Polar Capital Global Healthcare Trust plc

Annual Report and Financial Statements for the year ended 30 September 2025

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Purpose

The purpose of the Company is to provide an investment vehicle for investors which aims to deliver long term capital growth to Shareholders from a range of diversified global healthcare stocks. This purpose is achieved through implementation of the Investment Objective and investment policies incorporating parameters to ensure excessive risk is not undertaken.

Investment Objective

The generation of capital growth through investments in a global portfolio of healthcare stocks.

See more at: **polarcapitalglobalhealthcaretrust.co.uk**

Our Business at a Glance

Management

The Company is an investment trust led by an experienced Board of independent non-executive Directors with a variety of expertise in investment and healthcare matters and with experience in the regulatory and legal framework within which the Company operates. The role of the Board is to provide oversight of the Company's activities and to seek to ensure that the appropriate controls are in place to deliver the Investment Objective and to manage the risks associated with such activities.

The Investment Manager is Polar Capital LLP ("Polar Capital") and the appointed Portfolio Managers are Dr James Douglas and Mr Gareth Powell supported by the wider Polar Capital Healthcare Team. Polar Capital is also the Alternative Investment Fund Manager for the purposes of AIFM Regulations and is authorised and regulated by the Financial Conduct Authority.

Life

At the Company's General Meeting held on 27 November 2025, Shareholders approved changes to the Company's Articles of Association to remove the fixed life and extend the Company's life indefinitely. The revised Articles of Association require the Company to make future tender offers at five yearly intervals, with the first to commence on or before 31 March 2031.

Benchmark

The benchmark since launch has been the MSCI ACWI Healthcare Index (total return in sterling with dividends reinvested).

Capital structure

At 30 September 2025 the Company had in issue 124,149,256 Ordinary shares of 25 pence each of which 2,879,256 were held in treasury (2024: 124,149,256 Ordinary shares of which 2,879,256 were held in treasury). In substitution of the fixed life, tender offer proposals were made to Shareholders in November 2025. As a result, the Company bought back 27,253,026 ordinary shares which were placed into treasury. Following this tender offer buyback, the Company's issued share capital is 124,149,256, of which 30,132,282 is held in treasury.

Subsequent to the tender offer process, 525,000 shares were reissued from those purchased in the tender, resulting in an issued share capital of 124,149,256 of which 29,607,282 are held in treasury at 6 January 2026, the latest practicable date.

Gearing

The Articles of Association provide that the Company may borrow up to 15% of its NAV at the time of drawdown for tactical deployment when the Board believes that gearing will enhance returns to shareholders. Following the completion of the tender offer, the Company intends to seek alternative forms of short-term gearing. The Board believes that the ability to utilise gearing actively (where market conditions are favourable), with the potential to enhance future returns, is a key attraction of the investment trust structure.

Dividend policy

The Company's focus remains on capital growth, and while the Company continues to aim to pay two dividends per year these are expected to be a small part of shareholder total return.

Fees

Following the completion of the tender offer and effective from 1 December 2025, the Investment Manager is entitled to a management fee whereby a lower initial rate of 0.70% (previously 0.75%) per annum (based on the lower of market capitalisation and NAV) is payable on the first £500 million and a lowered rate of 0.65% per annum is applicable thereafter. The management fee is payable monthly in arrears. There is no longer an additional performance fee.

Further details are included in the Strategic Report.

Highlights

Financial Highlights

Net Asset Value per Ordinary Share (Total Return)*

Net Asset Value per Ordinary Share

Benchmark Index

Price per Ordinary Share

Total Net Assets

Share Price Total Return*

Highlights in detail for year to 30 September 2025

Performance		
Net asset value per Ordinary share (total return)*		-5.86%
Benchmark Index (MSCI ACWI Healthcare Index (total return in sterling with dividends reinvested))		-7.81%
Since restructuring		
Net asset value per Ordinary share (total return) since restructuring*~		81.33%
Benchmark index total return since restructuring		68.18%
Expenses	**2025**	**2024**
Ongoing charges*	0.90%	0.88%

Financials	**As at 30 September 2025**	**As at 30 September 2024**	**Change %**
Total net assets	£448,110,000	£479,073,000	-6.5%
Net asset value per Ordinary share	369.51p	395.05p	-6.5%
Price per Ordinary share	355.00p	376.00p	-5.6%
Discount per Ordinary share*	3.93%	4.82%	
Net cash*	(1.83%)	(0.91%)	
Ordinary shares in issue (excluding those held in treasury)	121,270,000	121,270,000	-
Ordinary shares held in treasury	2,879,256	2,879,256	-

Dividends

The Company has paid or declared the following dividends relating to the financial year ended 30 September 2025:

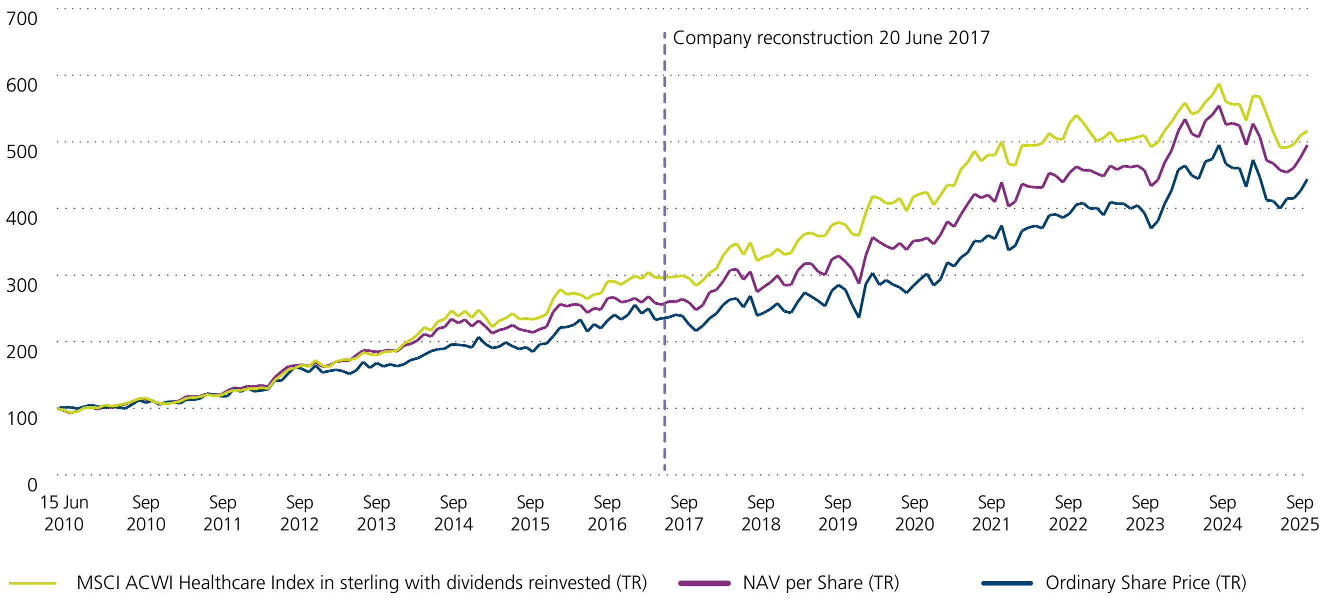
Pay Date	**Amount per Ordinary Share**	**Record Date**	**Ex-Date**	**Declared Date**
First interim: 29 August 2025	1.20p	8 August 2025	7 August 2025	10 July 2025
Second interim: 27 February 2026	1.00p	6 February 2026	5 February 2026	13 January 2026
Total (2024: 2.40p)	**2.20p**			

* See Alternative Performance Measures on pages 98 and 99.

~ The Company's portfolio was restructured on 20 June 2017. The total return NAV performance since restructuring is calculated by reinvesting the dividends in the assets of the Company from the relevant payment date.

Performance

Performance since launch (15 June 2010)



(TR: Total Return, rebased to 100 at launch on 15 June 2010)

Performance since reconstruction (20 June 2017)

(TR: Total Return, rebased to 100 at reconstruction on 20 June 2017)

Chair's Statement

Lisa Arnold
Chair

Dear Shareholders

On behalf of the Board, I am pleased to provide to you the Company's Annual Report for the year ended 30 September 2025.

Life of the Company / Corporate Action Tender Offer

The financial year under review marked a significant event in the Company's life with the Board focusing on the future of the Company as it approached its fixed end of life. Shareholders will be aware of the requirement for the Company to propose liquidation at the first AGM to be held after 1 March 2025 (ordinarily taking place in early 2026) and the Board's intention to bring forward proposals for a corporate reorganisation ahead of this requirement, in 2025.

Such proposals were put to Shareholders via a Circular published on 22 October 2025, following extensive consultation with Shareholders in respect of the Company's strategy and structure going forward, and included changes to the Company's Articles of Association to remove the fixed end of life and extend the Company's life indefinitely. Alongside this, the Company proposed a 100% Tender Offer providing those Shareholders who no longer wished to remain invested an opportunity to realise their investment, in whole or in part, at the tender price.

Despite a difficult market backdrop and challenges faced by the investment trust sector, only 22.47% of the issued share capital was tendered, meaning nearly 80% remained invested. The Board was pleased that proposals were passed by over 90% of the votes cast, at a General Meeting held on 27 November 2025. The tender price was finalised at 425.61p being the NAV per share on 27 November 2025, less costs. In total, 27,253,026 shares, representing the 22.47%, were repurchased by the Company and placed into treasury.

Subsequent to the tender offer and repurchase of the shares, the Board was further delighted to see some immediate demand, resulting in the reissuance of 525,000 shares out of treasury from those tendered, at an average price of 418.65p per share.

Performance

The Company delivered strong relative performance for the year under review with the Net Asset Value (NAV) per share total return outperforming its benchmark, the MSCI ACWI Healthcare Index, Total Return by 1.95%. Despite the negative absolute performance, we believe this was a strong outcome against a particularly challenging period for US financial markets in the second half, combined with the continuing negative sentiment towards the healthcare sector for most of the year.

Against the performance of the investment trust sector in general, I am delighted to report that the Company's discount narrowed slightly during the year, ending the financial year at 3.93%. This is likely a result of the recent tender offer as some Shareholders awaited the chance to exit at close to NAV. We were also pleased that at the end of November 2025, the Company entered the FTSE 250.

Further information about the Company's portfolio performance is covered by our portfolio managers, James Douglas and Gareth Powell, in their Manager's Report on pages 11 to 20.

Outlook

In the early months of the current financial year, sentiment appeared to have improved for the healthcare sector, with some outperformance against the wider market. As seen in the Manager's report, the portfolio managers remain encouraged by the strong fundamentals of the healthcare industry, a view underpinned by high levels of innovation. Demand for healthcare products remains robust, whilst other long term drivers including industry consolidation, accelerated demand in emerging markets and the adoption of artificial intelligence technologies all support a strong foundation to drive much needed efficiencies and better patient outcomes.

The Board will continue to monitor performance but remains very optimistic about the outlook for the healthcare sector and the opportunities to generate returns for shareholders, especially with the revised structure for which Shareholders have given their support.

Further detail is provided in the Manager's Report.

Dividends

The Company's focus continues to remain on capital growth and consequently dividends are expected to represent a relatively small part of Shareholders' total return. The Company has a policy to pay two small dividends per year, but it is recognised that these will not necessarily be of equal amounts and may be reduced.

In August 2025, the Company paid an interim dividend of 1.20p per ordinary share. The Board has declared a further interim dividend of 1.00p per ordinary share payable to Shareholders on the register as at 6 February 2026. This will bring the total dividend paid for the financial year under review to 2.20p per ordinary share, an 8.3% decrease compared to the previous financial year.

Share Capital

The Company's share capital is divided into ordinary shares of 25p nominal value each. At the year end, there were 124,149,256 ordinary shares in issue (2024: 124,149,256), of which 2,879,256 (2024: 2,879,256) were held in treasury by the Company. During the year to 30 September 2025, no new shares were issued from or bought back into treasury.

As mentioned above, in substitution of the fixed end of life, tender offer proposals were made to Shareholders in November 2025 as a result of which, the Company bought back 27,253,026 ordinary shares, and these were placed into treasury. Following this tender offer buyback, the Company's issued share capital is 124,149,256, of which 30,132,282 were held in Treasury. Subsequent to the tender offer process, 525,000 shares were reissued from those purchased in the tender, resulting in an issued share capital of 124,149,256 of which 29,607,282 are held in treasury at 6 January 2026, the latest practicable date.

The Company's share price on 30 September 2025 was 355.00p (2024: 376.00p). The Company's market capitalisation at the financial year end was £430.5m (2024: £456.0m).

The Board

As reported in the Company's Half Year Report, a recruitment process was undertaken during the year under review to find and appoint two new non-executive directors to join the Board, one of whom would assume the role of Chair of the Audit Committee and succeed Neal Ransome. The process culminated in the appointment of two new non-executive directors; Caroline Gulliver as Audit Committee Chair Elect with effect from 15 May 2025 and Stacey Parrinder-Johnson as non-executive Director with effect from 1 July 2025. Neal Ransome will step down as Chair of the Audit Committee on 26 February 2026 and will be succeeded by Caroline Gulliver; Neal Ransome will remain on the Board until November 2026 to ensure a smooth and orderly transition.

Following this recruitment process, the Board is conscious that it does not meet the FCA's ethnicity recommendations; however, it believes it has followed a stringent recruitment process and appointed appropriate candidates with the requisite skillsets required of the wider Board. The Board will consider diversity at all stages of future recruitment to the Board and will work hard to ensure the broadest range of candidates are found when recruiting new directors.

Since the year-end our board apprentice, Ei-Lene Heng, has completed her time with us. We wish Ei-Lene all the best with her future endeavours.

The Directors' biographical details are available on the Company's website and are provided in the Annual Report.

