements.

Balance Sheet

As at 30 April 2025

	Notes	30 April 2025 £'000	30 April 2024 £'000
Non current assets			
Investments held at fair value through profit or loss	13	3,664,891	3,713,758
Current assets			
Receivables	14	39,801	37,607
Overseas tax recoverable		441	346
Cash and cash equivalents	15	188,911	103,033
Derivative financial instruments	13	12,958	9,557
		242,111	150,543
Total assets		3,907,002	3,864,301
Current liabilities			
Payables	16	(22,337)	(11,295)
Bank loans	17	-	(48,036)
Overdraft at bank and derivative clearing houses	15	(1,046)	(437)
		(23,383)	(59,768)
Non current liabilities			
Bank loans	17	(78,730)	-
Net assets		3,804,889	3,804,533
Equity attributable to equity Shareholders			
Share capital	18	34,329	34,329
Capital redemption reserve	19	12,802	12,802
Share premium	20	223,374	223,374
Special non-distributable reserve	21	7,536	7,536
Capital reserves	22	3,681,012	3,669,370
Revenue reserve	23	(154,164)	(142,878)
Total equity		3,804,889	3,804,533
Net asset value per ordinary share (pence)*	25	325.20	315.41

* The comparative figure has been rebased following the ten for one share split on 13 September 2024.

The Financial Statements, on pages 106 to 109,were approved and authorised for issue by the Board of Directors on 10 July 2025 and signed on its behalf by:

Catherine Cripps
Chair

The notes on pages 110 to 132 form part of these Financial Statements

Registered number 3224867

Cash Flow Statement

For the year ended 30 April 2025

	Notes	2025 £'000	2024 £'000
Cash flows from operating activities			
Profit before tax		120,721	1,117,379
Adjustments			
Gains on investments held at fair value through profit or loss	5	(128,523)	(1,147,978)
(Gains)/losses on derivative financial instruments	6	(2,767)	22,030
Proceeds of disposal on investments		4,648,853	2,857,451
Purchases of investments		(4,464,412)	(2,811,714)
Proceeds on disposal of derivative financial instruments	13	99,136	21,743
Purchases of derivative financial instruments	13	(99,770)	(50,759)
Decrease/(increase) in receivables		1,550	(742)
(Decrease)/increase in payables		(9)	641
Finance costs		1,786	1,874
Overseas tax		(2,461)	(1,909)
Foreign exchange losses	7	1,649	1,292
Net cash generated from operating activities		175,753	9,308
Cash flows from financing activities			
Finance costs paid		(1,776)	(1,871)
Ordinary shares repurchased into treasury		(117,689)	(139,836)
Share split costs	22	(64)	-
Loan repaid	17	(46,689)	-
Loan drawn	17	78,307	-
Net cash used in financing activities		(87,911)	(141,707)
Net increase/(decrease) in cash and cash equivalents		87,842	(132,399)
Cash and cash equivalents at the beginning of the year		102,596	239,096
Effect of movement in foreign exchange rates on cash held	7	(2,573)	(4,101)
Cash and cash equivalents at the end of the year	15	187,865	102,596

Reconciliation of cash and cash equivalents to the Balance Sheet is as follows:

	Notes	2025 £'000	2024 £'000
Cash held at bank, overdraft and derivative clearing houses	15	166,498	69,581
BlackRock's Institutional Cash Series plc (US Treasury Fund), money market fund	15	21,367	33,015
Cash and cash equivalents at the end of the year	15	187,865	102,596

The notes on pages 110 to 132 form part of these Financial Statements

Notes to the Financial Statements

For the year ended 30 April 2025

1 General Information

Polar Capital Technology Trust plc is a public limited company registered in England and Wales whose shares are traded on the London Stock Exchange.

The principal activity of the Company is that of an investment trust company within the meaning of Section 1158/1159 of the Corporation Tax Act 2010 and its investment approach is detailed in the Strategic Report.

The Company's Financial Statements have been prepared and approved by the Directors in accordance with UK-adopted International Accounting Standards ("UK-adopted IAS").

The Company's presentational currency is Pounds Sterling. All figures are rounded to the nearest thousand pounds (£'000) except as otherwise stated.

2 Accounting Policies

The material accounting policy information and other explanatory information have been applied consistently for all years presented are set out below:

(A) Basis of Preparation

The Financial Statements have been prepared on a going concern basis under the historical cost convention, as modified by the inclusion of investments and derivative financial instruments at fair value through profit or loss.

Where presentational guidance set out in the Statement of Recommended Practice (SORP) for investment trusts issued by the Association of Investment Companies (AIC) in July 2022 is consistent with the requirements of UK-adopted IAS, the Directors have sought to prepare the Financial Statements on a basis compliant with the recommendations of the SORP.

Going Concern

The financial position of the Company as at 30 April 2025 is shown in the Balance Sheet on page 108. As at 30 April 2025 the Company's total assets exceeded its total liabilities by a multiple of over 38. The assets of the Company consist mainly of securities that are held in accordance with the Company's Investment Policy, as set out on page 54 and these securities are readily realisable. The Company has a three-year fixed rate term loan with The Bank of Nova Scotia which falls due for repayment on 30 September 2027. The Directors have considered a detailed assessment of the Company's ability to meet its liabilities as they fall due. The assessment took account of the Company's current financial position, which used a variety of falling parameters to demonstrate the effects on the Company's share price and net asset value. In addition, the Company's cash flows were stressed tested for base case and reasonable worse case scenarios such as reduction in dividend and interest income and increase in administrative expenses. In light of the results of these tests, the Company's cash balances, and the liquidity position, the Directors consider that the Company has adequate financial resources to enable it to continue in operational existence for at least 12 months.

The Company has within its corporate structure the requirement to hold a continuation vote every five years. In accordance with this, a continuation vote will be put to the Shareholders at the forthcoming AGM. Since the continuation vote is taking place within the 12 months after the signing date of the 2025 Annual Report and Financial Statements, it is relevant to consider this as part of the going concern assessment. Ahead of the upcoming continuation vote, the Board, Investment Manager and Corporate Broker have been seeking Shareholder views including any concerns and an indication of whether they were likely to vote in favour of the Company's continuation. No comments adverse to the continuation vote have been received to date and the Shareholders who provided feedback were minded, at the time of writing, to vote in favour of the resolution for the Company to continue. Shareholders highlighted the contact between the Investment Manager and Shareholders, the long-term investment horizon of many Shareholders, the diversification of the Company's register of Shareholders and the Company's inclusion on many buy lists at private wealth managers and retail platforms. As such, the Directors are confident that the continuation vote will be passed at the AGM to be held on 10 September 2025 and therefore the Company will continue in existence. The Directors acknowledge that there can be no certainty that the continuation vote will be passed although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

(B) Presentation of Statement of Comprehensive Income

In order to reflect better the activities of an investment trust company and in accordance with the guidance set out by the AIC, supplementary information which analyses the Statement of Comprehensive Income between items of a revenue and capital nature has been presented alongside the Statement of Comprehensive Income. The results presented in the revenue return column is the measure the Directors believe appropriate in assessing the Company's compliance with certain requirements set out in section 1158 of the Corporation Taxes Act 2010.

(C) Income

Dividends receivable from equity shares are taken to the revenue return column of the Statement of Comprehensive Income on an ex-dividend basis.

Special dividends are recognised on an ex-dividend basis and may be considered to be either revenue or capital items.

The facts and circumstances are considered on a case by case basis before a conclusion on appropriate allocation is reached.

Where the Company has received dividends in the form of additional shares rather than in cash, the amount of the cash dividend foregone is recognised in the revenue return column of the Statement of Comprehensive Income. Any excess in value of shares received over the amount of the cash dividend foregone is recognised in the capital return column of the Statement of Comprehensive Income.

Unfranked income includes the taxes deducted at source.

Bank interest, money market fund interest and other income receivable are accounted for on an accruals basis and is recognised in the period in which it was earned.

Interest outstanding at the year end is calculated on a time apportioned basis using the market rates of interest.

(D) Expenses and Finance Costs

All expenses, including finance costs, are accounted for on an accruals basis.

All indirect expenses have been presented as revenue items per the non-allocation method except as follows:

- any performance fees payable are allocated wholly to capital, reflecting the fact that, although they are calculated on a total return basis, they are expected to be attributable largely, if not wholly, to capital performance.
- transaction costs incurred on the acquisition or disposal of investments are expensed either as part of the unrealised gain/loss on investments (for acquisition costs) or as a deduction from the proceeds of sale (for disposal costs).

Finance costs are calculated using the effective interest rate method and are accounted for on an accruals basis.

(E) Taxation

The tax expense represents the sum of the overseas withholding tax deducted from investment income, tax currently payable and deferred tax.

The tax currently payable is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the balance sheet date.

In line with the recommendations of the SORP, the allocation method used to calculate tax relief on expenses presented against capital returns in the supplementary information in the Statement of Comprehensive Income is the 'marginal basis'. Under this basis, if taxable income is capable of being offset entirely by expenses presented in the revenue return column of the Statement of Comprehensive Income, then no tax relief is transferred to the capital return column.

Deferred tax is the tax expected to be payable or recoverable on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Notes to the Financial Statements continued

Investment trusts which have approval as such under section 1158 of the Corporation Tax Act 2010 are not liable for taxation on capital gains.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is charged or credited in the Statement of Comprehensive Income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

(F) Investments Held at Fair Value Through Profit or loss

When a purchase or sale is made under contract, the terms of which require delivery within the timeframe of the relevant market, the investments concerned are recognised or derecognised on the trade date and are initially measured at fair value.

On initial recognition the Company has designated all of its investments as held at fair value through profit or loss as defined by UK-adopted IAS.

All investments are measured at subsequent reporting dates at fair value, which is either the bid price or the last traded price, depending on the convention of the exchange on which the investment is quoted. Investments in unit trusts or OEICs are valued at the closing price, the bid price or the single price as appropriate, as released by the relevant investment manager.

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair values for unquoted investments, or for investments for which there is only an inactive market, are established by using various valuation techniques. These may include recent arms length market transactions, the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. Where there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, that technique is utilised. Where no reliable fair value can be estimated for such instruments, they are carried at cost, subject to any provision for impairment.

Changes in fair value of all investments held at fair value and realised gains and losses on disposal are recognised in the capital return column of the Statement of Comprehensive Income.

(G) Receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost. Receivables do not carry any interest and are short-term in nature and are accordingly stated at their nominal value (amortised cost) as reduced by appropriate allowances for estimated irrecoverable amounts.

(H) Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term maturity of three months or less, highly liquid investments that are readily convertible to known amounts of cash on demand. These include investments in AAA-rated money market funds.