Annual General Meeting

The Company's Annual General Meeting ("AGM") will be held at 16 Palace Street, London, SW1E 5JD at 2:00pm on Thursday, 26 February 2026. The notice of AGM has been provided to Shareholders and will also be available on the Company's website. Detailed explanations of the formal business and the resolutions to be proposed at the AGM are contained within the Shareholder Information section on page 103 and in the Notice of AGM. We will once again upload a copy of the Manager's Investment Presentation to the Company's website ahead of the AGM to allow broader access, and as a result will only hold the formal business meeting in person. The Managers will be available at the AGM to answer questions and meet Shareholders present.

We have provided a zoom link in the Notice of AGM which will enable anyone interested to view the formal business and ask questions via the on-line chat function. All formal business resolutions will be voted on by a poll, and we therefore encourage Shareholders to submit their votes ahead of the meeting by proxy card which is provided with the Notice of Meeting.

Lisa Arnold
Chair
13 January 2026

ANNUAL GENERAL MEETING
to be held at 2:00pm on
26 February 2026

Board of Directors

Lisa Arnold
Independent Non-Executive Chair

Independent Non-executive Chair
Appointed to the Board on 1 February 2018 and as Chair of the Board with effect from 26 February 2020, a member of the Audit and Management Engagement Committees.

Skills and Experience
Lisa was formerly a global pharmaceuticals and healthcare analyst for NatWest Markets from 1987 and continued her healthcare career in roles with UBS Warburg, Commerzbank and Lehman Brothers. Lisa has held a number of independent adviser and non-executive roles including nine years with the Medicines and Healthcare Products Regulatory Agency (MHRA) and eight years as a non-executive director of Futura Medical plc.

Other Appointments
Lisa is currently a non-executive director of Rothesay, the life insurance company. She also chairs the Allied Domecq and Whitbread pension funds. Post year end she stepped down from her role at Pimco Europe Ltd.

Rationale for supporting re-election
Lisa has had an extensive career as a global pharmaceuticals and healthcare analyst ahead of her taking on non-executive director positions. Lisa brings a wealth of investment and strategic experience to the Board along with detailed and effective leadership skills, most recently demonstrated through the completion of the Company's recent tender offer process. Through Lisa's pension fund roles, particularly with the early adoption of TCFD, she has a comprehensive understanding of the importance and challenges of ESG and climate related issues. As Chair, Lisa has worked closely with the corporate brokers and the Manager to improve communication both internally and externally, especially from a shareholder perspective. Lisa continues to lead the Board with an inclusive and engaging manner and her nomination for re-election as Chair and non-executive Director is supported by both the Board and the Manager.

PCGH Share Interests
20,000 (0.02% of ISC)

Annual Remuneration
£46,000

Neal Ransome
Independent Non-Executive Director and Audit Committee Chair

Independent Non-executive Director
Appointed to the Board on 13 December 2017 and, with effect from 28 February 2018, as Chair of the Audit and Management Engagement Committees.

Skills and Experience
Neal is a Chartered Accountant with an MA in Modern History from Oxford University. Neal was a partner at PwC from 1996 to 2013. He led PwC's Pharmaceutical and Healthcare M&A practice for 17 years and was also chief operating officer of PwC's Advisory Services business.

Other Appointments
Neal is currently chair of ProVen VCT plc.

Rationale for supporting re-election
Neal has recent and relevant financial expertise with a strong accounting background which enables him to perform in-depth analyses of the Company's performance and Financial Statements. His extensive experience in evaluating pharmaceutical and healthcare companies, having previously led PwC's Pharmaceutical and Healthcare M&A practice, further enhances his qualifications. Neal serves as the Chair of the Company's Audit Committee, a role in which he has had extensive experience from prior board roles. Neal's re-election as a non-executive Director is supported by the Board and the Manager; Neal will hand over the Chair of the Audit Committee to Caroline Gulliver and the Chair of the Management Engagement Committee to Lisa Arnold with effect from the close of the AGM to be held in February 2026.

PCGH Share Interests
10,073 (0.01% of ISC)

Annual Remuneration
£39,500 (including Audit Committee Chair supplement)

Caroline Gulliver
Independent Non-Executive Director and Audit Committee Chair Elect

Independent Non-executive Director
Appointed to the Board on 15 May 2025, also a member of the Audit and Management Engagement Committees.

Skills and Experience
Caroline is a Chartered Accountant with over 25 years' experience at Ernst & Young LLP. During that time, she specialised in the asset management sector and developed an extensive experience of investment trusts. Caroline was previously a non-executive director and Audit Committee Chair of International Biotechnology Trust Plc.

Other Appointments
Caroline is Senior Independent Director and Audit Committee Chair of abrdn European Logistics Income PLC and MIGO Opportunities Trust plc.

Rationale for supporting election
The Board elected to appoint Caroline as a non-executive Director following a recruitment process which took place during the course of the year, resulting in her appointment on 15 May 2025. Caroline's election will be proposed to shareholders at the AGM taking place on 26 February 2026; subject to approval, Caroline will assume the role of Chair of the Audit Committee with effect from the conclusion of the AGM.

PCGH Share Interests*
10,000 (0.01% of ISC)

Annual Remuneration
£33,250

* purchased following the financial year end

Stacey Parrinder-Johnson
Independent Non-Executive Director

Independent Non-executive Director
Appointed to the Board on 1 July 2025, also a member of the Audit and Management Engagement Committees.

Skills and Experience
Stacey was formerly Chief Investment Officer at Investec Wealth & Investment, having joined the firm in 2005. She has significant knowledge of portfolio analysis and operational risk assessment of asset managers as well as over 15 years of direct experience in multi-asset portfolio management for a range of global mandates, including UK private clients, charities, IFA's, and high net worth clients. Stacey is a former SIPP trustee.

Other Appointments
Stacey is currently a non-executive director of The Monks Investment Trust Plc and a governor of the University of Portsmouth.

Rationale for supporting election
The Board elected to appoint Stacey as a non-executive Director following a recruitment process which took place during the course of the year, resulting in her appointment on 1 July 2025. Stacey's election will be proposed to shareholders at the AGM taking place on 26 February 2026.

PCGH Share Interests
4,750 (0.005% of ISC)

Annual Remuneration
£33,250

Jeremy Whitley
Independent Non-Executive Director

Independent Non-executive Director
Appointed to the Board on 1 December 2019, also a member of the Audit and Management Engagement Committees.

Skills and Experience
Jeremy was formerly Head of UK and European Equities at Aberdeen Asset Management, a position he held from 2009 to 2017. Previous roles there included being a senior investment manager on the Global equities team as well as the Asian equities team based in Singapore, where he was lead manager of the Edinburgh Dragon Trust. He began his investment career at SG Warburg & Co in 1988.

Other Appointments
Jeremy is Chair of The Scottish Oriental Smaller Companies Trust plc and of JP Morgan India Growth and Income Trust plc. He also acts as trustee to a number of charitable organisations and social enterprises.

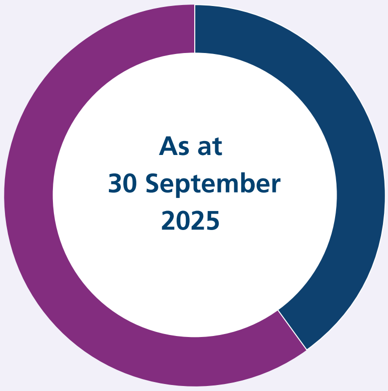
Rationale for supporting re-election
Jeremy's extensive experience, particularly from his previous roles at Aberdeen Asset Management, has equipped him with a global perspective and the ability to critically review the portfolio. He has been a strong advocate for clear performance attribution analysis. Additionally, Jeremy brings valuable experience from other investment trust management houses to the Board. Jeremy's re-election as a non-executive Director is supported by the Board and the Managers.

PCGH Share Interests
40,000 (0.04% of ISC)

Annual Remuneration
£33,250

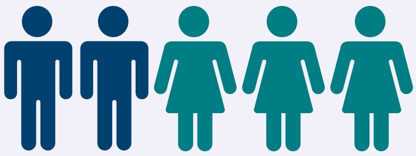
Board at a Glance

Length of Tenure



< 3 years	40%
3-5 years	0%
> 5 years	60%

Gender diversity



Male	2
Female	3

Ethnicity

White British or other (including minority-white groups)	100%
Minority Ethnic	0%

Investment Team

James Douglas, PhD – Co-Manager

James joined Polar Capital in September 2015 and is a Fund Manager for the Healthcare team. He was appointed co-manager for the Polar Capital Global Healthcare Trust alongside Gareth Powell in August 2019.

Prior to joining Polar Capital, James worked in equity sales specialising in global healthcare at Morgan Stanley, RBS and HSBC. James also has equity research experience garnered from his time at UBS, where he worked as an analyst in the European pharmaceutical and biotechnology team. Before moving across to the financial sector, he worked as a consultant for EvaluatePharma.

Gareth Powell, CFA – Co-Manager

Gareth joined Polar Capital in 2007 to set up the Healthcare team. Prior to Polar Capital, Gareth worked at Framlington, where he began his career in investment management in 1999. Soon afterwards, he joined the Healthcare Team in 2001 and helped launch the Framlington Biotechnology Fund, which he managed from 2004 until his departure.

Gareth studied biochemistry at Oxford, during which time he worked at Yamanouchi, a leading Japanese pharmaceutical company (later to become Astellas). As well as this, Gareth worked for the Oxford Business School and various academic laboratories including the Sir William Dunn School of Pathology and the Wolfson Institute for Biomedical Research.

David Pinniger, CFA – Fund Manager

David joined Polar Capital in August 2013 as a portfolio manager within the Healthcare team, to launch the Polar Capital Biotechnology Fund. Prior to joining Polar Capital, David was portfolio manager of the International Biotechnology Trust at SV Life Sciences.

Previously, David spent three years working at venture capital firm Abingworth as an analyst managing biotechnology investments held across the firm's venture and specialist funds, and four years at Morgan Stanley as an analyst covering the European pharmaceuticals and biotechnology sector.

Deane Donnigan, Pharm D – Fund Manager

Deane joined Polar Capital in June 2013 and is the Lead Manager of the Polar Capital Healthcare Discovery Fund.

Prior to joining Polar Capital, Deane began her career at the Medical College of Georgia, before becoming a clinical specialist in Drug Information and Adult Internal Medicine with Emory University Hospital in Atlanta, Georgia. After several years, she moved to the UK to join Framlington as an analyst for the healthcare unit trust, led by Anthony Milford. She went on to become lead portfolio manager of the Framlington Healthcare and Framlington Biotechnology funds. Deane is both a US and UK citizen.

Brett Pollard, PhD – Fund Manager

Brett Pollard joined the Polar Capital Healthcare team in September 2021 and has 24 years of healthcare industry experience, 15 of which have been in healthcare investing.

After completing a PhD in Molecular Virology at the University of St. Andrews, Brett worked as a healthcare research analyst, covering stocks in pharmaceutical, biotechnology, medical device and healthcare service subsectors. In 2008, he co-founded an in vitro diagnostics business where he initially led corporate and business development before taking on the role of Chief Operating Officer.

After time spent in strategic advisory services, Brett moved back into corporate development and investor relations' roles before joining the Polar Capital Healthcare team. His extensive industry and investment experience has allowed him to rapidly build up detailed coverage of the healthcare sector in emerging markets.

Damiano Soardo, CFA – Investment Analyst

Damiano joined the Polar Capital Healthcare team as an Investment Analyst in October 2020. He started at the company in 2016 as part of the Operations team before moving to the Risk team in 2019. Prior to joining Polar Capital, he worked as a technical consultant at a FinTech company. Damiano has an MSc in Mathematics and Foundations of Computer Science from the University of Oxford and is a CFA charter holder.

Tara Raveendran, PhD – Consultant – Healthcare Research

Tara joined Polar Capital in September 2021 as a consultant focused on independent research for the team. Prior to joining Polar Capital, she was the Head of Healthcare & Life Sciences Research at Shore Capital.

Previously Tara spent over 15 years working in equity research, specialising in European pharmaceuticals, biotechnology and MedTech at Lehman Brothers and Jefferies. She has also worked with a number of healthcare-focused startups through her life sciences consultancy, SSquared Consulting, most recently working with the UK government's Vaccine Taskforce.

Leanne Smith – Investment Analyst

Leanne joined the Polar Capital Healthcare team as an Investment Analyst in October 2024. She started at the company in 2021 in the Client Services team as part of the Investment 20/20 scheme. Leanne has a BA in Cells and Systems Biology from the University of Oxford.

Audrey Stynes

Audrey joined the Polar Capital Healthcare team in April 2019 as the team assistant. Aside from organising the team's administration and communication workload both internally and externally, she coordinates presentations and marketing materials. Previously, Audrey worked in the company's Product and Operations teams when she joined Polar Capital in March 2018.

> “Healthcare's innovation engine is firing on all cylinders, demand is strong, and AI is bringing about much needed efficiencies. The setup for compelling absolute and relative healthcare performance is firmly in place.”

Manager's Report

Track record and an experienced team

Manager's Report

James Douglas
Portfolio Manager

Gareth Powell
Portfolio Manager

Over the financial year to 30 September 2025, the Company delivered a Net Asset Value (NAV) per share total return of -5.86%, a 1.95% outperformance of its benchmark, the MSCI ACWI Healthcare Index, Total Return. The absolute performance of the healthcare sector was negative, -7.81% over the reporting period, and it underperformed the broader market, as tracked by the MSCI All Country World Net Total Return Index, which was up 16.84% (all figures in sterling terms).

The Company's diversification strategy, coupled with its focus on large-capitalisation healthcare companies with robust, medium-term growth outlooks, helps generate a risk/return profile of the underlying assets which is favourable relative to the more volatile areas of healthcare. Further, the broad investment remit affords the opportunity to invest in growth areas regardless of the economic, political and regulatory environment.

Importantly, the Company can also invest in earlier-stage, more innovative and disruptive companies that tend to be lower down the market-capitalisation and liquidity scales. This is a key advantage of the Company's closed-end structure. Regardless of size, subsector or geography, stock selection is central to the investment process as we look to identify companies where there is a disconnect between valuations and the near and medium-term growth drivers.

Market Capitalisation[1]

Market Cap at	30 September 2025	30 September 2024
Mega Cap (> US$100bn)	25.9%	37.5%
Large Cap (US$10bn - US$100bn)	48.8%	38.7%
Mid Cap (US$5bn - US$10bn)	18.0%	15.3%
Small Cap (< US$5bn)	5.4%	7.5%
Cash	1.9%	1.0%
Total	**100.0%**	**100.0%**

Source: Polar Capital

[1] The value of a listed company's shares owned by shareholders; market capitalisation (cap) is the price per share multiplied by the number of shares.

Manager's Report continued

In terms of structure, the majority of the Company's assets (calculated on a gross basis and referred to as the Growth portfolio) will be invested in companies with a market cap of >$5bn at the time of investment, with the balance invested in companies with a market cap <$5bn (a maximum of 20% of gross assets and referred to as the Innovation portfolio).

At the end of the reporting period, 30 companies in the portfolio were in the Growth portfolio (92.7% of gross assets) and 4 were in the Innovation portfolio (5.4%).

Global equity markets were rather lacklustre during the first six months of the Company's financial year, posting modest gains. As we entered the second half of the financial year, there was a sharp market correction in April 2025 caused by the tariffs proposed by the US administration. Thankfully, the correction was short-lived and the sell-off was quickly followed by a strong recovery as the US administration walked back from its initial position. Since then, the broader market has posted strong returns, driven by ongoing excitement surrounding artificial intelligence (AI) and the expectation of future Federal Reserve (Fed) interest rate cuts. This enthusiasm for AI and the sectors exposed to the AI theme, alongside healthcare sector-specific policy fears, have been the key drivers behind the healthcare sector's recent relative underperformance versus the broader market.

The healthcare sector had a challenging year across almost the entire market-cap spectrum as investors' preference was directed towards more cyclical areas of the market. Looking at the subsectors, most posted negative returns over the period under review, with the exception of distributors and healthcare services given their relative immunity to macroeconomic challenges, such as tariffs, as well as healthcare-specific challenges, namely the threat of a less favourable drug pricing environment.

Reflecting on the Company's positive relative performance, there was strong selection from large-cap ($10bn-100bn) and mid-cap stocks ($5bn-10bn), partially offset by negative allocation and stock-picking from mega-caps (>$100bn). In terms of subsectors, pharmaceuticals, healthcare services and managed care were the biggest contributors with both allocation and selection positive. By contrast, healthcare facilities, healthcare technology and healthcare supplies were a drag on performance due to unfavourable stock selection.

As set out in last year's annual report, the focus was on three key investment themes:

- **Access and affordability:** Low-cost, high-quality medicines allow expanded access, with a new wave of biosimilars (which are generics of biotechnology products) set to deliver much-needed savings
- **Reimbursement of AI/machine learning (AI/ML)-enabled technologies:** Investment and innovation are accelerating; the next steps are broader reimbursement and wider utilisation
- **China:** After a challenging period, China should now be a recovery story driven by significant government stimuli

The themes summarised above will continue to be relevant in the current financial year 2025/26, especially as reimbursement and access improves and the industry invests in and adopts AI/ML-enabled technologies that could drive greater efficiencies and better patient outcomes. In terms of emerging markets, China remains an important source of revenues for the industry, but healthcare services across the broader emerging market landscape could offer more exciting, near-term investment opportunities.

We explore these themes in more detail below, in the 'Healthcare: The tide is turning' section.

Performance review

The healthcare sector underperformed the broader market during the financial year, with global equities staging a strong rally in the latter part of this period, a rally which the healthcare sector lagged due to policy overhangs. Donald Trump's presidential election victory in November 2024 initially sent stocks higher, since his agenda had been viewed as pro-growth, promising to cut taxes, roll out extensive deregulation measures and impose tariffs on imports to support American businesses. The latter took centre stage in March and April 2025, when Trump finally announced the intention to levy substantial tariffs on most US trading partners. The market reacted with a dramatic sell-off as investors tried to digest the consequences of this trading policy, fearing in particular that inflation would spike and economic growth would slow. The fall in equities, while significant, was short-lived as the tariff rhetoric de-escalated rapidly, with the US Government either postponing the implementation of tariffs, substantially reducing their levels, or signing trade deals with various countries.

The strong performance of global markets that followed the brief slump was driven by both a more resilient macroeconomic environment and also investors' enthusiasm for a nascent AI 'super-cycle'. Not dissimilar to the previous financial year, the market was catapulted higher by more economically sensitive sectors, such as information technology, communication services, financials and consumer discretionary while traditionally less risky sectors were neglected, with healthcare the worst performer. The sector's underperformance reflected a combination of cyclical rotation and sector-specific challenges, which we explore in greater detail in the 'US politics: More bark than bite?' section.

From a subsector perspective, pharmaceuticals and healthcare services were the strongest contributors to the Company's relative performance, supported by positive stock selection and, to a lesser extent, favourable allocation. Managed healthcare, healthcare distributors, biotechnology and healthcare equipment also contributed positively, mainly driven by positive stock selection in the latter three and strong allocation within managed care. Conversely, stock selection within healthcare technology, supplies, and life sciences tools and services was negative, although allocation in these areas remained positive. Disappointing selection and a modest negative allocation effect within healthcare facilities made this subsector the largest detractor from overall performance.

From a market-capitalisation point of view, the two opposite sides of the spectrum had the largest negative impact to attribution: mega-cap investment suffered from adverse stock-picking, and both allocation and selection were negative for small-cap stocks. However, the underperformance in those market-cap bands was offset by very strong selection in the large and mid-cap holdings, despite a challenging allocation effect, particularly in the mid-cap range.

On a geographical basis, Europe was the main contributor, mainly due to highly positive stock selection. Japan and Asia ex-Japan detracted from performance as both allocation and stock-picking were negative. Finally, unfavourable stock selection in North America represented the largest drag on returns.

Top Relative Contributors (%)

	Average Stock Weight	Active Weight	Stock Return	Stock Return vs BM	Total Attri-bution
UCB	3.73	3.41	52.34	60.15	1.71
Merus NV	1.89	1.89	87.65	95.46	1.68
Fresenius SE & Co KGaA	3.04	2.80	48.10	55.91	1.29
Sandoz Group AG	2.58	2.32	41.52	49.33	1.01
Insulet	2.51	2.26	32.08	39.89	0.97
Genmab A/S	0.94	0.76	24.77	32.58	0.91
Argenx	2.28	1.79	33.48	41.28	0.85
Uniphar	1.22	1.22	59.14	66.95	0.67
Penumbra	2.01	2.01	29.82	37.62	0.62
Stevanato Group SpA	1.72	1.72	28.20	36.01	0.60

Source: Polar Capital; September 2025

Belgian pharmaceutical company UCB saw its stock price appreciate considerably in the past 12 months thanks to the continued impressive launch of its main drug Bimzelx. Initially approved for psoriasis and psoriatic arthritis, the drug's rapid uptake in the US for hidradenitis suppurativa (HS) – a painful skin disease with limited therapeutic options – has been a major driver of sales growth. In addition, UCB reported early and encouraging data for two autoimmune pipeline assets and benefited from a competitor's disappointing results for a drug that could have rivalled Bimzelx in the HS market.

Merus is a Dutch biotechnology company focusing on therapies in oncology. Its strong share price performance reflected progress in developing its key pipeline asset, petosemtamab, for head and neck cancer. The asset received Breakthrough Therapy Designation from the US Food and Drug Administration (FDA) in early 2025, with the company also releasing highly promising Phase 2 clinical data. This series of positive developments culminated in a takeover bid from Genmab, valuing the company at approximately $8bn.

Fresenius SE is a German services company that operates two segments: Helios (a hospital group in Europe) and Kabi (specialising in essential medicines, including generics and biosimilars, and technologies for infusion/transfusion and medical nutrition). The company has undergone a significant transformation in recent years. Following the divestment of a low-growth and margin-dilutive business and the implementation of a series of initiatives aimed at reinvigorating the business, Fresenius SE's financial performance has improved, with consistently strong quarterly results being testament to the successful turnaround. Investors were also enthused by the company's commitment to reduce leverage and the initiation of a dividend payment. Additionally, the stock may have benefited from being considered less vulnerable to policy-induced disruptions.

Similar to Fresenius SE, Sandoz Group, a global leader in generic and biosimilar medicines, is deemed as fairly insulated from specific challenges that have been weighing on other pharmaceutical shares, namely tariffs and drug-pricing reforms. This defensive quality together with strong execution throughout the period under review saw the stock substantially outperform the broader healthcare sector.

Insulet is a US-based equipment manufacturer specialising in automated insulin-delivery systems (also known as insulin pumps). Its flagship product, the OmniPod 5, a tubeless, wearable on-body pump with a compact design, had an exceptionally successful launch. Expansion of its indication to include Type 2 insulin-intensive patients in the US further supported strong adoption, leading Insulet to deliver financial results well ahead of expectations in terms of sales and margin expansion.

Manager's Report continued

Bottom Relative Contributors (%)

	Average Stock Weight	Active Weight	Stock Return	Stock Return vs BM	Total Attri-bution
AbbVie	1.46	-2.95	16.75	24.56	-1.33
Johnson & Johnson	0.00	-4.98	13.93	21.74	-1.12
Bruker Corp	1.70	1.70	-53.00	-45.19	-1.03
Vaxcyte	1.50	1.50	-68.61	-60.80	-0.92
Zealand Pharma A/S	2.46	2.41	-40.52	-32.72	-0.88
Acadia Healthcare	0.60	0.60	-61.12	-53.31	-0.82
Globus Medical	1.03	1.03	-20.29	-12.48	-0.82
Amvis Holdings	0.27	0.27	-69.85	-62.04	-0.77
Novo Nordisk A/S	4.36	1.05	-53.30	-45.49	-0.54
Medley	1.59	1.59	-38.59	-30.78	-0.53

Source: Polar Capital; September 2025

The Company held AbbVie, a US biopharmaceutical giant, for most of the first four months of the year under review. Its negative attribution impact was primarily a matter of timing as the position was sold shortly before the company released a robust set of financial year (FY) 2024 results and issued encouraging FY2025 financial guidance. AbbVie continued to execute well thereafter and the stock appreciated significantly following the announcement of a settlement with generic manufacturers, which effectively protects Rinvoq, a drug for autoimmune diseases and one of its key growth drivers, from generic competition well into the next decade.

The absence of exposure to Johnson & Johnson (J&J), a leading global pharmaceutical and medical technology company, was a notable detractor during the financial year. The catalyst for the stock's strong upward trajectory was an impressive set of Q2 results: not only did J&J deliver ahead of expectations, but it also confirmed an acceleration in growth for the second half of 2025 and into 2026, despite facing biosimilar competition for one of its biggest assets. Given its relatively low valuation, diversified portfolio and resilient business model, the onset of a potential positive earnings revision cycle led to a meaningful rerating of the stock.

Life sciences tools and services company Bruker suffered from a series of challenges in the past 12 months. The fundamental backdrop for several of its main markets deteriorated significantly: biopharmaceutical customers curtailed spending amid heightened policy uncertainty; academic and government-funded research activity was disrupted by proposed budget cuts to the National Institutes of Health (NIH, one of the main sources of research funding in the US); and the Chinese economy continued to struggle to regain momentum. Adding these issues to poor commercial execution and a series of dilutive M&A (merger and acquisition) deals weighing on the company's balance sheet meant that Bruker's stock price more than halved during the year.

Vaxcyte is a pre-commercial biotechnology company that has a rich pipeline of vaccine candidates, with two pneumococcal vaccines (PCV) furthest ahead in the development stage. Despite showing good results for its 31-valent PCV candidate in adults, the stock struggled for a few reasons. First, the nomination of Robert F Kennedy (RFK) Jr as US Secretary of Health and Human Services (HHS) was seen as a clear negative for vaccine stocks. Given his public anti-vaccination views, investors feared that future approvals of vaccines could be hampered by the new administration. Second, Vaxcyte presented Phase 2 data for its 24-valent PCV candidate in infants, which fell short of expectations. Finally, the company also pushed out the timeline for the data readout for its 31-valent PCV Phase 2 trial in infants. Despite these setbacks, there remains a substantial unmet clinical need in this area and we believe there is still a credible development path for both of Vaxcyte's lead assets.

Zealand Pharma, which has been a strong contributor to performance in prior years specialises in developing peptide-based drugs focusing particularly on metabolic disorders, underperformed during the period despite announcing a highly favourable collaboration and licensing agreement with Roche to co-develop and co-commercialise petrelintide (an amylin analogue for weight loss) for a total consideration of up to $5.3bn. Several factors contributed to the stock's weakness: profit-taking following strong performance; broad-based weakness in early-stage and small-cap biotechnology stocks; disappointing trial results from competitor Novo Nordisk, which combined an amylin analogue with semaglutide; and strong competitor data (in particular from Ely Lilly). We remain optimistic about the company's pipeline and the overall opportunity for anti-obesity medications.

Healthcare: The tide is turning

We continue to believe the three key themes referenced earlier are important long-term themes and will persist for some time, especially 'access and affordability' which are essential for commercial success and societal wellbeing. Also, the continued adoption of AI/ML-enabled technologies should drive much-needed efficiencies and potentially yield better patient outcomes.