The Company's investment in BlackRock's Institutional Cash Series plc – US Treasury Fund of £21,367,000 (2024: £33,015,000) is managed as part of the Company's cash and cash equivalents as defined under IAS 7. This is measured at fair value through profit or loss and is classified as Level 1 in the IFRS 13 fair value hierarchy.

In the Balance Sheet overdrafts at bank and derivative clearing houses are shown within current liabilities.

(I) Payables

Payables are initially recognised at fair value and subsequently measured at amortised cost. Payables are not interest-bearing and are stated at their nominal value (amortised cost).

(J) Bank Loans
Interest bearing bank loans are initially recognised at cost, being the proceeds received net of direct issue costs, and subsequently at amortised cost. The amounts falling due for repayment within one year are included under current liabilities in the Balance Sheet.

(K) Derivative Financial Instruments
The Company's activities expose it primarily to the financial risks of changes in market prices, foreign currency exchange rates and interest rates. Derivative transactions which the Company may enter into comprise forward exchange contracts, the purpose of which is to manage the currency risks arising from the Company's investing activities, quoted options on shares held within the portfolio, or on indices appropriate to sections of the portfolio, the purpose of which is to provide additional capital return.

The use of financial derivatives is governed by the Company's policies as approved by the Board, which has set written principles for the use of financial derivatives.

A derivative instrument is considered to be used for hedging purposes when it alters the market risk profile of an existing underlying exposure of the Company. The use of financial derivatives by the Company does not qualify for hedge accounting under UK-adopted IAS. As a result, changes in the fair value of derivative instruments are recognised in the Statement of Comprehensive Income as they arise. If capital in nature, associated change in value is presented in the capital return column of the Statement of Comprehensive Income.

(L) Rates of Exchange
Transactions in foreign currencies are translated into Sterling at the rate of exchange ruling on the date of each transaction. Monetary assets, monetary liabilities and equity investments in foreign currencies at the balance sheet date are translated into Sterling at the rates of exchange ruling on that date. Realised profits or losses on exchange, together with differences arising on the translation of foreign currency assets or liabilities, are taken to the capital return column of the Statement of Comprehensive Income.

Foreign exchange gains and losses arising on investments held at fair value are included within changes in fair value.

(M) Share Capital
Represents the nominal value of authorised and allocated, called-up and fully paid shares issued.

(N) Capital Reserves
Capital reserves - gains/losses on disposal includes:

– gains/losses on disposal of investments
– exchange differences on currency balances and on settlement of loan balances
– cost of own shares bought back
– other capital charges and credits charged to this account in accordance with the accounting policies above

Capital reserve - revaluation on investments held includes:

– increases and decreases in the valuation of investments and loans held at the year end.

All of the above are accounted for in the Statement of Comprehensive Income except the cost of own shares bought back or issued which are accounted for in the Statement of Changes in Equity.

(O) Repurchase of Ordinary Shares (including those held in treasury)
Where applicable, the costs of repurchasing ordinary shares including related stamp duty and transaction costs are taken directly to equity and reported through the Statement of Changes in Equity as a charge on the capital reserve. Share repurchase transactions are accounted for on a trade date basis.

The nominal value of ordinary share capital repurchased and cancelled is transferred out of called up share capital and into the capital redemption reserve.

Where shares are repurchased and held in treasury, the transfer to capital redemption reserve is made if and when such shares are subsequently cancelled.

Notes to the Financial Statements continued

(P) Share issue costs

Costs incurred directly in relation to the issue of new shares together with additional share listing costs have been deducted from the share premium reserve.

(Q) Segmental Reporting

Under IFRS 8, 'Operating Segments', operating segments are considered to be the components of an entity about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The chief operating decision maker has been identified as the Manager (with oversight from the Board).

The Board is of the opinion that the Company is engaged in a single segment of business, namely by investing in a diversified portfolio of technology companies from around the world in accordance with the Company's Investment Objective, and consequently no segmental analysis is provided.

In line with IFRS 8, additional disclosure by geographical segment has been provided in Note 26.

Further analyses of expenses, investment gains or losses, profit and other assets and liabilities by country have not been given as either it is not possible to prepare such information in a meaningful way or the results are not considered to be significant.

(R) Key Estimates and Judgements

Estimates and assumptions used in preparing the Financial Statements are reviewed on an ongoing basis and are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The results of these estimates and assumptions form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

The only estimates and assumptions that may cause material adjustment to the carrying value of assets and liabilities relate to the valuation of unquoted investments and investments for which there is an inactive market. These are valued in accordance with the techniques set out in Note 2(f). At the year end, there was no unquoted investments (2024: same).

The majority of the Company's investments are in US Dollars, the level of which varies from time to time. In determining the functional currency the Board considered the indicators in IAS 21 and the guidance in the AIC SORP. The Board considered that the indicators were mixed as although the Company's investments are predominantly denominated in USD, the majority of the Company's operating expenses and the Company's shares are denominated in Sterling. The Board consider that Sterling best reflects the economic environment in which the Company operates and is most relevant to the majority of the Company's Shareholders and creditors, and therefore concluded that the Company's functional currency is Sterling.

(S) New and revised accounting Standards

There were no new UK-adopted IAS or amendments to UK-adopted IAS applicable to the current year which had any significant impact on the Company's Financial Statements.

i) The following new or amended standards became effective for the current annual reporting period and the adoption of the standards and interpretations have not had a material impact on the Financial Statements of the Company.

Standards & Interpretations		Effective for periods commencing on or after
Amendments to IAS 1 Presentation of Financial Statements - Non-current liabilities with Covenants - Deferral of Effective Date Amendment (published 15 July 2020) Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) (publicised 23 January 2020)	The amendments clarify that only covenants with which an entity must comply on or before the reporting date will affect a liability's classification as current or non-current and the disclosure requirement in the financial statements for the risk that non-current liabilities with covenant could become repayable within twelve months.	1 January 2024
Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)	The amendments address the disclosure requirements to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk.	1 January 2024

ii) At the date of authorisation of the Company's Financial Statements, the following relevant standards that potentially impact the Company are in issue but are not yet effective and have not been applied in the Financial Statements:

Standards & Interpretations		Effective for periods commencing on or after
Lack of Exchangeability (Amendments to IAS 21)	The amendments specify how to assess whether a currency is exchangeable and how to determine a spot exchange rate if it is not.	1 January 2025
Annual Improvements to IFRS Accounting Standards – Volume 11	The amendments clarify the requirements for: Hedge accounting by a first-time adopter (IFRS 1 First-time Adoption of International Financial Reporting Standards); Gain or loss on derecognition (IFRS 7 Financial Instruments: Disclosures); Transaction price (IFRS 9 Financial Instruments); Derecognition of lease liabilities (IFRS 9); Determination of a 'de facto agent' (IFRS 10 Consolidated Financial Statements) and Cost method (IAS 7 Statement of Cash Flows).	1 January 2026
Amendments to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Statements	The amendments address two of the issues identified during the post-implementation review of IFRS 9, being the derecognition of a financial liability settled through electronic transfer and the classification of financial assets, it also introduces new and amended disclosure requirements.	1 January 2026

The Directors expect that the adoption of the standards listed above will have either no impact or that any impact will not be material on the Financial Statements of the Company in future periods.

Notes to the Financial Statements continued

3 Investment income

	Year ended 30 April 2025 £'000	Year ended 30 April 2024 £'000
Revenue:		
UK dividend income	58	-
Overseas dividend income	18,997	15,471
	19,055	15,471

All investment income is derived from listed investments.

Included within income from investments is £48,000 (2024: nil) of special dividends classified as revenue in nature in accordance with note 2(c). No special dividends have been recognised in capital (2024: same).

4 Other operating income

	Year ended 30 April 2025 £'000	Year ended 30 April 2024 £'000
Bank interest	3,932	2,529
Money market fund interest	2,377	3,909
	6,309	6,438

5 Gains on investments held at fair value

	Year ended 30 April 2025 £'000	Year ended 30 April 2024 £'000
Net gains on disposal of investments at historic cost	695,869	476,684
Transfer on disposal of investments	(618,762)	(151,853)
Gains on disposal of investments based on carrying value at previous balance sheet date	77,107	324,831
Valuation gains on investments held during the year	51,416	823,147
	128,523	1,147,978

6 Gains/(losses) on derivatives

	Year ended 30 April 2025 £'000	Year ended 30 April 2024 £'000
Gains/(losses) on disposal of derivatives held	10,212	(21,716)
Losses on revaluation of derivatives held	(7,445)	(314)
	2,767	(22,030)

The derivative financial instruments represent the call and put options, which are used for the purpose of efficient portfolio management. Refer to page 119 for further details.

7 Other currency losses

	Year ended 30 April 2025 £'000	Year ended 30 April 2024 £'000
Exchange losses on currency balances	(2,573)	(4,101)
Exchange gains on settlement of loan balances	9,753	-
Exchange (losses)/gains on translation of loan balances	(8,829)	2,809
	(1,649)	(1,292)

8 Investment management and performance fee

	Year ended 30 April 2025 £'000	Year ended 30 April 2024 £'000
Investment management fee paid to Polar Capital (charged wholly to revenue)	30,854	25,919
Performance fee paid to Polar Capital (charged wholly to capital)	-	-

There was no performance fee payable in respect of the year nor outstanding at the year end (2024: same).

The basis for calculating the investment management and performance fees are set out in the Strategic Report on page 58 and details of all amounts payable to the Manager are given in Note 24 on page 124.

A revised Investment Management Agreement was put in place with the Manager which took effect on 1 May 2025. The new base management fee is structured over two tiers, and the performance fee has been removed entirely. Details of the revised terms of the Investment Management Agreement are disclosed in the Strategic Report on page 58.

9 Other administrative expenses

	Year ended 30 April 2025 £'000	Year ended 30 April 2024 £'000
Directors' fees and expenses[1]	254	253
National insurance contributions	27	27
Depositary fee[2]	264	227
Registrar fee	61	57
Custody and other bank charges[3]	475	359
UKLA and LSE listing fees[4]	269	208
Legal & professional fees and other financial services[5]	56	3
AIC fees	22	21
Auditors' remuneration - for audit of the Financial Statements	82	80
Directors' and officers' liability insurance	50	56
AGM expenses[6]	-	6
Corporate brokers' fee[7]	-	-
Shareholder communications[8]	60	63
Other expenses[9]	24	33
	1,644	1,393

1 Full disclosure is given in the Directors' Remuneration Report on page 88.
2 Depositary fee is based on the value of the net assets. The daily average net asset value rose by 23% compared to the previous year.
3 Custody fees are based on the value of the assets and geographical activity and determined on the pre-approved rate card with HSBC.
4 Fees are based on the market capitalisation of the Company which has risen over the last invoice period.
5 2025 includes legal cost of new loan agreement.
6 Includes reversal of prior year over accruals in this period.
7 2024/2025 annual fee was offset by the commission credit on shares repurchases.
8 Includes Bespoke promotional marketing cost.
9 2025 includes external third party Board evaluation cost (2024: Non-executive Directors' search fee).