As mentioned previously, China remains an important long-term driver for many healthcare subsectors, especially in the life sciences tools and services sector, but unfortunately the near-term remains challenging, with Government stimulus packages struggling to have a noticeably positive impact. It is the broader emerging market landscape, however, that could be of greater interest and significance in the near-term. More specifically, the opportunities in terms of facilities and services are already showing outsized investment and growth compared to relevant developed market companies in the same subsectors.

Access and affordability: Generic medicines save money

Generic drugs are highly unusual in that they are one of the few, if not the only, part of the US healthcare system that consistently results in decreased spending. Since 2019, the amount spent on all generic sales in the US has declined by $6.4bn, despite increased volumes and new generic launches. With drug pricing such an emotive topic, especially in the US, it is interesting to note that for the past decade generics account for approximately 90% of prescriptions filled in the US, and yet their contribution to overall costs has declined from 27% in 2016 to 12% in 2024. In that same year, the use of generics saved $142bn in Medicare and $62bn in Medicaid. Ongoing investment and legislative support are critical to ensure the sustainability of the generics industry given it is such a critical part of the healthcare ecosystem.

Source: Adobe Stock Imagery

Biosimilars are another important ingredient in the journey to generating much needed savings and to improving access and affordability. It is estimated that the total savings in the US since the first biosimilar launched in 2015 are more than $56bn, with approximately $20bn of savings in 2024 alone. Further, over the next decade, 118 biologics are expected to lose patent exclusivity, presenting a $234bn opportunity for biosimilars. The biosimilar story in Europe is not too different, albeit the European market is more developed. As at October 2024, over 80 biosimilars have been approved by the European Medicines Agency (EMA), generating cumulative savings of €56bn from 2014-24.

These are impressive figures yet there is much to do to ensure the value of biosimilars reaches its full potential. A complex web of systemic barriers, including issues related to pricing and reimbursement, legal challenges and outdated regulatory requirements, continue to hinder the development and the broader adoption of biosimilars once they reach the market. In the US, for example, of the 118 biologics expected to lose patent exclusivity over the next decade, only 12 molecules have a biosimilar in development. Looking at the European market, between 2024 and 2030 a total of 69 biologics are expected to lose exclusivity (LoE), which represents a two-fold increase compared to the previous seven years. However, despite the record numbers of upcoming biologic LoEs, at present only 29% of molecules have a biosimilar currently in development.

What is being done to fill the biosimilar void? Legal challenges aside, there has been a push for some time to accept analytical techniques and clinical pharmacology to ensure the safety and efficacy of biosimilars. If widely adopted, such a move could negate the need for expensive and time-consuming efficacy studies, streamline regulatory processes and lower the barriers to entry for manufacturers. All of these are potentially huge positives, not just for the companies that develop and commercialise biosimilars, but also for the wider adoption of low-cost medicines and the subsequent cost savings for global healthcare systems.

Relevant investments include Fresenius SE, Lonza Group, Sandoz Group, Torrent Pharmaceuticals and Teva Pharmaceutical Industries.

Reimbursement of AI/ML-enabled technologies: Just the beginning

In last year's annual report, we touched on the idea that AI and ML technologies are increasingly driving productivity and efficiency across the healthcare sector. Applications include automating hospital coding, billing and revenue cycle management as well as reducing administrative burdens and improving fraud detection. In diagnostics, AI/ML technologies are starting to show measurable benefits in procedures such as colonoscopies and ultrasounds. Programmes like the Enhanced Breast Cancer Detection (EBCD) system show how AI can aid early cancer detection and improve outcomes, although reimbursement restrictions are limiting access.

Manager's Report continued

Source: Adobe Stock Imagery

Encouragingly, in the past 12 months there has been tangible progress with access to these technologies, but also some very interesting developments at the FDA, which could accelerate review times for new therapies. In July 2025, US-based diagnostic imaging services company RadNet announced that Regal Medical Group, Lakeside Community Healthcare and ADOC Medical Group, affiliates of Heritage Provider Network, one of the largest physician-owned medical groups in Southern California, have agreed to reimburse RadNet for its EBCD program, which will now be included as a benefit in their members' health plans. These medical groups will provide the AI-powered breast cancer detection service to all of their mammogram-eligible patients. This is a significant step forward for the technology and a clear indication of traction with commercial payers.

In June 2025, the FDA launched Elsa, a potentially game-changing generative AI tool that is designed to help staff with tasks such as reading, writing, summarising and analysing clinical data. Elsa is already being used to accelerate clinical protocol reviews, scientific evaluations and safety assessments with the goal of significantly shortening regulatory review times. The initiative follows Commissioner Dr Martin A Makary's directive for full AI integration across all FDA centres, reflecting the agency's broader strategy to reduce administrative workload and improve efficiency. The launch aligns with the FDA's growing commitment to AI adoption and signals a shift towards embedding AI within its own operations to modernise and expedite drug and device approvals. It is a really exciting development as the implications of accelerated review times could be hugely significant for biopharmaceutical companies and patients alike.

Relevant investments include RadNet.

Emerging markets: Services represent an under-appreciated opportunity

More than 80% of the world's population live in emerging markets where life expectancy has improved from 58 to 73 years of age over the past 50 years. This longevity is coming with increasing incidences of lifestyle diseases and an accelerating demand for healthcare products and services. Importantly, personal incomes are increasing, which is key to driving demand in markets where the majority of costs are covered out-of-pocket. Access is also improving, with governments starting to invest in infrastructure and to provide affordable healthcare plans for their citizens.

Source: Adobe Stock Imagery

Catalysts for change are hard to pinpoint, but the pandemic did shine a light on the shortcomings of healthcare systems in a number of emerging markets. One measure of inadequacy might be the average number of hospital beds per capita which in places like India is highly inadequate. The country currently has just 0.79 government hospital beds per 1,000 people, or 1.3 beds including private hospitals, figures that are way below the global average of 2.7 beds per 1,000. In response, both the government and the private sector are investing in infrastructure and expansion programs that will fuel growth for some time to come. The Indian government has set aside $11.4bn for healthcare investment for 2025-26, with just over $580m earmarked for 30,000 critical care beds and 200 cancer daycare centres. At the same time, the private sector is also looking to add 30,000 beds over the next five years, additions that could drive compound annual growth in the mid-teens over this period.

In terms of access, a number of schemes have been in place for some time, with some genuine success stories that could offer a blueprint for others to follow. Take Indonesia, for example, a country that back in 2014 faced a critical healthcare crisis given that less than half the population was financially protected and out-of-pocket costs were unaffordably high for many. To address this, the government launched a national insurance scheme, Jaminan Kesehatan Nasional (JKN), with the goal of universal healthcare coverage. The JKN scheme saw remarkable expansion, covering over 260 million people or more than 95% of the population, by the end of 2023. This transformed Indonesia's healthcare landscape, reducing financial barriers to healthcare and lowering out-of-pocket expenses. Furthermore, catastrophic health expenditure rates dropped from 4.5% in 2017 to 2% in 2021, further easing the healthcare financial burden on households. If more governments follow suit, then the volume of patients that can access care will provide a very healthy growth runway for many years to come.

Relevant investments include Apollo Hospitals Enterprise and Torrent Pharmaceuticals.

US politics: More bark than bite?

The Trump administration's early months brought considerable uncertainty and volatility to the broader markets, which escalated after the declaration of a national emergency over foreign trade and the threat of a global tariff war. Beyond trade, the administration's actions and the Department of Government Efficiency's (DOGE) initiatives raised fears over the functioning of multiple federal health agencies including the FDA, the NIH and the CDC (Centers for Disease Control and Prevention). All provide vital services to the US healthcare system, but it was uncertainty at the FDA that caused the greatest short-term concern for the biopharmaceuticals industry. Last, but not least, President Trump's determination to equalise global drug pricing using 'most favoured nation' (MFN) status, coupled with the fear of tariffs, created a significant overhang for the sector.

Thankfully, as the financial year progressed, many of the biggest fears with regards to policy risk started to dissipate. Starting with the FDA, the agency had approved 32 novel drugs by the end of September 2025, a figure that is comparable to the 34 that had been approved during the first nine months of 2024. Add in the exciting AI initiatives and there is a school of thought that this FDA is potentially more progressive and dynamic than many previous iterations.

Source: Adobe Stock Imagery

There was also tangible progress made on the drug pricing front. It is bespoke, so caveats apply, but the deal that Pfizer has agreed with the US government is clear evidence that the biopharmaceutical industry can broker deals that protect them from worst-case scenarios. As a reminder, on 30 September 2025, Pfizer announced an agreement whereby it will provide every State Medicaid programme access to MFN drug prices. Interestingly, the company also agreed to a three-year grace period during which time its products will not face tariffs, provided the company continues to invest in its US manufacturing footprint. While not a clearing event, the update was the catalyst for a sharp rally in biotechnology and pharmaceutical stocks, with the market appearing to take the view that the more draconian features of the US government's plans for the biopharmaceuticals sector can be circumnavigated with carefully crafted agreements.

Source: Adobe Stock Imagery

Positioning and process

The Company began the financial year with significant exposure to the biotechnology sector alongside a positive tilt towards healthcare supplies, facilities, technology and life sciences tools and services. The biggest underweight was in the pharmaceuticals sector, with smaller underweights in healthcare equipment and managed care.

As the year progressed, it became apparent that the higher levels of healthcare utilisation that characterised much of 2023 and 2024 would be sustainable, at least in the nearer term. Accordingly, we increased exposure to medical equipment stocks, focusing on companies trading at reasonable valuations that were either going through new product cycles or whose sales growth and earnings potential were undervalued by the market. We also added exposure to healthcare facilities and services, sectors that should benefit from the elevated utilisation trend.

Consistent with our view that utilisation would remain above historical averages, we maintained an underweight in managed care. The healthcare insurance industry's earning power has been significantly dented by increased medical costs; initially

Manager's Report continued

confined to Medicare, the higher cost trends have spread to Medicaid and the subsidised commercial healthcare insurance plans ('exchanges'). The sector came under further pressure due to proposed policy changes, ranging from the sunset of enhanced subsidies in the exchanges to greater scrutiny of the role of pharmacy benefit managers and cuts to Medicaid funding. As such, it remains to be seen whether the insurers will be able to price their plans accurately to account for higher utilisation and policy-induced disruptions, and we prefer to stay underweight in the sector for now.

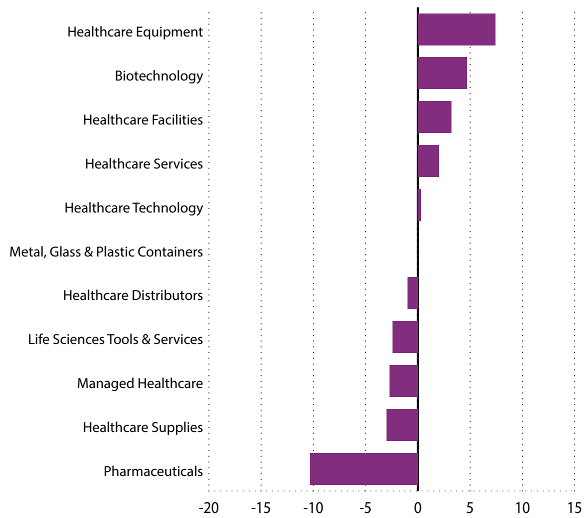
The Company's exposure to healthcare supplies decreased substantially during the period under review. The supplies industry is dominated by dental and ophthalmology businesses which are more sensitive to the health of the consumer. Against a backdrop of heightened geopolitical uncertainty and a less favourable macroeconomic outlook, global consumer confidence weakened, leading to disappointing sales results and outlooks across several healthcare supplies companies. Consequently, we remain underexposed to the sector.

The Company also adopted a more cautious stance on life sciences tools and services, a subsector that has faced multiple headwinds in recent years. These include depressed funding for emerging biotechnology companies; muted replacement cycles for laboratory equipment; a more conservative approach to R&D (research and development) spending among larger biopharmaceutical firms, owing largely to policy overhangs; and weak demand from China. Furthermore, as noted earlier, the academic and government-funded research sector, which had proved relatively resilient, was severely impacted when the US administration proposed cuts to the NIH budget in May. The ensuing disruption caused temporary paralysis in research spending which only began to ease by late summer. Although we remain confident in the long-term structural fundamentals of the life sciences tools and services sector, we prefer to maintain a cautious underweight positioning until there is greater visibility and evidence of recovery.

Throughout the financial year, the Company was underweight in pharmaceuticals relative to the benchmark and, for the most part, overweight in biotechnology. Variations in the magnitude of these relative positions were primarily stock-specific, with innovation and new product cycles central to portfolio construction. While pharmaceutical companies generally exhibit mature revenue and earnings profiles, recent breakthroughs across several therapeutic areas have begun to reshape the investment landscape. These advances not only address significant unmet medical needs but also create attractive commercial opportunities, offering the potential for strong revenue and earnings growth, even in an environment of heightened policy uncertainty.

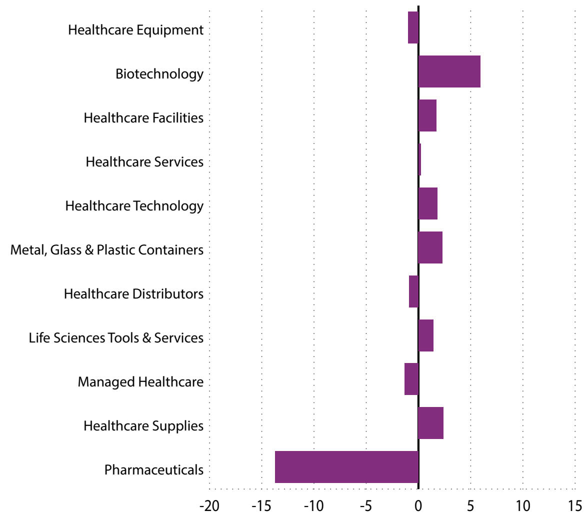
Subsector weightings relative to benchmark

30 September 2025



Source: Polar Capital.

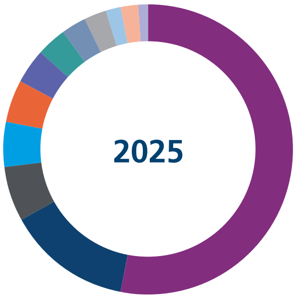
30 September 2024~

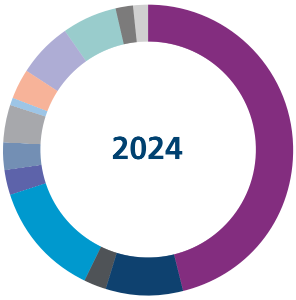


Source: Polar Capital.

Note: Sector exposure refers to the extent to which the Fund is overweight or underweight in each sector compared (relative) to the index (MSCI All Country World/Healthcare Total Return Index).
~please note that the subsector exposure chart contained in the Annual Report and Accounts for the year ended 30 September 2024 was incorrect. An updated version which accurately reflects the position at the Company's last financial year end is provided above.

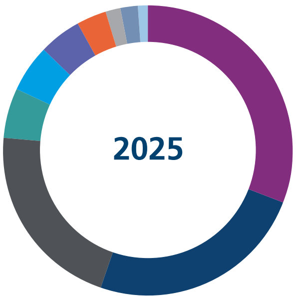
Geographical Exposure

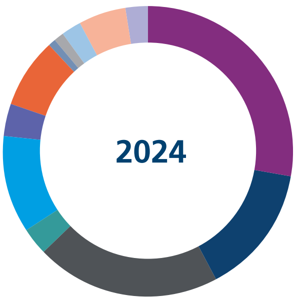




Geographical Exposure at	30 September 2025	30 September 2024
United States	53.3%	46.2%
Denmark	13.7%	8.7%
United Kingdom	6.1%	2.5%
Switzerland	5.2%	12.6%
India	4.6%	-
Belgium	3.8%	2.8%
Israel	3.3%	-
Germany	2.8%	3.3%
Netherlands	2.5%	3.9%
Other net assets	1.9%	1.0%
Ireland	1.7%	3.4%
Japan	1.1%	6.1%
France	-	6.0%
Sweden	-	2.1%
Italy	-	1.4%
Total	**100.0%**	**100.0%**

Sector Exposure





Sector Exposure at	30 September 2025	30 September 2024
Pharmaceuticals	31.1%	28.0%
Healthcare Equipment	24.4%	14.3%
Biotechnology	21.1%	20.5%
Healthcare Services	5.4%	3.3%
Life Sciences Tools & Services	5.3%	10.8%
Healthcare Facilities	4.9%	3.5%
Managed Healthcare	3.1%	7.7%
Other net assets	1.9%	1.0%
Healthcare Distributors	1.7%	0.9%
Healthcare Technology	1.1%	2.3%
Healthcare Supplies	–	5.4%
Metal & Glass Containers	–	2.3%
Total	**100.0%**	**100.0%**

Source: Polar Capital; September 2025

Manager's Report continued

From a geographical perspective, the most significant portfolio changes during the period were a substantial reduction in the Company's European and Japanese weightings, offset by an increased allocation to North America. In addition, the Company narrowed its underweight position in the Asia Pacific (ex-Japan) region by adding exposure to India. These shifts in regional positioning primarily reflected the outcomes of bottom-up stock selection and adjustments in subsector allocations.

The weighting in small-cap stocks (<$5bn) also declined compared with the start of the financial year. This reduction was driven both by a preference for selected investments within the Growth portfolio and by market cap increases among existing holdings, with some investee companies rising above the $5bn threshold.

While the preceding tables highlight the portfolio's subsector and geographical exposures, it is important to reiterate that bottom-up stock selection remains central to our investment approach. The healthcare industry is inherently complex and dynamic, characterised by constant innovation, frequent regulatory developments and highly variable news flow – conditions that favour active management. Our strategy seeks to exploit dislocations between near-term valuations and medium-term fundamentals. Proprietary idea generation forms the foundation of our process and is complemented by external research, with investment conviction built through direct company meetings, participation in industry and investor conferences and regular consultations with expert physicians and specialist advisers. The team maintains a disciplined valuation framework, considering a comprehensive range of financial and operational metrics, including sales and earnings revisions, price-to-earnings ratios, enterprise values and free cashflow generation. This rigorous, research-driven approach ensures that capital is deployed into businesses where we see the most compelling risk-adjusted return potential over the medium to long term.

Outlook for healthcare: At an inflection point

The past 12 months have undoubtedly been very challenging for the healthcare sector and its investors, but there is high conviction that the ingredients for a period of attractive absolute and relative performance are in place. The fundamentals of the industry remain strong, driven by an innovation engine that is bearing fruit, elevated levels of demand for products and services and the adoption of AI-enabled technologies to drive much-needed efficiencies. Of equal importance from an investment perspective, the gloom surrounding healthcare policy in the US is starting to dissipate, offering welcome relief.

With regards to innovation, 2025 has seen some remarkable scientific breakthroughs in areas of high unmet medical need such as cardiovascular disease, oncology and rare muscular diseases. Outside therapeutics, the medical devices industry continues to make progress with robotic surgery and equipment designed to remove blood clots, treat hypertension and monitor diseases such as diabetes and irregular heart rhythm. As mentioned above, the demand to access healthcare products and services remains buoyant, especially in emerging markets where government funding and support are offering protection to millions of people. The healthcare sector is also benefitting from the adoption of AI-enabled technologies designed to drive efficiencies and, in some cases, better patient outcomes.

With policy fears in the US appearing to ease, and the key regulatory bodies such as the FDA functioning as normal, the outlook for healthcare investing feels much brighter now than it has for some time. With the sector at a 25-year low in terms of its S&P 500 weighting, and carrying attractive relative valuations, the outlook for delivering positive returns for our shareholders is extremely compelling.

James Douglas and Gareth Powell
Portfolio Managers of Polar Capital Global Healthcare Trust plc

13 January 2026

Ten Largest Investments

As at 30 September

Ranking					Market Value £'000		% of net assets	
2025	2024	Stock	Sector	Country	2025	2024	2025	2024
1	(1)	Lilly	Pharmaceuticals	United States	31,895	37,952	7.1%	7.9%
Eli Lily is a US-based pharmaceutical company that manufactures and distributes pharmaceuticals primarily in the areas of diabetes, oncology and auto-immune disorders.								
2	(-)	AstraZeneca	Pharmaceuticals	United Kingdom	27,165	-	6.1%	-
AstraZeneca is a global pharmaceutical company pushing the boundaries of science to deliver life-changing medicines.								
3	(-)	**Abbott Laboratories**	Healthcare Equipment	United States	22,202	-	4.9%	-
Abbott Laboratories is a globally diversified healthcare company with four major business divisions: branded generic pharmaceuticals, medical devices, diagnostics, and nutrition products.								
4	(12)	**UCB**	Pharmaceuticals	Belgium	17,056	13,521	3.8%	2.8%
UCB is a global biopharmaceutical company that focuses on creating solutions for people with neurological and autoimmune diseases.								
5	(-)	**Genmab**	Biotechnology	Denmark	16,092	-	3.6%	-
Genmab is an international biotech company specialising in antibody therapeutics for the treatment of cancer and other serious diseases.								
6	(-)	ThermoFisher Scientific	Life Sciences Tools & Services	United States	15,438	-	3.4%	-
Thermo Fisher Scientific Inc. is an American life science and clinical research company. It is a global supplier of analytical instruments, clinical development solutions, specialty diagnostics, laboratory, pharmaceutical and biotechnology services.								
7	(-)	teva	Pharmaceuticals	Israel	14,797	-	3.3%	-
Teva Pharmaceutical Industries Limited develops, manufactures, markets and distributes generic and other medicines, and biopharmaceutical products internationally.								
8	(8)	SANDOZ	Pharmaceuticals	Switzerland	14,759	14,947	3.3%	3.1%
Sandoz is the global leader in generic and biosimilar medicines.								
9	(-)	EXACT SCIENCES	Biotechnology	United States	14,147	-	3.2%	-
Exact Sciences provides cancer screening and diagnostic test products in the United States and internationally.								
10	(-)	Edwards Lifesciences	Healthcare Equipment	United States	13,834	-	3.1%	-
Edwards Lifesciences provides products and technologies to treat advanced cardiovascular diseases internationally.								
Total – 10 Largest Investments					187,385		41.8%	

Full Investment Portfolio

As at 30 September 2025

Stock	Sector	Country	Market Value £'000	% of net assets
Eli Lilly	Pharmaceuticals	United States	31,895	7.1%
AstraZeneca	Pharmaceuticals	United Kingdom	27,165	6.1%
Abbott Laboratories	Healthcare Equipment	United States	22,202	4.9%
UCB	Pharmaceuticals	Belgium	17,056	3.8%
Genmab	Biotechnology	Denmark	16,092	3.6%
Thermo Fisher Scientific	Life Sciences Tools & Services	United States	15,438	3.4%
Teva Pharmaceutical Industries	Pharmaceuticals	Israel	14,797	3.3%
Sandoz	Pharmaceuticals	Switzerland	14,759	3.3%
Exact Sciences	Biotechnology	United States	14,147	3.2%
Edwards Lifesciences	Healthcare Equipment	United States	13,834	3.1%
Top 10 investments			**187,385**	**41.8%**
Centene	Managed Healthcare	United States	13,830	3.1%
STERIS	Healthcare Equipment	United States	13,815	3.1%
Penumbra	Healthcare Equipment	United States	12,851	2.9%
Ascendis Pharma	Biotechnology	Denmark	12,785	2.9%
Fresenius SE	Healthcare Services	Germany	12,725	2.8%
H Lundbeck	Pharmaceuticals	Denmark	12,561	2.8%
Encompass Health	Healthcare Facilities	United States	12,174	2.7%
Avidity Biosciences	Biotechnology	United States	11,882	2.6%
RadNet	Healthcare Services	United States	11,815	2.6%
DexCom	Healthcare Equipment	United States	11,579	2.6%
Top 20 investments			**313,402**	**69.9%**
Argenx	Biotechnology	Netherlands	11,269	2.5%
iRhythm Technologies	Healthcare Equipment	United States	11,007	2.5%
Cytokinetics	Biotechnology	United States	10,939	2.4%
Torrent Pharmaceuticals	Pharmaceuticals	India	10,744	2.4%
Novo Nordisk	Pharmaceuticals	Denmark	10,289	2.3%
Insulet	Healthcare Equipment	United States	10,211	2.3%
Apollo Hospitals Enterprise	Healthcare Facilities	India	10,061	2.2%
Zealand Pharma	Biotechnology	Denmark	9,629	2.1%
Intuitive Surgical	Healthcare Equipment	United States	9,038	2.1%
Lonza	Life Sciences Tools & Services	Switzerland	8,655	1.9%
Top 30 investments			**415,244**	**92.6%**
Vaxcyte	Biotechnology	United States	7,903	1.8%
Uniphar	Healthcare Distributors	Ireland	7,384	1.7%
Medley	Healthcare Technology	Japan	5,019	1.1%
NeuroPace	Healthcare Equipment	United States	3,885	0.9%
Total equities			**439,435**	**98.1%**
Other net assets			**8,675**	**1.9%**
Net assets			**448,110**	**100.0%**

Environmental, Social and Governance

Corporate Responsibility for ESG

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 shareholders lies with the Board. We recognise that this includes elements of ESG and over recent years ESG has become ever more important to investors, from a cost, risk and impact perspective across all aspects of the Company.

Investment trust companies currently have relatively few ESG specific regulatory reporting requirements but we strive to be cognisant of best practice as we pursue a long-term and sustainable future for the Company. We also keep abreast of the ESG landscape, and the Manager reports its assessment of the portfolio in ESG terms and the associated operations of the management house, Polar Capital. Over recent times the ESG dialogue with the Manager and third-party providers has increased greatly; what it is, how it is integrated and how it affects all elements of the business. We recognise however that this is not a short journey, and we have some way to go. 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 Investment Manager (on behalf of all clients) 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. In light of the growing requirements surrounding ESG, including Taskforce for Climate-Related Financial Disclosures ("TCFD"), third party service providers have been engaged in providing copies of their ESG, Diversity and Inclusion, Stewardship and other related policies to the Company. The Board will continue to monitor the practices of service providers and seek to assure shareholders where appropriate that suitable policies and procedures are in place to effect positive change.

Corporate Responsibility

The Company's core investment and administrative activities are undertaken by its Investment Manager which seeks 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 detailed below, the Portfolio Managers are required to have consideration of 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 improvement of 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 to report on the greenhouse gas ('GHG') emissions for which they are responsible. 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 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.

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.polarcapitalglobalhealthcaretrust.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 two male independent non-executive Directors.

The Board is aware of the FCA's Diversity and Inclusion Policy and notes that following its recent recruitment process and refreshment of the Board, the current composition does not meet the recommended requirements. The Board believes that it followed a stringent recruitment process and appointed appropriate candidates with the requisite skillsets required of the wider Board. The Board recognises the importance and the benefits of all aspects of diversity in its membership and seeks to ensure that its structure, size and composition is sufficient for the effective direction and control of the Company.

The Board will continue to consider diversity at all stages of recruitment to the Board and will work hard to ensure the broadest range of candidates are found when recruiting new directors.

The Board's Diversity Policy is discussed further in the Corporate Governance Report and is also available on the Company's website.

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 such 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 the Manager's website at www.polarcapital.co.uk.

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

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 36 and 37; additionally how the directors have undertaken their duties in compliance with s172 of the Companies Act 2006 is provided on pages 38 to 41.

Lisa Arnold
Chair

13 January 2026

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. engagement.