10 Finance costs

	Year ended 30 April 2025 £'000	Year ended 30 April 2024 £'000
Interest on loans and overdrafts	1,762	1,874
Loan arrangement and facility fees	24	-
	1,786	1,874

Notes to the Financial Statements continued

11 Taxation

a) Analysis of tax charge for the year:	Year ended 30 April 2025 £'000	Year ended 30 April 2024 £'000
Overseas tax	2,366	1,942
Total tax for the year (see Note 11b)	2,366	1,942

b) Factors affecting tax charge for the year:

The charge for the year can be reconciled to the profit per the Statement of Comprehensive Income as follows:

Profit before tax	120,721	1,117,379
Tax at the UK corporation tax rate of 25% (2024: 25%)	30,180	279,345
Tax effect of non-taxable dividends	(4,764)	(3,868)
Tax effect of gains on investments that are not taxable	(32,410)	(281,164)
Unrelieved current year expenses and deficits	6,994	5,687
Overseas tax suffered	2,366	1,942
Total tax for the year (see Note 11a)	2,366	1,942

c) Factors that may affect future tax charges:

There is an unrecognised deferred tax asset comprising:

Unrelieved management expenses	79,679	72,685
Non-trading loan relationship deficits	1,807	1,807
	81,486	74,492

The deferred tax asset is based on corporation tax rate of 25% (2024: 25%).

The Company has an unrecognised deferred tax asset of £79,679,000 (2024: £72,685,000) arising from surplus management expenses of £318,715,000 (2024: £290,740,000) and unrecognised deferred tax asset of £1,807,000 (2024: £1,807,000) arising from non-trade loan relationship deficits of £7,227,000 (2024: £7,227,000) based on a corporation tax rate of 25% (2024: 25%). Given the composition of the Company's portfolio, it is not likely these assets will be utilised in the foreseeable future and therefore no asset has been recognised in the accounts.

Due to the Company's tax status as an investment trust and the intention to continue meeting the conditions required to maintain approval of such status in the foreseeable future, the Company has not provided tax on any capital gains arising on the revaluation or disposal of investments held by the Company.

12 Earning per ordinary share

	Year ended 30 April 2025			Year ended 30 April 2024		
	Revenue return pence	Capital return pence	Total return pence	Revenue return pence	Capital return pence	Total return pence
The calculation of basic earning per ordinary share is based on the following data:						
Net profit for the year (£'000)	(11,286)	129,641	118,355	(9,219)	1,124,656	1,115,437
Weighted average ordinary shares in issue during the year*	1,187,532,192	1,187,532,192	1,187,532,192	1,233,614,300	1,233,614,300	1,233,614,300
From continuing operations						
Basic - earning per ordinary shares (pence)*	(0.95)	10.92	9.97	(0.75)	91.17	90.42

* The comparative figures have been rebased following the ten for one share split on 13 September 2024.

As at 30 April 2025 there are no potentially dilutive shares in issue and the earnings per share therefore equate to those shown above (2024: there was no dilution).

13 Investments held at fair value through profit or loss

i) Investments held at fair value through profit or loss

	Year ended 30 April 2025 £'000	Year ended 30 April 2024 £'000
Opening book cost	2,460,764	2,058,477
Opening investment holding gains	1,252,994	581,700
Opening fair value	3,713,758	2,640,177
Analysis of transactions made during the year		
Purchases at cost	4,475,207	2,799,314
Sales proceeds received	(4,652,597)	(2,873,711)
Gains on investments held at fair value	128,523	1,147,978
Closing fair value	3,664,891	3,713,758
Closing book cost	2,979,243	2,460,764
Closing investment holding gains	685,648	1,252,994
Closing fair value	3,664,891	3,713,758
Of which:		
Listed on a recognised Stock Exchange	3,664,891	3,713,758

The Company received £4,652,597,000 (2024: £2,873,711,000) from disposal of investments in the year. The book cost of these investments when they were purchased were £3,956,728,000 (2024: £2,397,027,000). These investments have been revalued over time and until they were sold any unrealised gains/losses were included in the fair value of the investments.

Included in additions at cost are purchase costs of £2,320,000 (2024: £1,550,000). Included in proceeds of disposals are sales costs of £2,971,000 (2024: £1,726,000). These costs primarily comprise commission.

ii) Changes in derivative financial instruments

	Year ended 30 April 2025 £'000	Year ended 30 April 2024 £'000
Valuation at 1 May	9,557	2,571
Additions at cost	99,770	50,759
Proceeds of disposal	(99,136)	(21,743)
Gains/(losses) on disposal	10,212	(21,716)
Valuation losses	(7,445)	(314)
Valuation at 30 April	12,958	9,557

The derivative financial instruments represent the call and put options, which are used for the purpose of efficient portfolio management. As at 30 April 2025, the Company held NASDAQ 100 Stock Index put option and the market value of this open put option position was £5,905,000 (2024: NASDAQ 100 Stock Index put options with a market value of £7,192,000). The Company also held Microsoft Corp call option and Apple Inc call options, the market value of these open call option position were £11,000 and £7,042,000 respectively (2024: Microsoft Corp call options with a market value of £403,000 and Apple Inc call option with a market value of £1,962,000).

iii) Classification under Fair Value Hierarchy:

The table below sets out the fair value measurements using the IFRS 13 fair value hierarchy. Categorisation within the hierarchy has been determined on the basis of the lowest level of input that is significant to the fair value measurement of the relevant asset as follows:

Level 1 - valued using quoted prices in active markets for identical assets.

Level 2 - valued by reference to valuation techniques using observable inputs other than quoted prices included within Level 1.

Level 3 - valued by reference to valuation techniques using inputs that are not based on observable market data.

Notes to the Financial Statements continued

The valuation techniques used by the Company are explained in the accounting policies note on page 112.

	Year ended 30 April 2025 £'000	Year ended 30 April 2024 £'000
Equity Investments and derivative financial instruments		
Level 1	3,671,944	3,717,533
Level 2	5,905	5,782
Level 3	-	-
	3,677,849	3,723,315

As at the year ended 30 April 2025, £5,905,000 (2024: £5,782,000) of NASDAQ 100 Stock Index put options held by the Company have been classified as level 2 due to the absence of regular trading activity levels closer to the measurement date. All other options held at the current and prior year end have been classified as level 1.

There has been no transfer between Levels 1, 2 and 3 during the year ended 30 April 2025.

iv) Unquoted investments

As at 30 April 2025, the portfolio comprised no unquoted investment (2024: same):

14 Receivables

	30 April 2025 £'000	30 April 2024 £'000
Sales for future settlement	38,356	34,612
Prepayments and accrued income	1,385	2,942
VAT recoverable	60	53
	39,801	37,607

The carrying values of other receivables approximate their fair value.

15 Cash and cash equivalents

	30 April 2025 £'000	30 April 2024 £'000
Cash at bank	167,544	69,964
Cash held at derivative clearing houses	-	54
Money market funds	21,367	33,015
Cash and cash equivalents	188,911	103,033
Overdraft at bank and derivative clearing houses	(1,046)	(437)
	187,865	102,596

As at 30 April 2025, the Company held BlackRock's Institutional Cash Series plc – US Treasury Fund with a market value of £21,367,000 (2024: £33,015,000), which is managed as part of the Company's cash and cash equivalents as defined under IAS 7.

As defined under IAS 7, the bank overdraft is included in the Company's cash and cash equivalents as it is repayable on demand and forms an integral part of the Company's cash management.

16 Payables

	30 April 2025 £'000	30 April 2024 £'000
Purchases for future settlement	17,680	6,885
Repurchase of ordinary shares awaiting settlement	1,798	1,553
Accruals	2,859	2,857
	22,337	11,295

The carrying values of other payables approximate their fair value.

17 Bank loans

i) Bank loans

	30 April 2025 £'000	30 April 2024 £'000
The Company has the following unsecured Japanese Yen and US Dollar loans at current and prior year end:		
JPN¥ 3.8bn at a rate of 1.13% repayable 30 September 2024	-	19,285
US$ 36m at a rate of 5.43% repayable 30 September 2024	-	28,751
JPN¥ 15bn at a rate of 2.106% repayable 30 September 2027	78,730	-
	78,730	48,036

The bank loan held at the year end is a Japanese Yen 15 billion three-year fixed rate term loan with The Bank of Nova Scotia. The loan is unsecured but is subject to certain undertakings and restrictions, all of which have been complied with during the year. The carrying value of the loan is substantially the same as fair value. This loan is repayable on 30 September 2027.

The main covenants relating to the above loan are:

(i) The Company's adjusted asset coverage shall not at any time be less than 4.00 to 1.00;

(ii) The Company's minimum net asset value shall be £2 billion.

ii) Reconciliation of bank loans

	30 April 2025 £'000	30 April 2024 £'000
Bank loans held as at 30 April 2024	48,036	50,845
Term loan of JPN¥ 3.8bn and US$ 36m under September 2022 facility due to expire in September 2024	(46,689)	-
Term loan of JPN¥ 15bn under September 2024 facility due to expire in September 2027	78,307	-
Exchange gains on settlement of loan balances	(9,753)	-
Effect of changes in foreign exchange rates on bank loans held	8,829	(2,809)
Bank loans held as at 30 April 2025	78,730	48,036

Both of the Japanese Yen 3.8 billion and US Dollar 36 million two-year fixed rate term loans with ING Bank N.V. were repaid on 30 September 2024. The JPY loan was replaced with a three-year fixed rate term loan of JPY 15 billion from The Bank of Nova Scotia.

The movement in the liability arising from the bank loans due to changes in foreign exchange rates is a non-cash movement and is included in the Statement of Comprehensive Income within 'Other currency losses'.

Notes to the Financial Statements continued

18 Share capital

	30 April 2025 £'000	30 April 2024 £'000
Allotted, Called up and Fully paid:		
Ordinary shares of 2.5p* each		
Opening balance of 1,206,215,690* (2024: 1,262,855,440*)	30,155	31,571
Repurchase of 36,208,671 (2024: 56,639,750*) ordinary shares into treasury	(905)	(1,416)
Allotted, called up and fully paid: 1,170,007,019 (2024: 1,206,215,690*) ordinary shares of 2.5p	29,250	30,155
203,142,981 (2024: 166,934,310*) ordinary shares held in treasury	5,079	4,174
At 30 April 2025	34,329	34,329

*The comparative figures have been rebased following the ten for one share split on 13 September 2024.