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 (cluster munitions, anti-personnel mines and depleted uranium).

In addition, 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.

The Investment Manager assesses whether an existing or potential investee company has committed a material breach of the norms-based standards, using third party data where appropriate. If the Investment Manager concludes that there has been a material breach by a potential investee company, it will not invest in that company until such time as the breach is remedied. If the Investment Manager concludes that there has been a material breach by an existing investee company, the Investment Manager will either work with the company to remedy the breach or reduce or exit the position taking account of the best interests of investors.

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 assess the ESG profiles of companies, including their exposure to, and management of, financially relevant ESG risks. Examples of ESG risks and opportunities that may be considered as part of this assessment are as follows:

- **Environmental –** carbon emissions, toxic emissions and waste.
- **Social –** labour management, human capital development, product safety and quality, privacy and data security.
- **Governance –** board composition, pay, ownership, accounting, business ethics and tax transparency.

Consideration of the factors listed above will depend on how material they are to each company and, therefore, companies may not be assessed on all of these factors.

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.

If the Investment Manager has concerns with respect to a third party's conclusion, then it may conduct further due diligence on the company utilising company filings (including 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.

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.

Engagement

Where the Investment Manager deems risks identified by third party research and data are significant or material, or it has identified separate ESG concerns through its own due diligence, the Investment Manager may 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 these engagements through meetings with company management, emails to company investor relations teams or through shareholder voting.

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.

Internal Oversight and Monitoring

The Investment Manager's Sustainability team which is independent of the portfolio management team, carries 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.

For information purposes only, the Investment Manager has provided the following additional metrics in this annual report:

- portfolio weighted average carbon intensity, as calculated by MSCI;
- portfolio weighted average percentage of independent board members;
- portfolio weighted average percentage of women on boards; and
- the Investment Manager's voting statistics for the portfolio during the reporting period.

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). All charts provided below are as at 30 September 2025 / 30 September 2024 and have been sourced using MSCI data and ESG metrics and ISS data.

How the MSCI ESG Rating is calculated

2025	Portfolio	Benchmark
Weighted Average ESG Score / Quality Score	6.34	6.74
Letter Rating	A	A

2024	Portfolio	Benchmark
Weighted Average ESG Score / Quality Score	6.93	6.78
Letter Rating	A	A

Top Five Rated Holdings 2025

Security	Rating	Change
Lonza	AAA	→
Uniphar	AAA	→
STERIS	AAA	→
Edwards Lifesciences	AAA	→
UCB	AA	→

Top Five Rated Holdings 2024

Security	Rating	Change
Lonza	AAA	→
Uniphar	AAA	→
ConvaTec	AAA	→
Alcon	AAA	→
Novo Nordisk	AAA	→

Bottom Five Rated Holdings 2025

Security	Rating	Change
Avidity Biosciences	BB	↓
Thermo Fisher Scientific	BB	→
Medley.	BB	→
Apollo Hospitals Enterprise	BB	→
Torrent Pharmaceuticals	BBB	→

Bottom Five Rated Holdings 2024

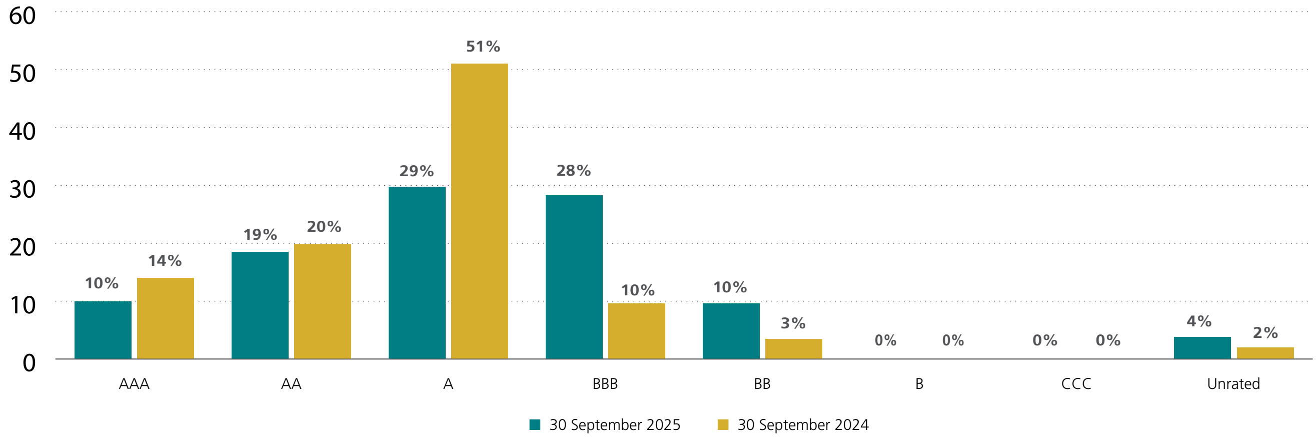
Security	Rating	Change
Legend Biotech Corp	BB	↑
Medley	BB	→
AbbVie	BBB	→
Zealand Pharma	BBB	→
Avidity Biosciences	BBB	→

The change in ratings of each holding outlined above represents the year-on-year movement.

Please note, MSCI ESG data is included for informational purposes only. While the Trust uses MSCI ESG data for research purposes, the Company does not seek to maintain a certain level or improve MSCI ESG ratings over time.

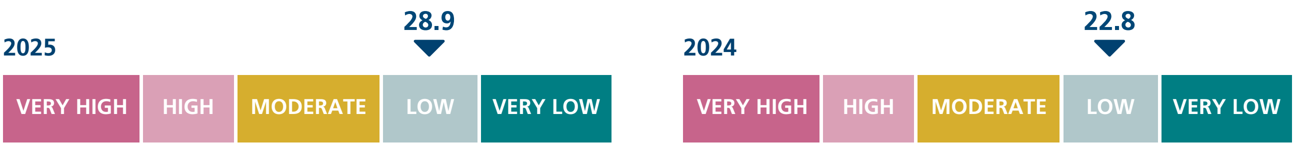
Portfolio Letter Rating Distribution

As at 30 September 2025, 29% (2024: 34%) of the portfolio's holdings received an MSCI ESG Rating of AAA or AA (ESG Leaders). There were no holdings (2024: 0%) with an MSCI ESG Rating of B or CCC (ESG Laggards).



Weighted Average Carbon Intensity (tCO2e/$Sales)

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



MSCI ESG metrics and carbon data based on portfolio holdings as at 30 September 2025/30 September 2024, using MSCI's latest available data. Carbon metrics calculated using issuer EVIC, using Scope 1&2 emissions data (Source: MSCI Climate Change Metrics – reported and estimated data).

Corporate Governance	30-Sep-25	30-Sep-24
Weighted Average Board Independence percentage	81.1	80.9
Weighted Average percentage of women on boards	37.9	36.9

2025 Voting Record

Category	Number	Percentage
Number of votable meetings	43	
Number of meetings voted	42	97.7%
Number of meetings with at least 1 vote Against, Withheld or Abstain	15	34.9%

2024 Voting Record

Category	Number	Percentage
Number of votable meetings	42	
Number of meetings voted	41	97.6%
Number of meetings with at least 1 vote Against, Withheld or Abstain	15	35.7%

2025 Vote Cast Statistics

Votes For	93.9%
Votes Against	5.1%
Votes Abstain	0.0%
Votes Withhold	1.0%
Votes on management say on pay	6.8%

2024 Vote Cast Statistics

Votes For	93.9%
Votes Against	4.9%
Votes Abstain	0.0%
Votes Withhold	0.6%
Votes on management say on pay	0.6%

Governance

A system of rules and processes by which the Company is governed

Strategic Report

The Strategic Report section of this Annual Report comprises the Chair's Statement, the Investment Manager's Report, including information on the portfolio, and this Strategic Report. This Report has been prepared to provide information to shareholders on the Company's strategy and the potential for this strategy to succeed, including a fair review of the Company's performance during the year ended 30 September 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 Arrangements

The Company's business model follows that of an externally managed investment trust and its investment objective is set out below.

The Company is designated an Alternative Investment Fund ('AIF') under the Alternative Investment Fund Management Directive ('AIFMD'). As required by the Directive, the Company has contracted with Polar Capital LLP ('Polar Capital' or 'Investment Manager'), which is authorised and regulated by the Financial Conduct Authority, to act as the Alternative Investment Fund Manager ('AIFM') 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 Financial Conduct Authority ('FCA') 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, gearing, 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

The Company's Investment Objective is to generate capital growth through investments in a global portfolio of healthcare stocks.

The Company will seek to achieve its objective by investing in a diversified global portfolio consisting primarily of listed equities. The portfolio is diversified by geography, industry subsector and investment size, with a multi-capitalisation approach. It is expected that the majority of assets will remain invested in large capitalisation companies with up to 30 per cent. of the portfolio invested in small/mid capitalisation companies with a market capitalisation below $10 billion at the time of investment.

The portfolio will be made up of interests in up to 65 companies, with no single investment accounting for more than 10% (or 15% in the case of an investment in another fund managed by the Investment Manager) of the Gross Assets at the time of investment. The Company may have a small exposure to stocks which are neither quoted nor listed on any stock exchange but the exposure to such stocks, in aggregate, will not exceed 5% of Gross Assets at the time of investment. In the event that the Investment Manager launches a dedicated healthcare innovation fund, the Company may invest in that fund, provided that, in any event, the Company will not, without the prior consent of the Board, acquire more than 15% of any such healthcare innovation fund's issued share capital and provided further that such healthcare innovation fund (if a listed closed-ended investment fund) itself has a limit of investment in other listed closed-ended investment funds of 15 per cent. of gross assets.

Strategy and Investment Approach

The Investment Manager's investment process is primarily based on bottom-up fundamental analysis. The Investment Manager uses a qualitative filter consisting of key criteria to build up a watch-list of securities that is monitored on a regular basis. Due diligence is then carried out on the individual securities on the watch-list. Each individual holding is assessed on its own merits in terms of risk:reward including ESG criteria. While the Company expects normally to be fully or substantially invested, the Company may hold cash or money market instruments pending deployment in the portfolio. In addition, it will have the flexibility, when the Investment Manager perceives there to be actual or expected adverse equity market conditions, to maintain cash holdings as it deems appropriate.

Service Providers

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

Strategic Report continued

The Company also contracts directly, on terms agreed periodically, with a number of third parties for the provision of specialist services, namely:

- Panmure Liberum as Corporate Broker;
- Herbert Smith Freehills Kramer LLP as Solicitors;
- HSBC Securities Services as Custodian and Depositary;
- Equiniti Limited as Share Registrars;
- RD:IR for Investor Relations and Shareholder Analysis;
- Camarco as PR advisers;
- PricewaterhouseCoopers LLP as Independent Auditors;
- Diligent Boardbooks Limited as Electronic Board Portal providers (contracted indirectly through Polar Capital);
- Huguenot Limited as website designers and internet hosting services; and
- Perivan Limited as designers and printers for shareholder communications.

Gearing

The Company has historically utilised gearing in the form of Zero Dividend Preference (ZDP) Shares through its subsidiary, PCGH ZDP Plc, which was created as part of the Company's restructure in 2017 for the sole purpose of providing a loan to the parent. The subsidiary company was incorporated with a limited life of seven years and, following repayment of the loan by the parent and redemption of the ZDP shares, it was placed into liquidation on 19 June 2024 in accordance with the Articles of Association. Following repayment of this loan the Company's portfolio has remained ungeared, however, the Articles of Association provide that the Company may borrow up to 15% of its NAV at the time of drawdown for tactical deployment when the Board believes that gearing will enhance returns to shareholders. Following the completion of the tender offer, the Company intends to seek alternative forms of short-term gearing. The Board believes that the ability to utilise gearing actively (where market conditions are favourable), with the potential to enhance future returns, is a key attraction of the investment trust structure.

Benchmark

The Company will measure the Investment Manager's performance against the MSCI ACWI Healthcare Index total return, in sterling with dividends reinvested. Although the Company has a benchmark, this is neither a target nor determinant of investment strategy. The portfolio may diverge substantially from the constituents of this index. The purpose of the Benchmark is to set a reasonable measure of performance for shareholders above which the Investment Manager earns a share for any outperformance it has delivered.

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 Polar Capital (the Investment Manager) will achieve the optimum return for shareholders. As such, the Board and the Investment Manager operate in a supportive, co-operative and open environment.

Under the terms of an Investment Management Agreement (IMA), Polar Capital has 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 healthcare specialists, and the portfolio is co-managed by Mr James Douglas and Mr Gareth Powell. The Investment Manager has other resources which support the investment team and has experience in managing and administering other investment trust companies.

Under the terms of the IMA, the Investment Manager also provides or procures accountancy services, company secretarial, marketing and day-to-day administrative services, including the monitoring of third-party suppliers, which are directly appointed by the Company. The Investment Manager has, with the consent of the Directors, delegated the provision of certain of these administrative functions to HSBC Securities Services and to Polar Capital Secretarial Services Limited.

Fee Arrangements

Management Fee

Under the terms of the IMA, the Investment Manager will be entitled to a management fee together with reimbursement of reasonable expenses incurred by it in the performance of its duties.

Following the completion of the Tender offer and effective from 1 December 2025, the Board agreed to replace the previous management fee of the Investment Manager, which was a flat fee of 0.75% (based on the lower of market capitalisation and NAV) with a new tiered structure whereby a lower initial rate of 0.70% per annum is payable on the first £500 million and a further lowered rate of 0.65% per annum is applicable thereafter. The management fee is payable monthly in arrears.

In accordance with the Directors' existing policy on the allocation of expenses between income and capital, 80% of the management fee payable is charged to capital and the remaining 20% to income.

Following the financial year end and effective from 1 October 2025, the Board agreed to implement a change to the allocation split whereby 90% would be charged to capital and the remaining 10% to income.