At the Annual General Meeting of the Company held on 11 September 2024, Shareholders approved the sub-division of existing ordinary shares of 25 pence each into ten new shares of 2.5 pence each (ten for one share split). Following the completion of this share split, 137,315,000 ordinary shares of 25 pence each (including 18,073,403 shares held in treasury) were sub-divided into 1,373,150,000 new ordinary shares of 2.5 pence each (including 180,734,030 shares held in treasury). The new ordinary shares were admitted to the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange's main market for listed securities on 13 September 2024.

During the year, there were no ordinary shares (outside of the ordinary share issued in relation to the share split) issued to the market (2024: no shares issued). A total of 36,208,671 (2024: 56,639,750*) ordinary shares were repurchased into treasury for a total consideration £117,935,000 (2024: £138,355,000 and stamp duty of £690,000).

Subsequent to the year end, and to 4 July 2025 (latest practicable date), 11,960,588 ordinary shares were repurchased into treasury at an average price of 335.98p per share.

19 Capital redemption reserve

	30 April 2025 £'000	30 April 2024 £'000
As at 1 May 2024	12,802	12,802
At 30 April 2025	12,802	12,802

The capital redemption reserve represents the nominal value of shares repurchased and cancelled.

This reserve is not distributable.

20 Share premium

	30 April 2025 £'000	30 April 2024 £'000
As at 1 May 2024	223,374	223,374
At 30 April 2025	223,374	223,374

The share premium arises from excess of consideration received on the issue of the shares over the nominal value.

This reserve is not distributable.

21 Special non-distributable reserve

	30 April 2025 £'000	30 April 2024 £'000
As at 1 May 2024	7,536	7,536
At 30 April 2025	7,536	7,536

The special non-distributable reserve arose from the exercise of warrants which were issued by the Company at launch in 1996. The final warrant conversion was exercised in 2005.

This reserve is not distributable.

22 Capital reserves

	Capital* reserve - gains/losses on disposal 30 April 2025 £'000	Capital** reserve - revaluation 30 April 2025 £'000	Total capital reserves 30 April 2025 £'000	Capital reserve - gains/losses on disposal 30 April 2024 £'000	Capital reserve - revaluation 30 April 2024 £'000	Total capital reserves 30 April 2024 £'000
As at 1 May 2024	2,414,787	1,254,583	3,669,370	2,102,965	580,794	2,683,759
Net gains on disposal of investments	77,107	-	77,107	324,831	-	324,831
Transfer on disposal of investments	618,762	(618,762)	-	151,853	(151,853)	-
Valuation gains on investments held during the year	-	51,416	51,416	-	823,147	823,147
Net gains/(losses) on derivative contracts	10,212	(7,445)	2,767	(21,716)	(314)	(22,030)
Exchange losses on currency balances	(2,573)	-	(2,573)	(4,101)	-	(4,101)
Exchange gains on settlement of loan balances	9,753	-	9,753	-	-	-
Exchange (losses)/gains on translation of loan balances	-	(8,829)	(8,829)	-	2,809	2,809
Share split costs	(64)	-	(64)	-	-	-
Ordinary shares repurchased into treasury	(117,349)	-	(117,349)	(138,355)	-	(138,355)
Stamp duty on ordinary shares repurchased into treasury	(586)	-	(586)	(690)	-	(690)
At 30 April 2025	3,010,049	670,963	3,681,012	2,414,787	1,254,583	3,669,370

* These are realised distributable capital reserves which may be used to repurchase the Company's shares or be distributed as dividends.

** This reserve comprises holdings gains on investments (which may become realised) and other amounts, which are unrealised. An analysis has not been made between the amounts that are realised (and maybe distributed or used to repurchase the Company's shares) and those that are unrealised.

23 Revenue reserve

	30 April 2025 £'000	30 April 2024 £'000
As at 1 May 2024	(142,878)	(133,659)
Loss for the year to 30 April	(11,286)	(9,219)
At 30 April 2025	(154,164)	(142,878)

The revenue reserve may be distributed or used to repurchase the Company's shares (subject to being a positive balance).

Notes to the Financial Statements continued

24 Transactions with the Manager and related party transactions

(a) Transactions with the Manager

Under the terms of an agreement dated 9 February 2001 the Company has appointed Polar Capital LLP ("Polar Capital") to provide investment management, accounting, secretarial and administrative services. Details of the fee arrangement for these services are given in the Strategic Report. The total management fees, paid under this agreement to Polar Capital in respect of the year ended 30 April 2025 were £30,854,000 (2024: £25,919,000) of which £2,246,000 (2024: £2,386,000) was outstanding at the year end.

There was no performance fee payable in respect of the year nor outstanding at the year end (2024: same).

In addition, the research costs and the first £200,000 of marketing costs per annum are borne by the Manager.

A revised Investment Management Agreement was put in place with the Manager which took effect on 1 May 2025. The new base management fee is structured over two tiers, and the performance fee has been removed entirely. Details of the revised terms of the Investment Management Agreement are disclosed in the Strategic Report on page 58.

(b) Related party transactions

The compensation payable to key management personnel in respect of short term employee benefits is £254,000 (2024: £253,000) which comprises £254,000 (2024: £253,000) paid by the Company to the Directors.

Refer to pages 86 to 90 for the Directors' Remuneration Report including Directors' shareholdings and movements within the year.

25 Net asset value per ordinary share

	Net asset value per share	
	30 April 2025	30 April 2024
Undiluted:		
Net assets attributable to ordinary Shareholders (£'000)	3,804,889	3,804,533
Ordinary shares in issue at end of year*	1,170,007,019	1,206,215,690
Net asset value per ordinary share (pence)*	325.20	315.41

* The comparative figures have been rebased following the ten for one share split on 13 September 2024.

As at 30 April 2025, there were no potentially dilutive shares in issue (2024: there was no dilution).

26 Segmental reporting

Geographical segments

Since the Company does not have external customers an analysis of the Company's investments held at 30 April 2025 by geographical segment and the related investment income earned during the year to 30 April 2025 is noted below:

	30 April 2025 Value of investments £'000	Year ended 30 April 2025 Gross income £'000	30 April 2024 Value of investments £'000	Year ended 30 April 2024 Gross income £'000
North America (inc. Latin America)	2,766,589	10,368	2,788,506	6,825
Europe	239,691	1,246	241,811	897
Asia Pacific (inc. Middle East)	658,611	7,441	683,441	7,749
Total	3,664,891	19,055	3,713,758	15,471

27 Derivatives and other financial instruments

Risk management policies and procedures

The Company invests in equities and other financial instruments for the long term to further the Investment Objective set out on page 54. This exposes the Company to a range of financial risks that could impact on the assets or performance of the Company.

The main risks arising from the Company's pursuit of its Investment Objective are market risk, liquidity risk, credit risk and gearing risk and the Directors' approach to the management of them is set out below. The risks have remained unchanged since the beginning of the year to which the Financial Statements relate.

The Company's exposure to financial instruments comprise:

- Equity and non-equity shares which are held in the investment portfolio in accordance with the Company's Investment Objective.
- Term loans and bank overdrafts, the main purpose of which is to raise finance for the Company's operations.
- Cash, money market funds, liquid resources and short-term receivables and payables that arise directly from the Company's operations.
- Derivative transactions which the Company enters into may include equity or index options, index future contracts, forward foreign exchange contracts and interest rate swaps.

The purpose of these is to manage the market price risks, foreign exchange risks and interest rate risks arising from the Company's investment activities.

The overall management of the risks is determined by the Board and its approach to each risk identified is set out below. The Board and the Investment Manager co-ordinate the risk management and the Investment Manager assesses the exposure to market risk when making each investment decision.

(a) Market Risk

Market risk comprises three types of risk: market price risk (see Note 27(a)(i)), currency risk (see Note 27(a)(ii)), and interest rate risk (see Note 27(a)(iii)).

(i) Market Price Risk

The Company is an investment company and as such its performance is dependent on the valuation of its investments. Consequently, market price risk is the most significant risk that the Company faces.

Market price risk arises mainly from uncertainty about future prices of financial instruments used in the Company's operations.

It represents the potential loss the Company might suffer through holding market positions in the face of price movements.

A detailed breakdown of the investment portfolio is given on pages 40 to 43. Investments are valued in accordance with the Company's accounting policies as stated in Note 2(f).

At the year end, the Company's portfolio included derivative instruments of £12,958,000 (2024: £9,557,000).

Notes to the Financial Statements continued

Management of the risk

In order to manage this risk, it is the Board's policy to hold an appropriate spread of investments in the portfolio in order to reduce both the statistical risk and the risk arising from factors specific to a particular technology sector. The allocation of assets to international markets, together with stock selection covering small, medium and large companies, and the use of index options, are other factors which act to reduce price risk. The Investment Manager actively monitors market prices throughout the year and reports to the Board which meets regularly in order to consider investment strategy.

Market price risk exposure

The Company's exposure to changes in market prices at 30 April on its quoted and unquoted investments was as follows:

	30 April 2025 £'000	30 April 2024 £'000
Non-current asset investments at fair value through profit or loss	3,664,891	3,713,758
Derivative financial instruments at fair value through profit or loss	12,958	9,557
	3,677,849	3,723,315

An analysis of the Company's portfolio is shown on pages 36 to 43.

Market price risk sensitivity

The following table illustrates the sensitivity of the return after taxation for the year and the value of Shareholders' funds to an increase or decrease of 20% (2024: 20%) in the fair values of the Company's investments. This level of change is considered to be reasonably possible based on observation of current market conditions and historic trends. The sensitivity analysis is based on the Company's investments at each balance sheet date, with all other variables held constant.

	30 April 2025 £'000		30 April 2024 £'000	
	Increase in fair value	Decrease in fair value	Increase in fair value	Decrease in fair value
Revenue return	(4,413)	4,413	(4,468)	4,468
Capital return	735,570	(735,570)	744,663	(744,663)
Change to the profit after tax for the year	731,157	(731,157)	740,195	(740,195)
Change to Shareholders' funds	731,157	(731,157)	740,195	(740,195)
Change to NAV per share (pence)*	62.49	(62.49)	61.37	(61.37)

* The comparative figures have been rebased following the ten for one share split on 13 September 2024.

(ii) Currency Risk

The Company's total return and net assets can be significantly affected by currency translation movements as the majority of the Company's assets and revenue are denominated in currencies other than Sterling.

Management of the risk

The Investment Manager mitigates the individual currency risks through the international spread of investments and may make use of forward foreign exchange contracts. Borrowings in foreign currencies are entered into to manage the asset exposure to those currencies, which vary according to the asset allocation.

Foreign currency exposure

The table below shows, by currency, the split of the Company's non-Sterling monetary assets, liabilities and investments that are priced in currencies other than Sterling.