Performance Fee

Under the previous management fee arrangement, the Investment Manager could receive a performance fee paid in cash when various performance parameters had been met. No performance fee was accrued or is due to be paid as at the year ended 30 September 2025 (2024: nil).

Under the new management fee arrangement, the performance fee element of the previous fee structure has been removed following the conclusion of the Tender Offer and with effect from 1 December 2025.

Further details on the termination arrangements are provided within the Shareholder Information section on page 104.

Strategic Report continued

Performance and Key Performance Objectives

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 KPIs comprise both specific financial and Shareholder related measures. These KPI's 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 reviews the performance of the portfolio in detail and hears the views of the Investment Manager at each meeting. The Board also considers the value delivered to shareholders through NAV growth and dividends paid.	As at 30 September 2025, the total net assets of the Company amounted to £448,110,000 (2024: £479,073,000). The Company's NAV total return, over the year ended 30 September 2025, was -5.86% while the Benchmark Index over the same period was -7.81%. The Company's performance is explained further in the Investment Manager's Report. Since restructuring on 20 June 2017, the total return of the NAV was 81.33% and the benchmark total return was 68.18%. Investment performance is explained in the Chair's Statement and the Investment Manager's Report.
The achievement of the dividend policy.	Financial forecasts are reviewed to track income and distributions.	Two dividends have been paid or are payable in respect of the year ended 30 September 2025 totalling 2.20p per share (2024: two dividends totalling 2.40p per share). The Company's focus remains on capital growth. While the Company continues to aim to pay two dividends per year these are expected to be a small part of a shareholder total return.
Monitoring and reacting to the discount or premium of the ordinary share price to the NAV per ordinary share with the aim of reduced 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. The Board discusses and authorises the issue or buy back of shares when appropriate. The Board intends to actively utilise buybacks to manage discount volatility and ensure, to the extent possible, that the discount remains at an appropriately narrow level. The Board is aware of the vulnerability of a sector specialist investment trust to a change in investor sentiment to that sector. 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 market liquidity is also considered when authorising the issue or buy back of shares when appropriate market conditions prevail. A daily NAV per share, calculated in accordance with the AIC guidelines, is issued to the London Stock Exchange.	The discount of the ordinary share price to the NAV per ordinary share at the year ended 30 September 2025 was 3.93% (2024: 4.82%). During the year ended 30 September 2025, no new shares were issued or bought back. Following the year end, the Company bought back 27,253,026 ordinary shares into treasury as part of the tender offer to shareholders in November 2025. The number of shares in issue, as at the year end was 124,149,256 of which 2,879,256 were held in treasury. Subsequent to the tender offer process, 525,000 shares were reissued from those purchased in the tender, resulting in an issued share capital of 124,149,256 of which 29,607,282 are held in treasury at 6 January 2026, the latest practicable date.
To qualify as an investment trust and continue to meet the requirements for sections 1158 and 1159 of the Corporation Tax Act 2010 ('investment trust status').	The Board receives regular information which discloses the current and projected position of the Company against each of the tests set out in sections 1158 and 1159.	The Company was granted investment trust status annually up to 1 October 2014 and is deemed to be granted such status for each subsequent year subject to the Company continuing to satisfy the conditions of section 1158 of the Corporation Tax Act 2010 and other associated ongoing requirements. The Directors confirm that the tests have been met in the financial year ended 30 September 2025 and believe that they will continue to be met.
To ensure the efficient operation of the Company by monitoring the services provided by third party suppliers, including the Investment Manager, and controlling ongoing charges.	The Board considers annually the services provided by the Investment Manager, both investment and administrative, and reviews on a cycle the provision of services from third parties including the costs of their services. The annual operating expenses are reviewed and any non-recurring project related expenditure approved by the Board.	The Board has received, and considered satisfactory, the internal controls report of the Investment Manager and other key suppliers including the contingency arrangements to facilitate the ongoing operations of the Company in the event of withdrawal or failure of services. The ongoing charges for the year ended 30 September 2025 were 0.90%, compared to 0.88% the previous year.

Risk Management

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 is then determined for each principal risk.

The Audit Committee carries out, at least annually, a robust assessment of the principal risks and uncertainties with the assistance of the Investment Manager, continually monitors identified risks and meets to discuss both long-term and emerging risks outside of the normal cycle of Audit Committee meetings.

During the year the Audit Committee, in conjunction with the Board and the Investment Manager undertook a full review of the Company's Risk Map including the mitigating factors and controls to reduce the impact of the risks. The Committee continues to closely monitor these risks along with any other emerging risks as they develop and implements mitigating actions as necessary.

The Committee remains mindful of the heightened geopolitical political landscape. Geopolitical events can have a significant impact on global financial markets, and hence on the Company's portfolio performance. Further information on how the Committee has assessed the Company's ability to operate as a going concern and the Company's longer-term viability can be found on pages 56 and 57 of the Report of the Audit Committee.

The key risks, which are those classified as having the highest risk impact score post mitigation, are detailed below with a high-level summary of the management through mitigation and status arrows to indicate any change in assessment over the past year.

Strategic Report continued

Principal Risks and Uncertainties

Portfolio Management

Investment Performance

Description
Breach of Investment policy, Investment Manager unable to deliver the Investment Objective leading to poor performance against the benchmark or market/industry average.

Assessment
Unchanged from previous year.

Mitigation
The Board seeks to mitigate the impact of such risks through the regular reporting and monitoring of the Company's investment performance against its peer group, benchmark and other agreed indicators of relative performance.

A detailed annual review of the investment strategy is undertaken by the Investment Manager with the Board including analysis of investment markets and sector trends.

At each meeting the Board discusses developments in healthcare and drug pipelines with the Investment Manager in addition to the composition and diversification of the portfolio with sales and purchases of investments and the degree of risk which the Investment Manager incurs to generate investment returns. Individual investments are discussed with the Investment Manager as well as the Investment Manager's general views on the various investment markets and the healthcare sector in particular. Analytical performance data and attribution analysis is presented by the Investment Manager.

The Board is committed to a clear communication program to ensure shareholders understand the investment strategy. This is maintained through the use of monthly factsheets which have a market commentary from the Investment Manager as well as portfolio data, an informative website and the annual and half year reports.

Trading

Description
Execution of unauthorised trade/dealing error. Error or breach may cause regulatory investigation leading to fines, reputational damage, risk to investment trust status and have a detrimental impact on performance.

Assessment
Unchanged from previous year.

Mitigation
Investment limits and restrictions are encoded into the dealing and operations systems of the Investment Manager and various oversight functions are undertaken to ensure there is early warning of any potential issue of compliance or regulatory matters.

Discount/Premium

Description
Persistent discount in excess of Board or Shareholder acceptable levels.

Assessment
Unchanged from previous year.

Mitigation
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.

The Board has carefully monitored the discount level and market movements and has discussed performance with the Investment Manager and advisers. The discount of the Company narrowed during the year under review and as at 30 September 2025, the discount of the ordinary share price to the NAV per ordinary share was 3.93% (2024: 4.82%). The Chair also meets regularly with key shareholders to understand any concerns and views. Further detail on the performance and the impact of market movements on the Company is given in the Investment Manager's Report.

Regulatory Risk

Description
Non-compliance with statutes, regulations and disclosure requirements, including the FCA UK listed company regime and Companies Act 2006; s1158/1159 of the Corporation Tax Act 2010, the Companies Act 2006 and other UK, European and overseas legislation affecting UK companies including MiFID II and the GDPR.

Not complying with accounting standards could result is a suspension of listing or loss of investment trust status, reputational damage and Shareholder activism.

Further risks arise from not keeping abreast of changes in legislation and regulations which have, in recent years, been substantial.

Assessment
Unchanged from previous year.

Mitigation
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.

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.

Economic And Market Risk

Description
Financial loss due to unexpected natural disaster or other unpredictable event disrupting the ability to operate or significant exposure to the economic cycles of the markets in which the underlying investments conduct their business operations as well as the economic impact on investment markets where such investments are listed.

Fluctuations in stock markets and currency exchange rates could be advantageous or disadvantageous to the Company and its performance.

Disruption to trading platforms and support services.

Assessment
Unchanged from previous year.

Mitigation
The Board regularly discusses global geopolitical issues and general economic conditions and developments. The impact on the portfolio is monitored through existing control systems. While it is difficult to quantify the impact of such changes, it is not anticipated that they will fundamentally affect the business of the Company and the environment in which the Company operates or make healthcare investing any less desirable.

The Company through the Investment Manager, has a disaster recovery plan in place.

Increase Decrease Unchanged

Operational Risk

Service Failure

Description
Failure in services provided by the Investment Manager, Custodian, Depositary or other service providers; Accounting, Financial or Custody Errors resulting in regulatory investigation or financial loss, failure of trade settlement, potential loss of Shareholder assets and investment trust status.

Assessment
Unchanged from previous year.

Mitigation
The Board carries out an annual review of internal control reports from suppliers, which includes cyber protocols and disaster recovery procedures. Due diligence and service reviews are undertaken with third-party service providers including the Custodian and Depositary.

A full review of the internal control framework is carried out at least annually. Regular reporting is received by the Investment Manager on behalf of the Board from the Depositary on the safe custody of the Company's assets. The Board undertakes independent reviews of the Depositary and external Administrator services via the Investment Manager. 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.

Cyber Risk

Description
Cyber-attack causing disruption to, or failure of, operational and accounting systems and processes provided by the Investment Manager creating an unexpected event and/or adverse impact on personnel or the portfolio.

Assessment
Unchanged from previous year.

Mitigation
The number, severity and success rate of cyberattacks have increased considerably over recent years. However, controls are in place and the Board proactively seeks to keep abreast of developments through updates with representatives of the Investment Manager who undertakes meetings with relevant service providers.

The Audit Committee once again sought assurance via the Investment Manager, from each of the Company's service providers on the resilience of their business continuity arrangements. These assurances and the subsequent detailed updates that were given to the Committee provided a satisfactory level of assurance that there had not been, and there was no anticipation of any disruption in the ability of each service provider to fulfil their duties as would typically be expected.

Key Person

Description
Loss of fund managers or other key management professionals. Impact on investor confidence leading to widening of the discount and/or poor performance creating a period of uncertainty and potential termination of the Investment Management Agreement.

Assessment
Unchanged from previous year.

Mitigation
The strength and depth of investment team provides comfort that there is not over-reliance on one person with alternative 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.

Shareholder Communications

Description
Failure to effectively communicate significant events to the shareholder and investor base. Given the increased significance of shareholder communications during the corporate action the Board decided to increase the potential impact to the Company of this risk until the corporate action was complete.

Assessment
Increased from previous year.

Mitigation
Polar Capital Sales Team and the Corporate Broker provide periodic reports to the Board on communications with shareholders and feedback received.

The Board is committed to a clear communication programme to ensure Shareholders understand the investment strategy. This is maintained through the use of monthly factsheets which have a market commentary from the Investment Manager as well as portfolio data, an informative website as well as annual and half year reports.

Contact details and how to contact the Board are provided in regulatory announcements and the Board is present at the AGM to speak to shareholders.

Increase Decrease Unchanged

Section 172 of the Companies Act 2006

The statutory duties of the Directors are listed 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 members (our 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. 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 when they first join the Board, including details of all relevant regulatory and legal duties as a Director and continue to receive regular and ongoing updates on relevant legislative and regulatory developments. They also have continued access to the advice and services of the Company Secretary and, when deemed necessary, the Directors can seek independent professional advice at the expense of the Company. 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 stakeholders and these are taken into account during discussions and as part of the 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 their duty to shareholders when making the strategic decisions during the year that affect them, most notably, the proposals made to shareholders in October 2025 in relation to the initial tender offer and removal of the Company's fixed life in favour of five-yearly tender offers. The Directors have also taken account of shareholders' interests during the year when considering the continued appointment of the Investment Manager and the recommendation that shareholders vote in favour of the resolutions for the Company to continue and to renew the allotment and buy back authorities at the AGM. The Directors have also engaged with and taken account of shareholders' interests during the year. The Company's AGM will be held at **2:00pm on Thursday 26 February 2026** at the offices of Polar Capital, 16 Palace Street, London SW1E 5JD. 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 vote and participate. Any changes to these arrangements will be communicated through the Company's website and via a Regulatory Information Service announcement. The Board believes that shareholder engagement remains important and is keen that the AGM be a participative event for all. As was the case in 2025, shareholders will once again have the opportunity to hear the Managers' pre-recorded presentation, reviewing the Company's performance in the year and the outlook for the next year, in advance of the AGM. The presentation will be uploaded to the Company's website ahead of the AGM, on or before 12 February 2026. In addition, 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. Please note that the physical AGM will comprise the formal business and questions only; there will be no live Managers presentation. 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 **PCGH-AGM**. The Chairs of the Board and of the Committees, along with the Managers, will be in attendance at the AGM and will be available to respond to questions and concerns from shareholders. Should any significant votes be cast against a resolution, the Board will engage with shareholders and 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 Annual Report will detail the impact the Shareholder feedback has had on any decisions the Board has taken and any actions or resolutions proposed.

Stakeholder Group | **How we engage with them**

Shareholders Continued

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 meetings attended with shareholders and any concerns that are raised in those meetings. The Board also reviews correspondence from shareholders and may attend investor presentations.

Shareholders are able to raise any concerns directly with the Chair of 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.PCGH@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. 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 106.

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.

Outcomes and strategic decisions during the year

Corporate Action

Ahead of the corporate action including the subsequent tender offer and removal of fixed life put to Shareholders, the Chair and Corporate Broker sought Shareholder views including any concerns in respect of the Company's strategy and structure going forward. No adverse comments were received and shareholders were predominantly in favour of the Company continuing in its current form. The proposals put to Shareholders were approved by representation of over 60% of the total issued share capital and over 90% of the votes cast at the General Meeting on 27 November 2025.