	30 April 2025 £'000	30 April 2024 £'000
Monetary Assets:		
Cash and short term receivables		
Japanese Yen	126,338	25,743
US Dollars	76,426	101,102
Euros	7,061	700
Taiwan Dollars	5,065	1,086
Hong Kong Dollars	267	-
Swiss Franc	24	23
Canadian Dollars	1	141
Korean Won	-	162
Polish Zloty	-	2
Monetary Liabilities:		
Payables		
US Dollars	(13,767)	(7,024)
Hong Kong Dollars	(4,995)	(6)
Japanese Yen	(136)	(19)
Euros	(2)	(436)
Bank Loans:		
Japanese Yen	(78,730)	(19,285)
US Dollars	-	(28,751)
Foreign currency exposure on net monetary items	117,552	73,438
Non-Monetary Items:		
Investments at fair value through profit or loss that are equities		
US Dollars	3,042,984	2,965,498
Taiwan Dollars	271,567	283,415
Euros	128,739	177,685
Hong Kong Dollars	87,284	33,562
Japanese Yen	79,549	196,707
Korean Won	35,455	40,845
Canadian Dollars	-	7,651
Investments at fair value through profit or loss that are derivatives		
US Dollars	12,958	9,557
Total net foreign currency exposure	3,776,088	3,788,358

Notes to the Financial Statements continued

Foreign currency exchange rate movement

During the financial year Sterling appreciated by 6.7% (2024: depreciated by 0.4%) against the US Dollar, depreciated by 3.3% (2024: appreciated by 15.1%) against the Japanese Yen, appreciated by 0.3% (2024: appreciated by 2.9%) against the Euro, appreciated by 5.8% (2024: depreciated by 0.7%) against the Hong Kong Dollar, appreciated by 9.7% (2024: appreciated by 2.9%) against the Korean Won and appreciated by 4.8% (2024: appreciated by 5.5%) against the Taiwan Dollar.

Foreign currency sensitivity

The following table illustrates the sensitivity of the loss after tax for the year and the value of Shareholders' funds in regard to the financial assets and financial liabilities and the exchange rates for the £/US Dollar, £/Euro, £/Japanese Yen, £/Hong Kong Dollar, £/Korean Won and £/Taiwan Dollar.

Based on the year end position, if Sterling had depreciated, by a further 15% (2024: 15%), against the currencies shown, this would have the following effect:

	30 April 2025 £'000					
	US Dollar	Euro	Japanese Yen	Hong Kong Dollar	Korean Won	Taiwan Dollar
Statement of Comprehensive Income - profit/loss after tax						
Revenue return	1,488	302	45	79	68	891
Capital return	550,331	23,844	22,304	14,570	6,257	48,809
Change to the profit/loss after tax for the year	551,819	24,146	22,349	14,649	6,325	49,700
Change to Shareholders' funds	551,819	24,146	22,349	14,649	6,325	49,700

	30 April 2024 £'000					
	US Dollar	Euro	Japanese Yen	Hong Kong Dollar	Korean Won	Taiwan Dollar
Statement of Comprehensive Income - profit/loss after tax						
Revenue return	980	335	461	56	143	1,059
Capital return	536,482	31,279	35,683	5,923	7,208	50,055
Change to the profit/loss after tax for the year	537,462	31,614	36,144	5,979	7,351	51,114
Change to Shareholders' funds	537,462	31,614	36,144	5,979	7,351	51,114

Based on the year end position, if Sterling had appreciated, by a further 15% (2024: 15%), against the currencies shown, this would have the following effect:

	30 April 2025 £'000					
	US Dollar	Euro	Japanese Yen	Hong Kong Dollar	Korean Won	Taiwan Dollar
Statement of Comprehensive Income - profit/loss after tax						
Revenue return	(1,100)	(223)	(33)	(58)	(50)	(658)
Capital return	(406,766)	(17,624)	(16,485)	(10,769)	(4,625)	(36,076)
Change to the profit/loss after tax for the year	(407,866)	(17,847)	(16,518)	(10,827)	(4,675)	(36,734)
Change to Shareholders' funds	(407,866)	(17,847)	(16,518)	(10,827)	(4,675)	(36,734)

	30 April 2024 £'000					
	US Dollar	Euro	Japanese Yen	Hong Kong Dollar	Korean Won	Taiwan Dollar
Statement of Comprehensive Income - profit/ loss after tax						
Revenue return	(679)	(247)	(341)	(41)	(106)	(783)
Capital return	(396,530)	(23,119)	(26,375)	(4,378)	(5,328)	(36,997)
Change to the profit/loss after tax for the year	(397,209)	(23,366)	(26,716)	(4,419)	(5,434)	(37,780)
Change to Shareholders' funds	(397,209)	(23,366)	(26,716)	(4,419)	(5,434)	(37,780)

In the opinion of the Directors, neither of the above sensitivity analysis are representative of the year as a whole since the level of exposure changes frequently as part of the currency risk management process used to meet the Company's objectives.

(iii) Interest Rate Risk

Interest rate changes may affect the income received from cash at bank and interest payable on borrowings.

All cash balances earn interest at a variable rate.

The Company has additional exposure to interest rate risk in relation to its holdings in the money market funds and receive interests income at a variable rate.

The Company finances its operations through its term loans as well as bank overdrafts and any retained gains arising from operations.

The Company uses borrowings in the desired currencies at both fixed and floating rates of interest to both generate the desired interest rate profile and manage the exposure to interest rate fluctuations.

The Company's Japanese Yen three-year term loan carries a fixed rate of interest and therefore do not give rise to any interest rate risk.

Management of the risk

The Board imposes borrowing limits to ensure gearing levels are appropriate to market conditions and reviews these on a regular basis. The Company may also enter into interest rate swap agreements.

Interest rate exposure

The exposure, at 30 April, of financial assets and liabilities to interest rate risk is shown by reference to:

– floating interest rates (i.e. giving cash flow interest rate risk) - when the rate is due to be re-set;

– fixed interest rates (i.e. giving fair value interest rate risk) - when the financial instrument is due for repayment.

	30 April 2025 (£'000)			30 April 2024 (£'000)		
	Within one year	More than one year	Total	Within one year	More than one year	Total
Exposure to floating interest rates:						
Cash held at bank and derivative clearing houses	167,544	-	167,544	70,018	-	70,018
Overdraft at bank and derivative clearing houses	(1,046)	-	(1,046)	(437)	-	(437)
Money market funds	21,367	-	21,367	33,015	-	33,015
Exposure to fixed interest rates:						
Bank loan	-	(78,730)	(78,730)	(48,036)	-	(48,036)
Total exposure to interest rates	187,865	(78,730)	109,135	54,560	-	54,560

Notes to the Financial Statements continued

The Japanese Yen 3.8bn and US Dollar 36m two-year fixed rate term loan with ING Bank N.V were repaid on 30 September 2024, and replaced with a single three-year fixed rate term loan of Japanese Yen 15bn with The Bank of Nova Scotia. The Japanese Yen loan carries an interest rate of 2.106% per annum, which falls due for repayment on 30 September 2027 (2024: the Company held two, two-year fixed rate term loan. The Japanese Yen 3.8 bn carried an interest rate of 1.13% and US Dollar 36m carried an interest rate of 5.43%, both of which fall due for repayment on 30 September 2024.).

Interest rate sensitivity

The sensitivity analysis is based on the Company's monetary financial instruments held at each balance sheet date, with all other variables held constant.

The table below illustrates the Company's sensitivity to interest rate movements, with a change of 1.5% (2024: 1.5%) per annum in the rates of interest available to the Company's financial assets and liabilities. The effect on the revenue and capital return after tax and the value of Shareholders' funds are as follows if rates increased:

	30 April 2025 £'000	30 April 2024 £'000
Statement of Comprehensive Income - profit/loss after tax		
Revenue return	1,637	818
Capital return	-	-
Change to the profit/loss after tax for the year	1,637	818
Change to Shareholders' funds	1,637	818

A corresponding decrease in the rate would have equal and opposite effect to that shown in the table above.

This level of change is considered to be reasonably possible based on observation of current market conditions. This is not representative of the year as a whole, since the exposure changes as level of cash/(loans) held during the year will be affected by the strategy being followed in response to the Investment Manager's perception of market prospects and the investment opportunities available at any particular time.

(b) Liquidity Risk

Liquidity risk is the possibility of failure of the Company to realise sufficient assets to meet its financial liabilities.

Management of the risk

The Company's assets mainly comprise readily realisable securities which may be sold to meet funding requirements as necessary.

Liquidity risk exposure

The maturity of the Company's existing borrowings are set out in Note 17 to the Financial Statements. Short-term flexibility is achieved through the use of overdraft facilities.

At 30 April the financial liabilities comprised of:

	30 April 2025 £'000	30 April 2024 £'000
Due within 1 month:		
Balances due to brokers	17,680	6,885
Repurchase of ordinary shares awaiting settlement	1,798	1,553
Accruals	2,723	2,699
Overdraft at bank and derivative clearing houses	1,046	437
Due after 3 months and within 1 year:		
Bank loan interest (2024: Bank loan and interest)	1,794	48,950
Due after 1 year and within 3 years:		
Bank loan and interest	81,083	-

(c) Credit Risk

Credit risk is the exposure to loss from failure of a counterparty to deliver securities or cash for acquisitions or disposals of investments or to repay deposits.

Management of the risk

The Company manages credit risk by using brokers from a database of approved brokers and by dealing through Polar Capital.

All cash balances are held with approved counterparties. HSBC Bank plc is the Custodian of the Company's assets. The Company's assets are segregated from HSBC's own trading assets and are therefore protected in the event that HSBC were to cease trading.

These arrangements were in place throughout the current year and the prior year.

Credit risk exposure

The maximum exposure to credit risk at 30 April 2025 was £228,488,000 (2024: £140,483,000) comprising:

	30 April 2025 £'000	30 April 2024 £'000
Balances due from brokers	38,356	34,612
Accrued income	1,221	2,838
Cash at bank	167,544	69,964
Cash held at derivative clearing houses	-	54
Money market funds	21,367	33,015
	228,488	140,483

All of the above financial assets are current, their fair values are considered to be the same as the values shown and the likelihood of a material credit default is considered low.

None of the Company's financial assets are past due or impaired. All deposits were placed with banks that had a rating of A or higher.

The money market fund, BlackRock's Institutional Cash Series plc – US Treasury Fund, held by the Company as at year ended 30 April 2025 has a rating of AAA or higher, the fund invests primarily in US Treasury bills, US Treasury Repurchase Agreements and other similar instruments.

Investment transactions are carried out with a large number of brokers, the credit standing of each is reviewed periodically by the Investment Manager are set on the amount that may be due from any one broker.

(d) Gearing risk

The Company's policy is to increase its exposure to equity markets through the judicious use of borrowings. When borrowings are invested in such markets, the effect is to magnify the impact on Shareholder's funds of changes, both positive and negative, in the value of the portfolio.

Management of the risk

The Company uses long-term loans to manage gearing risk, details of which can be found in Note 17.

Gearing risk exposure

The loans are valued at amortised cost, using the effective interest rate method in the Financial Statements. The Board regulates the overall level of gearing by raising or lowering cash balances.

Notes to the Financial Statements continued

(e) Capital Management Policies and Procedures

The Company's capital, or equity, is represented by its net assets which are managed to achieve the Company's Investment Objective set out on page 54.

The Board monitors and reviews the broad structure of the Company's capital on an ongoing basis. This review includes:

(i) the planned level of gearing through the Company's fixed rate loan facility, credit facility and

(ii) the need to issue or buy back equity shares for cancellation, which takes account of the difference between the net asset value per share and the share price (i.e. the level of share price discount or premium).

The Company's objectives, policies and processes for managing capital are unchanged from the preceding accounting period.

The Company is subject to externally imposed capital requirements through the Companies Act with respect to its status as a public company.

In addition in order to pay dividends out of profits available for distribution by way of dividend, the Company has to be able to meet one of the two capital restriction tests imposed on investment companies by Company Law. The Company is also subject to externally imposed capital requirements through the loan covenants set out in the loan facility.

These requirements are unchanged since the previous year end and the Company has complied with them.

28 Post Balance Sheet Event

Subsequent to the year end, and to 4 July 2025, 11,960,588 ordinary shares were repurchased and placed in the Treasury at an average price of 335.98p per share.

There are no other significant events that have occurred after the end of the reporting period to the date of this report which require disclosure.

Shareholder Information

Alternative Performance Measures (APMs)

In assessing the performance of the Company, the Investment Manager and the Directors use the following APMs which are not defined in accounting standards or law but are considered to be known industry metrics:

NAV Total Return

The NAV total return shows how the net asset value per share has performed over a period of time taking into account both capital returns and dividends paid to Shareholders.

NAV total return reflects the change in value of NAV plus the dividend paid to the Shareholder. Since the Company has not paid a dividend the NAV total return is the same as the NAV per share return as at the year ended 30 April 2025 and 30 April 2024.

		Year ended 30 April 2025	Year ended 30 April 2024*
Opening NAV per share	a	315.41p	223.95p
Closing NAV per share	b	325.20p	315.41p
NAV total return for the year	(b / a)-1	3.1%	40.8%

Share Price Total Return

Share price total return shows how the share price has performed over a period of time. It assumes that dividends paid to Shareholders are reinvested in the shares at the time the shares are quoted ex dividend.

Share price total return reflects the change in share price value plus the dividend paid to the Shareholder. Since the Company has not paid dividends the share price total return is the same as the price per ordinary share return as at year end 30 April 2025 and 30 April 2024.

		Year ended 30 April 2025	Year ended 30 April 2024*
Opening share price	a	292.00p	194.00p
Closing share price	b	288.50p	292.00p
Share price total return for the year	(b / a)-1	(1.2%)	50.5%

(Discount)/Premium

A description of the difference between the share price and the net asset value per share usually expressed as a percentage (%) of the net asset value per share. If the share price is higher than the NAV per share the result is a premium. If the share price is lower than the NAV per share, the shares are trading at a discount. A premium or discount is generally the consequence of supply and demand for the shares on the stock market.

		30 April 2025	30 April 2024*
Closing share price	a	288.50p	292.00p
Closing NAV per share	b	325.20p	315.41p
Discount of ordinary share price to the NAV per ordinary share	(a / b)-1	(11.3%)	(7.4%)

* Prior year was rebased following the sub-division of Ordinary Shares of 25p each into 10 new Ordinary Shares of 2.5p each, approved at the AGM held on 11 September 2024 and effective on 13 September 2024.

Ongoing Charges

Ongoing charges are calculated in accordance with AIC guidance by taking the total expenses of the Company, excluding performance fees and exceptional items, if any, and expressing them as a percentage of the average daily net asset value of the Company over the year.

Ongoing charges include all regular operating expenses of the Company. Transaction costs, interest payments, tax and non-recurring expenses are excluded from the calculation as are the costs incurred in relation to share issues and share buybacks.

Where a performance fee is paid or is payable, a second ongoing charge is provided, calculated on the same basis as the above but incorporating the amount of performance fee due or paid.

		Year ended 30 April 2025	Year ended 30 April 2024
Investment Management Fee (Note 8 on page 117)		£30,854,000	£25,919,000
Other Administrative Expenses (Note 9 on page 117)		£1,644,000	£1,393,000
	a	£32,498,000	£27,312,000
Average daily net assets value	b	£4,234,039,000	£3,432,125,000
Ongoing Charges excluding performance fee	a / b	0.77%	0.80%
Performance fee (Note 8 on page 117)	c	-	-
	d = a+c	£32,498,000	£27,312,000
Ongoing charges including performance fee	d / b	0.77%	0.80%

Glossary of Terms

Administrator	The Company's Administrator is HSBC Securities Services (HSS) who are contracted through Polar Capital LLP to provide accounting and administrative services under the terms of the Investment Management Agreement ("IMA").
AGM	Annual General Meeting – a meeting required to be held in accordance with the Companies Act 2006, within six months of the Company's financial year end. The AGM of the Company will be held on Wednesday, 10 September 2025. Details of the arrangements will be provided in the separate Notice of AGM and on the Company's website.
AIC	Association of Investment Companies, the industry body for closed ended investment companies.
AIF	Alternative Investment Fund – the Company is an investment trust which is a collective investment undertaking which raises capital from a number of investors (in the case of the Company, by selling shares in the open market on the London Stock Exchange) with a view to investing the capital in accordance with the investment policy (see page 54).
AIFM	Alternative Investment Fund Manager, a body appointed in accordance with the AIFMD (see below). Polar Capital LLP is the appointed AIFM to the Company.
AIFMD	Alternative Investment Fund Managers Directive. Issued by the European Parliament in 2012 and 2013. The Directive requires that, while the Board of Directors of an Investment Trust remains fully responsible for all aspects of the Company's strategy, operations and compliance with regulations, all alternative investment funds ('AIFs') in the UK and European Union, must appoint a Depositary and an Alternative Investment Fund Manager ('AIFM').
Benchmark	The Dow Jones Global Technology Index (total return, Sterling adjusted, with the removal of relevant withholding taxes). The performance of the Company is measured against the performance of the benchmark.
Closed-ended Investment Company	An Investment company whose shares are traded in the open market, e.g., on the London Stock Exchange.
Custodian	HSBC Bank plc is the Custodian of the Company's assets. The Custodian is a financial institution responsible for safeguarding, worldwide, the listed securities and certain cash assets of the Company, as well as the income arising therefrom, through provision of custodial, settlement and associated services.
Depositary	The Company's Depositary is also HSBC Bank plc. Under AIFMD (see above) rules the Company must appoint a Depositary whose duties in respect of investments, cash and similar assets include: safekeeping; verification of ownership and valuation; and cash monitoring. Under the AIFMD rules, the Depositary has strict liability for the loss of the Company's financial assets in respect of which it has safe-keeping duties. The Depositary's oversight duties will include but are not limited to share buybacks, dividend payments and adherence to investment limits.
Derivative	Derivative is a contract between two or more parties, the value of which fluctuates in accordance with the value of an underlying security. Examples of derivatives are Put and Call Options, Swap contracts, Futures and Contracts for Difference. The use of derivatives is to protect the capital value of the portfolio or for efficient portfolio management. A derivative can be an asset or a liability and is a form of gearing because it can increase the economic exposure to Shareholders.
(Discount)/premium	See Alternative Performance Measure (APM) on page 136.
Earnings per Share ("EPS")	A company's profitability expressed on a per share basis and calculated by dividing the company's annual earnings after tax by the weighted average number of shares in issue.
ESG	Stands for Environmental, Social and Governance Principles. It's a way for investors to evaluate companies based on how they impact the environment and society.

Fund/Portfolio Manager	Ben Rogoff (Lead Manager) and Ali Unwin (Deputy Fund Manager) of Polar Capital LLP have been delegated responsibility for the creation and management of the portfolio of investments subject to the investment policy and various parameters set by the Board of Directors.
FCA	The Financial Conduct Authority (FCA) regulates the financial services industry in the UK. Its role includes protecting consumers, keeping the industry stable, and promoting healthy competition between financial service providers.
IFRS	International Financial Reporting Standards (IFRS) are accounting standards which are developed by the International Accounting Standards Board (IASB) and the International Sustainability Standards Board (ISSB). The IASB sets IFRS Accounting Standards and the ISSB sets IFRS Sustainability Disclosure Standards.
Inflation	A measure of the change in the average price level of a basket of goods and services in a particular economy.
Investment Company	In Section 833 of the Companies Act 2006, an Investment Company is defined as a company which invests its funds in shares, land or other assets with the aim of spreading investment risk.
Investment Trust taxation status	UK Corporation Tax law (Section 1158 of the Corporation Tax Act 2010) allows an Investment Company (referred to in Tax law as an Investment Trust) to be exempt from tax on its profits realised on investment transactions, provided it complies with certain rules. These are similar to Section 833 above but further require that the Company must be listed on a regulated stock exchange and that it cannot retain more than 15% of income received. The Directors' Report contains confirmation of the Company's compliance with this law and its consequent exemption from taxation on capital gains.
KPMG	The Company's Auditor is KPMG LLP, represented by Richard De La Rue, Partner.
Leverage	As defined under AIFMD rules, leverage is any method by which the exposure of an AIF is increased through borrowing of cash or securities or leverage embedded in derivative positions. Leverage is broadly equivalent to gearing but is expressed as a ratio between the assets (excluding borrowings) and the net assets (after taking account of borrowings).
Liquidity	The ease with which a security can be traded on the market, usually defined by turnover of the shares divided by the number of shares in issue.
Manager/Investment Manager	Polar Capital LLP (Polar Capital), also appointed as AIFM (see above). The responsibilities and fees payable to Polar Capital are set out in the Strategic Report.
Market capitalisation	Also sometimes referred to as 'market cap', this is a measure which describes the size of a Company or an Investment Trust. It is calculated by multiplying the number of shares by the price of the shares.
Net Asset Value (NAV)	The NAV is the value attributed to the Shareholders of the Company less the liabilities, presented either on a per share or total basis. The value of the Company's assets, principally investments made in other companies and cash being held, minus any liabilities. The NAV is also described as 'Shareholders' funds' per share. The NAV is often expressed in pence per share after being divided by the number of shares which have been issued. The NAV per share is unlikely to be the same as the share price which is the price at which the Company's shares can be bought or sold by an investor. The NAV per ordinary share is published daily.
Non-executive Director	The Company is managed by a Board of Directors who are appointed by letter rather than a contract of employment. The Company does not have any executive Directors. Remuneration of the Non-executive Directors is set out in the Directors' Remuneration Report while the duties of the Board and the various Committees are set out in the Corporate Governance Statement.
PCT or the Company	Polar Capital Technology Trust Plc.

Glossary of Terms continued

Price/earnings ratio (P/E ratio)	A way to estimate the future earnings potential of a particular company or investment trust. It is calculated by taking the current price and dividing it by earnings per share. The P/E ratio also gives an indication of how quickly the company is expected to grow – a high PE indicates that a company is expected to see EPS grow quickly in the future.
SORP	The Statement of Recommended Practice (SORP) for investment trust is issued by the AIC and it provides recommendations on financial reporting that supplement official accounting standards. The financial statements of the Company are prepared in accordance with the Investment Trust SORP.
Treasury shares	Treasury shares are the Company's own shares that have been brought back from Shareholders and not cancelled but held in Treasury. Such shares may be reissued into the market at a premium to NAV. Treasury shares do not attract the right to receive dividends or have any other voting rights.
UK-adopted IAS	The international accounting standards adopted by the UK Endorsement Board after delegation of adoption powers. These include International Accounting Standards (IAS), IFRS and related interpretations, subsequent amendments to those standards and related interpretations, issued or adopted by the IASB.
Volatility	Volatility describes the price movement of an investment. High volatility indicates frequent and significant price movement, whereas low volatility investments have less frequent or severe fluctuations in price.
Yield	Within the Investment Manager's report, yield refers to the income an investor may receive from an asset such as a share, bond or income-oriented fund. It is often expressed as a percentage, relative to the asset price.

Corporate Information – AGM

2025 Annual General Meeting ("AGM")

The Company's AGM will be held at 2:30pm on Wednesday, 10 September 2025 at the offices of Herbert Smith Freehills Kramer, Exchange House, Primrose Street, London, EC2A 2EG.

Further information, including the full text of the resolutions to be proposed at the AGM and an explanation of each resolution, is contained in the Notice of AGM which has been posted to Shareholders and is available on the Company's website.

Shareholders will have the option to ask questions at the meeting but are also encouraged to send any questions ahead of the AGM to the Board via the Company Secretary at **cosec@polarcapital.co.uk** stating the subject matter as **PCTT-AGM**. We will endeavour to answer relevant questions at the meeting.

For ease of reference and understanding a brief explanation of the resolutions and the structure of the AGM is given below.

Resolution 1 relates to the statutory requirement of every company to lay before Shareholders the Annual Report and Financial Statements, i.e. this document in full. The Annual Report has been prepared and approved by the Board of Directors and audited by the externally appointed auditors. The document will be filed at Companies House once issued to Shareholders. The Annual Report sets out the Company's business strategy, governance structure and procedures as well as the financial accounts for the financial year under review and any forward-looking statements.

Resolution 2 in compliance with the Large and Medium- Sized Companies and Groups (Accounts and Reports) (Amendment) Regulation 2013 (the 'Regulations'),The Companies (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019 and the UK Listing Rules of the Financial Conduct Authority, the Company is required on a three-yearly basis to provide Shareholders with the opportunity to vote on the Company's Remuneration Policy. Shareholders last voted on the Remuneration Policy at the AGM in 2023 and in the absence of material changes, Shareholders will next have a chance to vote on the Remuneration Policy at the AGM to be held in 2026.

In addition to this, on an annual basis, Shareholders are presented, with the Directors' Remuneration Report which looks back at the year under review and advises how the Remuneration Policy was applied. Resolution 2 therefore, is the annual advisory vote of Shareholders on the Remuneration Report. The Directors' Remuneration Report is presented on pages 86 to 90.

Resolutions 3 to 8 relate to the annual election / re-election of Directors. In line with good corporate governance the tenure policy of Directors is nine years, with the exception of the Board's Chair tenure policy which allows the Chair to remain in the role for up to twelve years in certain circumstances. It is recommended that Directors stand for re-election on an annual basis in order to give Shareholders the opportunity to vote on each Director. Having undergone an external Board Evaluation process, as described on page 91, the Directors have provided a rationale for their support for the reappointment of each Director on pages 10 and 11 and within the Notice of AGM.

Resolutions 9 and 10 relate to the statutory appointment or reappointment of the Company's external auditors and the Directors' authority to determine their remuneration. Further information is provided in the Audit Committee Report on pages 81 to 85.

Resolution 11 – Continuation Vote In accordance with Article 154 of the Articles of Association, the Directors are required to put a resolution to Shareholders at the AGM in 2025 and every fifth subsequent AGM to continue the life of the Company as an investment company for a further five years. The Board is therefore proposing Resolution 11 as an ordinary resolution, which, if passed, will allow the Company to continue as an investment company for a further five years. If Resolution 11 is not passed, then the Articles of Association require the Board to convene a General Meeting within three months of the date of the AGM to consider such proposals for the voluntary liquidation or other reorganisation of the Company as the Board considers appropriate.

Resolution 12 will, if passed, renew the Directors' authority to allot new Ordinary shares up to an aggregate nominal amount of £2,895,116 being 10 per cent. of the issued Ordinary share capital of the Company (excluding treasury shares) as at close of business on 4 July 2025.

Resolution 13, which will be proposed as a special resolution, will, if passed, renew the Directors' existing authority to allot new Ordinary shares or sell treasury shares for cash without the new Ordinary shares first being offered to existing Shareholders in proportion to their existing holdings. This will give the Directors authority to allot Ordinary shares or sell shares from treasury on a non pre-emptive basis for cash up to an aggregate nominal amount of £2,895,116 (representing

Corporate Information – AGM continued

10 per cent. of the issued Ordinary share capital of the Company (excluding treasury shares) as at close of business on 4 July 2025).

New Ordinary shares issued under this authority will only be issued at prices representing a premium to the last published net asset value per share.

The authorities being sought under Resolutions 12 and 13 will expire at the conclusion of the Company's next AGM in 2026 or, if earlier, on the expiry of 15 months from the date of the passing of the resolutions, unless such authorities are renewed, varied or extended prior to such time. The Board will only utilise these authorities if it believes that to do so would be in the best interests of Shareholders as a whole.

Resolution 14, which will be proposed as a special resolution, seeks to renew the Board's authority to make market purchases of the Company's Ordinary shares in accordance with the provisions of the Companies Act 2006 and the FCA's Listing Rules. Accordingly, the Company will seek authority to purchase up to a maximum of 14.99 per cent. of the issued Ordinary share capital (excluding treasury shares) as at the date of passing of the resolution. The Board does not intend to use this authority to purchase the Company's Ordinary shares unless to do so would result in an increase in the net asset value per Ordinary share and would be in the best interests of Shareholders as a whole. Any Ordinary shares purchased will be either cancelled or held in treasury. The authority being sought will expire at the conclusion of the AGM in 2026 or, if earlier, on the expiry of 15 months from the date of the passing of the resolution unless such authority is renewed, varied or extended prior to such time.

Corporate Information – Other

History and Structure

The Company was launched in 1996 with a five-yearly continuation vote. The last continuation vote was passed at the AGM held in September 2020 with 100% of the votes in favour. Following engagement with major Shareholders and advisors, the long term performance of the portfolio and the outcome of previous continuation votes, the Directors are confident that the continuation vote will be passed at the AGM to be held at the forthcoming AGM on September 2025 and therefore the Company will continue to operate as an investment trust with an independent Board and third-party investment manager.

Termination Arrangements

The Investment Management Agreement ("IMA") may be terminated by either party giving 12 months' notice, but under certain circumstances the Company may be required to pay up to one year's management charges if immediate notice is given. Compensation will be on a sliding scale if less than 12 months' notice is given. The IMA may be terminated earlier by the Company with immediate effect on the occurrence of certain events, including: (i) if an order has been made or an effective resolution passed for the liquidation of the Investment Manager; (ii) if the Investment Manager ceases or threatens to cease to carry on its business; (iii) where the Company is required to do so by a relevant regulatory authority; (iv) on the liquidation of the Company; or (v) subject to certain conditions, where the Investment Manager commits a material breach of the IMA.

Other

In addition to the above, the Investment Manager is responsible for the first £200,000 of marketing costs and all research costs.

Share Capital, Voting Rights and Transferability

The Company's share capital is divided into ordinary shares of 2.5p nominal value each. At 30 April 2025, there were 1,373,150,000 ordinary shares in issue of which 203,142,981 were held in treasury (2024: 166,934,310* ordinary shares held in treasury). As at close of business on 4 July 2025, the latest practicable date prior to signing of this report, there were 1,373,150,000 ordinary shares in issue of which 215,103,569 were held in treasury.

* The comparative figures have been rebased following the ten for one share split on 13 September 2024.

Ordinary shares carry voting rights which are exercised on a show of hands at a meeting, or on a poll, where each share has one vote. Arrangements for the casting of proxy votes are provided when a notice of meeting is issued.

Any shares in the Company may be held in uncertificated form and, subject to the Articles, title to uncertificated shares may be transferred by means of a relevant system. Further information can be found in the Articles of Association available on the Company's website www.polarcapitaltechnologytrust.co.uk

The Company is not aware of arrangements to restrict the votes or transferability of its shares.

Capital Gains Tax

Information on Capital Gains Tax ('CGT') is available on the HM Revenue & Customs website www.hmrc.gov.uk/cgt/index.

When shares are disposed of a capital gain may result if the disposal proceeds exceed the sum of the base cost of the shares sold and any other allowable deductions such as share dealing costs. The exercise of subscription shares into ordinary shares should not have given rise to a capital gain, however a capital gain may arise on the eventual disposal of those shares.

The calculations required to compute capital gains may be complex and depend on personal circumstances. Shareholders are advised to consult their personal financial advisor for further information regarding a possible tax liability in respect of their shareholdings.

Within the Document Library of the Company's website, launch and calculation details for CGT purposes are provided, Shareholders may find these useful when considering their tax position.

Dividends

The Company has not historically paid a dividend as the objective is capital growth.

Company Website

www.polarcapitaltechnologytrust.co.uk

The Investment Manager maintains a website on behalf of the Company which provides a wide range of information on the Company, monthly factsheets issued by the Investment Manager and copies of announcements, including the annual and half year reports when issued.

Information on the Company can also be obtained from various other sources including:

- www.theaic.co.uk
- www.ft.com/markets
- www.londonstockexchange.co.uk

Corporate Information – Other continued

Benchmark

The Company uses the Dow Jones Global Technology Index (total return, Sterling adjusted, with the removal of relevant withholding taxes) as the Benchmark against which Net Asset Value (NAV) performance is measured.

Statement by the Depositary

The statement of the Depositary's responsibilities in respect of the Company and its report to Shareholders for the year ended 30 April 2025 is available on the Company's website. The Depositary, having carried out such procedures as it considered necessary, was satisfied that in all material respects the Company was managed in accordance with the applicable FCA rules and AIFMD.

Polar Capital Technology Trust plc is a public listed company on the London Stock Exchange Premium Market section and complies with the Financial Conduct Authority ('FCA') Listing Rules. It is not directly authorised and regulated by the FCA.

Statement By The AIFM

The statement by the AIFM in respect of matters to be disclosed to investors for the year ended 30 April 2025 is available on the Company's website.

Share Price and Net Asset Value

The Company's Net Asset Value (NAV) is normally released daily, on the next working day, following the calculation date, to the London Stock Exchange. The mid-market price of the ordinary shares is published daily in the Financial Times in the Companies and Markets section under the heading 'Investment Companies'. Share price information is also available from The London Stock Exchange website: www.londonstockexchange.co.uk

Securities Financing Transactions

The Securities Financing Transactions Regulation, as published by the European Securities and Markets Authority, aims to improve the transparency of the securities financing markets. Disclosures regarding exposure to Securities Financing Transactions ('SFTs') or total return swaps will be required on all reports & accounts published after 13 January 2018. During the period to 30 April 2025 and at the balance sheet date, the Company did not use SFTs or total return swaps, as such no disclosure is required.

Electronic Communications

If you hold your shares in your own name you can choose to receive communications from the Company in electronic format. This method reduces cost, is environmentally friendly and, for many, is convenient.

If you would like to take advantage of Electronic Communications, please visit our registrar's website at www.shareview.co.uk. You will need your Shareholder Reference Number. If you agree to the terms and conditions, in future, on the day that documents are sent to Shareholders by post you will receive an e-mail providing the website address where the documents can be viewed and downloaded. Paper copies will still be available on request.

Disability Act

Copies of this Annual Report and Financial Statements or other documents issued by the Company are available from the Company Secretary. If needed, copies can be made available in a variety of formats, either Braille or on audio tape or larger type as appropriate.

Investing

The ordinary shares of the Company are listed and traded on the London Stock Exchange. Investors should be aware that the value of the Company's ordinary shares may reflect the greater relative volatility of technology shares.

Polar Capital Technology Trust plc is an investment trust and as such its ordinary shares are excluded from the FCA's restrictions which apply to non-mainstream investment products. The Company conducts its affairs and intends to do so for the foreseeable future so that the exclusion continues to apply.

There are a variety of ways to invest in the Company. However, this will largely depend upon whether you would like financial advice or are happy to make your own investment decisions.

Investing Risks

Investors should be aware of the following risks when considering investing in the shares of Polar Capital Technology Trust plc:

Past performance is not a guide to future performance.

Please remember that any investment in the shares of Polar Capital Technology Trust either directly or through a savings scheme or ISA carries the risk that the value of the investment and any income from such may go down as well as up due to the fluctuations of the share price, the market and interest rates. This risk may result in an investor not getting back the original amount invested.

Investors should be aware that the value of the NAV of the Company's shares may reflect the greater relative volatility of technology shares. Technology shares are subject to the risks of developing technologies, competitive pressures and other factors including the acceptance by business and consumers of new technologies. Many companies in the technology sector are smaller companies and are therefore also subject to the risks attendant on investing in smaller capitalisation businesses. As the Company invests in overseas companies changes in exchange rates may cause fluctuations in the value of the investments and of your investment in the Company.

The Company takes on bank debt for investment purposes ('gearing') which exposes the company to exchange risk when the borrowings are in different currencies and the value of the investments made with the borrowings may fall and may not be sufficient to cover the borrowings and interest costs. However, the Company may increase or decrease its borrowing levels to suit market conditions.

If you are investing through a savings plan, ISA or other investment arrangement it is important that you read the key features documents and understand the risks associated with investing in the shares of the Company. If you are in any doubt as to the suitability of a plan or any investment available within a plan, please take professional advice.

Tax rates and reliefs change from time to time and may affect the value of your investment.

For those investors who would like advice:

Private Client Stockbrokers – generally for investors with a large lump sum to invest, a private client stockbroker will manage a portfolio of shares on behalf of a private investor and will offer a personalised service to meet an individual's particular needs. A list of private client stockbrokers is available from The Personal Investment Management & Financial Advice Association (PIMFA) at www.pimfa.co.uk

Financial Advisers – carry out the share transactions for their clients, they can do this directly but also via a growing number of platforms that offer investment trusts including AJ Bell, Interactive Investor, Nucleus, Raymond James, Seven IM and Transact. For investors looking to find a financial adviser, please visit www.unbiased.co.uk

For those investors who are happy to make their own investment decisions:

Online Stockbroking Services – There are a number of real time execution only stockbroker services which allow private investors to trade online for themselves, manage a portfolio and buy UK listed shares. Online stockbroking services include AJ Bell, Interactive Investor, Barclays Stockbrokers, Halifax Share Dealing and Hargreaves Lansdown.

As an investment company Shareholder, you have the right to vote at the Company's AGM and on other important decisions facing the Company. If you hold your investment company shares on a platform, we encourage you to exercise your vote through your respective platform and where possible attend the AGM proceedings.

For example, Interactive Investor allow you to vote your shares at no extra cost through your account and new customers are automatically signed up to the voting and information service, which enables you to receive Shareholder materials and vote on decisions directly affecting your UK registered shareholdings.

Please visit the AIC's pages below for further information:
https://www.theaic.co.uk/how-to-attend-an-AGM
https://www.theaic.co.uk/how-to-vote-your-shares

Share Dealing Services

The Company has also made arrangements with its share registrars, Equiniti Limited, for investors to buy and sell shares through the Shareview.co.uk service.

For telephone sales call 0345 603 7037 between 8.30am and 5.30pm for dealing and up to 6.00pm for enquiries, Monday to Friday. For Internet sales log on to www.shareview.co.uk/dealing.

Forward-Looking Statements

Certain statements included in this Annual Report and Financial Statements contain forward-looking information concerning the Company's strategy, operations, financial performance or condition, outlook, growth opportunities or circumstances in the countries, sectors or markets in which the Company operates.

By their nature, forward-looking statements involve uncertainty because they depend on future circumstances, and relate to events, not all of which are within the Company's control or can be predicted by the Company.

Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct.

Actual results could differ materially from those set out in the forward-looking statements. For a detailed analysis of the factors that may affect our business, financial performance or results of operations, we urge you to look at the principal risks and uncertainties included in the Strategic Report within this Annual Report.

No part of this Annual Report constitutes, or shall be taken to constitute, an invitation or inducement to invest in Polar Capital Technology Trust plc or any other entity and must not be relied upon in any way in connection with any investment decision.

Corporate Information – Other continued

The Company undertakes no obligation to update any forward-looking statements.

Boiler Room Scams

Shareholders of the Polar Capital Technology Trust plc may receive unsolicited phone calls or correspondence concerning investment matters. These are typically from overseas based ‘brokers’ who target UK Shareholders, offering to sell them what often turn out to be worthless or high risk shares in U.S. or UK investments or offering to act on the shareholder’s behalf on the payment of a retainer or similar in a spurious corporate event. These operations are commonly known as ‘boiler rooms’. These ‘brokers’ can be very persistent and extremely persuasive.

It is not just the novice investor that has been duped in this way; many of the victims had been successfully investing for several years. Shareholders are advised to be very wary of any unsolicited advice, offers to buy shares at a discount or offers of free company reports.

If you have been contacted by an unauthorised firm regarding your shares the FCA would like to hear from you. You can report an unauthorised firm using the FCA helpline 0800 111 6768 or by visiting their website, which also has other useful information, at www.fca.org.uk

If you receive any unsolicited investment advice:

- Make sure you get the correct name of the person and organisation
- If the calls persist, hang up

If you deal with an unauthorised firm, you will not be eligible to receive payment under the Financial Services Compensation Scheme. More detailed information on this or similar activity can be found on the FCA website.

How to avoid investment and pension scams

1 Reject unexpected offers
Scammers usually cold call, but contact can also come by email, post, word of mouth or at a seminar. If you’ve been offered an investment out of the blue, chances are it’s a high risk investment or a scam.

2 Check the FCA Warning List
Use the FCA Warning List to check the risks of a potential investment – you can also search to see if the firm is known to be operating without our authorisation.

3 Get impartial advice
Get impartial advice before investing – don’t use an adviser from the firm that contacted you.

If you’re suspicious, report it

You can report the firm or scam to us by contacting our **Consumer Helpline** on **0800 111 6768** or using our reporting form using the link below.

If you’ve lost money in a scam, contact Action Fraud on 0300 123 2040 or www.actionfraud.police.uk

Be ScamSmart and visit www.fca.org.uk/scamsmart

Contact Information

Registered office and address for contacting the Directors
16 Palace Street,
London,
SW1E 5JD
020 7227 2700

Company Registered Number
Polar Capital Technology Trust Plc
(The 'Company')
is incorporated in England and Wales with company number 3224867 and registered as an investment company under section 833 of the Companies Act 2006.

Investment Manager and AIFM
Polar Capital LLP
Authorised and regulated by the Financial Conduct Authority
Represented by Portfolio Manager Ben Rogoff and Deputy Manager Alastair Unwin

Company Secretary
Polar Capital Secretarial Services Limited
Represented by Jumoke Kupoluyi, ACG
Email: cosec@polarcapital.co.uk

Independent Auditor
KPMG LLP
Chartered Accountants and Statutory Auditors
15 Canada Square,
London,
E14 5GL

Corporate Broker
Stifel Nicolaus Europe Limited
150 Cheapside,
London,
EC2V 6ET

Depositary, Custodian and Administrator*
HSBC Bank PLC
8 Canada Square,
London,
E14 5HQ

* Administrator appointed under the Investment Management Agreement.

Registrar
Equiniti Limited
Aspect House, Spencer Road, Lancing, West Sussex,
BN99 6DA

Shareholder helpline: 0371 384 2476
(or +44 (0) 371 384 2476 from overseas)
www.shareview.co.uk

Shareholders who have their shares registered in their own name, not through a share savings scheme or ISA, can contact the registrars with any queries on their holding. In correspondence you should refer to Polar Capital Technology Trust plc, stating your registered name and address and, if available, your full account number.

Financial Calendar
The key dates in the Company's financial year are as follows:

30 April	Financial year-end
July	Announcement of year-end results
September	Annual General Meeting
31 October	Half-year end
December	Announcement of half-year results

Identification Code

SEDOL	422002
ISIN	GB0004220025
TICKER	PCT
BLOOMBERG	PCT.LN
DATASTREAM	PCT
REUTERS	PCT.L
LIPPER	71000395
GIIN	J29SBF.99999.SL.826
LEI	549300TN1O5392UC4K19

AIC
The Company is a member of the Association of Investment Companies ('AIC'). The AIC website www.theaic.co.uk contains detailed information about investment trusts, including guides and statistics.

aic
The Association of Investment Companies

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