Fees

As mentioned previously, the Board undertook a review of the Investment Management fees at the time of the corporate action to ensure that the Company continues to provide value for Shareholders and remains competitive, whilst also reflecting the quality and experience of the Investment Manager's specialist healthcare team and the business infrastructure that supports them. Further details on the changes to the fee structure effective from 1 December 2025 are provided on pages 32 and 33.

AGM

To enable more shareholders the opportunity to hear the Investment Manager's AGM presentation, the Board has once again opted to pre-record and upload this to the website ahead of the voting deadline and in-person formal business AGM. In addition, shareholders will also have the opportunity 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.

Section 172 of the Companies Act 2006 continued

Stakeholder Group | **How we engage with them**

Investment Manager

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

- Ensuring excessive risk is not undertaken in the pursuit of investment performance;
- Ensuring adherence to the Investment Management Policy and reviewing the agreed management fees;
- Ensuring compliance with statutory legal requirements, regulations and other advisory guidance such as consumer duty and aspects of operational resilience; and
- Reviewing the Investment Manager's decision making and consistency in investment process.

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.

Outcomes and strategic decisions during the year

ESG

The Board regularly engages with the Investment Manager and healthcare team to understand the impact of developments within the ESG landscape and any impact to the team's investment approach or the wider Polar business.

Management

The Management Engagement Committee has recommended and the Board has approved the continued appointment of the Investment Manager on the terms set out within the Investment Management Agreement.

The proposals put forward in October 2025, to continue the Company and remove the fixed life element, were made with and in support of the Investment Manager continuing to manage the assets of the Company.

Investee Companies

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 the Investment Manager believes that a resolution would 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). Further information on how the Investment Manager considers ESG in its engagement with investee companies can be found in the ESG report on pages 24 to 29.

The Investment Manager has voted at 42 company meetings over the year ended 30 September 2025, with 35% of meetings having at least one against, withheld or abstain vote.

Outcomes and strategic decisions during the year

The Board receives information on the ratings of investee companies and is able to use this as a tool to inform discussions with the Manager during Board meetings.

Stakeholder Group	How we engage with them
Service Providers	The Board (through the Company Secretary) engages with the Company's other service providers through the annual cycle of reporting and due diligence meetings or site visits. 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 Company. 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 continues to monitor service levels and due diligence reviews conducted by the Company Secretary and is satisfied that the service received continues to be of a high standard.
Proxy Advisers	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** During the year, the Chair, the Company's Broker and members of Polar Sales team have engaged with the stewardship teams of some larger investors to understand and address their expectations in terms of the Company's potential fixed life, structure and ongoing appetite for a similar vehicle in the future. Prior to AGMs, the Company also engages with proxy agencies 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.
aic The Association of Investment Companies	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. This year, the Board supported the AIC's 'My share, my vote' campaign and encouraged Shareholders to do the same by signing the petition on the AIC's website. The AIC was lobbying government to make a change in company law to require nominees, which include retail platforms, to automatically and without charge pass on voting rights and information to the underlying Shareholders which at present is optional. We support this action as we believe shareholder engagement is highly desirable.

Approved by the Board on 13 January 2026
By order of the Board

Tracey Lago, FCG
Polar Capital Secretarial Services Limited
Company Secretary

13 January 2026

Report of the Directors

The Directors, who are listed on pages 6 and 7, present their Annual Report together with their Report on Corporate Governance, and the Audited Financial Statements for the year ended 30 September 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 provide 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 is 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) and has a premium listing 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. The Company's ordinary shares are eligible for inclusion in a stocks and shares ISA.

Life of the Company

At the Company's General Meeting held on 27 November 2025, Shareholders approved changes to the Company's Articles of Association to remove the fixed life and extend the Company's life indefinitely. The revised Articles of Association require the Company to make future tender offers at five yearly intervals, with the first to commence on or before 31 March 2031.

Capital Structure

• Issued Share Capital

The Company's share capital is divided into ordinary shares of 25p each. At the year end, there were 124,149,256 ordinary shares in issue (2024: 124,149,256 ordinary shares), of which 2,879,256 (2024: 2,879,256) were held in treasury by the Company. During the year to 30 September 2025, no new shares were issued from or bought back into treasury.

As mentioned above, in substitution of the fixed life, tender offer proposals were made to Shareholders in November 2025 as a result of which, the Company bought back 27,253,026 ordinary shares, and these were placed into treasury.

Subsequent to the tender offer process, 525,000 shares were reissued from those purchased in the tender, resulting in an issued share capital of 124,149,256 of which 29,607,282 are held in treasury at 6 January 2026, the latest practicable date.

Further information on transferability and the voting rights attached to these shares can be found in the shareholder information section on page 104.

• Powers to Issue Ordinary Shares and Make Market Purchases of Ordinary Shares

The Board was granted authority by shareholders at the AGM in February 2025 to allot equity securities up to a nominal value of £3,031,750, representing approximately 10 per cent of the Company's 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 NAV per share after taking into account the costs of issue. Any re-issue of shares from treasury will follow institutional guidelines; it is not anticipated that such shares would be re-issued below NAV.

The Board also obtained shareholder authority at the AGM in February 2025 to make market purchases of up to 18,178,373 ordinary shares of the Company for cancellation or holding as treasury shares in accordance with the terms and conditions set out in the shareholder resolution. These authorities will expire at the AGM to be held in February 2026. Renewal of these authorities will be sought at that AGM.

Dividends

The Company has a focus on growth but continues to have a policy which aims to pay two interim dividends in February and August each year. These interim dividends will not necessarily be of equal amounts. Details of the dividends paid and proposed are set out in Note 11 on page 85.

Shareholders should recognise that circumstances may arise when it is necessary to reduce the level of dividend payment or equally there may be instances when the level of dividend must be increased in order to comply with sections 1158 and 1159 of the Corporation Tax Act 2010. Where this would result in paying a dividend beyond the Board's intended policy, a 'special dividend' will be declared and paid. In accordance with best practice, the Directors will be proposing a resolution to approve the Company's dividend policy at the AGM to be held in February 2026.

Major Interests in Ordinary Shares

The Company received notifications from the following shareholders in respect of their own and their clients' interests in the voting rights of the Company. The below percentages are based on the Company's share capital (pre-tender offer) at 30 September 2025 of 121,270,000 ordinary shares being all the issued ordinary shares excluding those held in treasury where voting rights are suspended.

Shareholder	Type of Holding	Number of Shares	% of Voting Rights
Rathbones Investment Management Limited~	Indirect	16,946,654	15.96
1607 Capital Partners	Indirect	12,069,633	9.95
Allspring Investments	Indirect	6,522,743	5.38
Raymond James (previously Charles Stanley)	Indirect	6,106,096	5.04
Evelyn Partners Limited	Direct	6,081,962	5.02
Brewin Dolphin Limited	Indirect	6,039,197	4.98
City of London Investment Management Company Limited	Direct	6,019,216	4.96
Canaccord Genuity Group	Indirect	5,872,733	4.84
Cheviot Asset Management Limited	Direct	4,805,275	3.96
Schroders plc	Indirect	Below 5%	Below 5%

Since the year end the Company has been notified of the below transactions. The below percentages are based on the Company's share capital (post-tender offer) at 6 January 2026 of 94,541,974 ordinary shares being all the issued ordinary shares excluding those held in treasury where voting rights are suspended.

Shareholder	Type of Holding	Number of Shares	% of Voting Rights
Rathbones Investment Management Limited~	Indirect	16,810,330	17.78
TrinityBridge	Direct	5,668,461	6.00
Canaccord Genuity Group	Indirect	4,879,607	5.16
1607 Capital Partners	Indirect	0	–
Allspring	Indirect	0	–

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

Annual General Meeting ('AGM')

The Company's AGM will be held at **2.00pm on Thursday 26 February 2026**. Please see page 103 in the shareholder information section for further information on the resolutions to be proposed. The meeting will be held in person. 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.

As was the case in 2025, in advance of the AGM, shareholders will have the opportunity to hear the Portfolio Managers' pre-recorded presentation, reviewing the Company's performance in the year and the outlook for the next year. The Company does not intend to repeat the presentation during the AGM, however, the Portfolio Managers will be available to take questions. It is anticipated that the presentation will be uploaded to the Company's website on or before 12 February 2026.

Listing Rule 9.8.4

Listing Rule 9.8.4 requires the Company to include certain further information in relation to the Company which is not otherwise disclosed. The Directors confirm there are no additional disclosures to be made pursuant to this rule.

By order of the Board

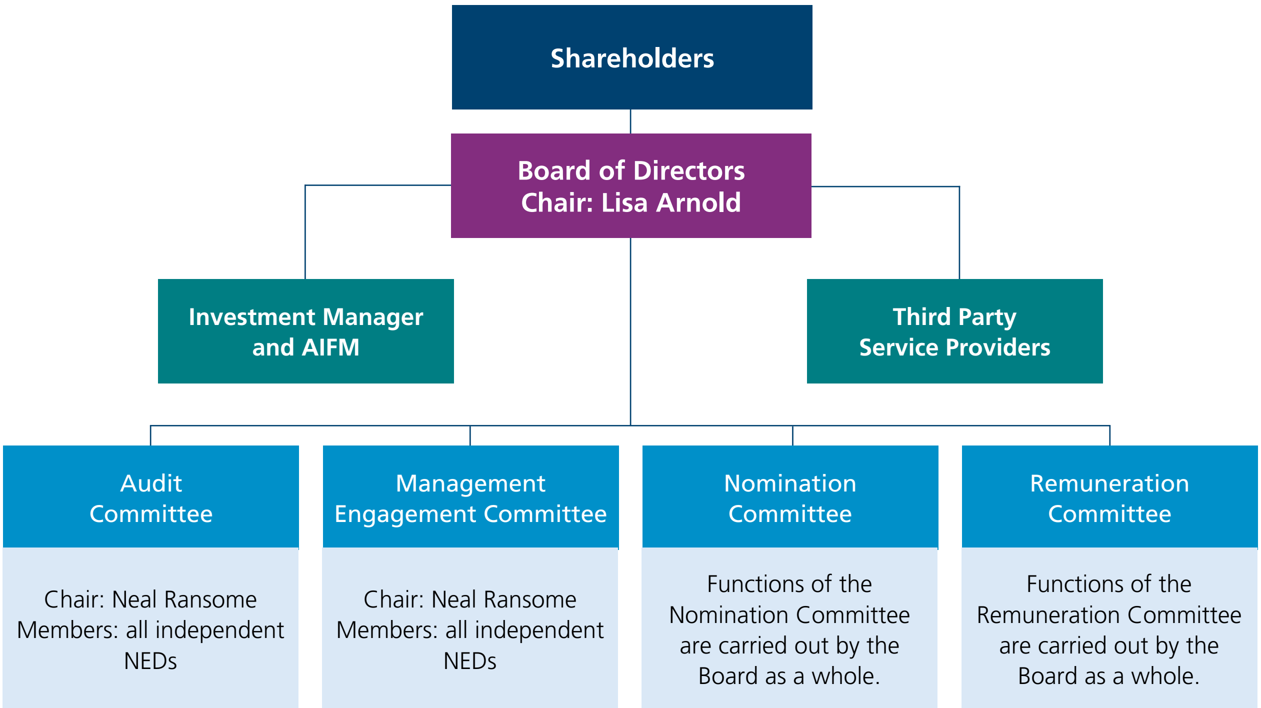
Tracey Lago, FCG
Polar Capital Secretarial Services Limited
Company Secretary

13 January 2026

Report on Corporate Governance
Year ended 30 September 2025

Corporate Governance Framework

The Directors are ultimately accountable to the Company and its Shareholders for the Company's affairs and are therefore responsible for the governance of the Company. The Company has no employees and relies on third parties for Company administration. The following diagram demonstrates the governance framework within which the Company is managed.



As an externally managed investment trust, some provisions of the 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 2019 (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 Financial Report Council ('FRC') UK Code as well as additional principles and recommendations on issues that are specific to investment trust companies. The FRC has endorsed the AIC Code 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.

The AIC Code is available on the AIC website (www.theaic.co.uk). It includes an explanation of how the AIC Code adapts the Principles and Provisions set out in the UK Code to make them relevant for investment companies.

The Board is aware of the recent revisions to the AIC Code to reflect the recent changes made to the UK Code and will report on any applicable changes in the Annual Report following the effective date.

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 for investors in which assets are invested across a diversified global portfolio of healthcare stocks which aim to deliver long term capital growth to shareholders. The purpose is achieved through the Investment Objective and Investment Policy incorporating parameters to ensure excessive risk is not undertaken.

The Investment Policy seeks to generate capital growth by investing in a global portfolio of healthcare stocks. The Company will seek to achieve its objective by investing in a diversified global portfolio consisting primarily of listed equities. The portfolio is diversified by geography, industry subsector and investment size, with a multi-capitalisation approach. As an externally managed investment trust, the culture of the Company is a consequence 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

In promoting the long-term sustainable success of the Company, the performance of the Company's portfolio is constantly reviewed in pursuit of value generation for shareholders by achievement of the Investment Objective. Investment management fees are reviewed periodically, with the last review occurring as part of the corporate action. A new tiered fee structure (effective 1 December 2025) was agreed whereby a lower initial rate of 0.70% per annum (based on the lower of market capitalisation and NAV) is payable to the Investment Manager on the first £500 million and a further lowered rate of 0.65% per annum is applicable thereafter. In addition to this, the performance fee element of the previous fee structure was completely removed.

Prior to 1 December 2025, a flat fee rate of 0.75% per annum was payable, with the potential for an additional performance fee.

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 38 to 41. 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 contacted through the Company Secretary. The Company's service providers are subject to periodic site 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 discussions.

The Board's effectiveness, including how it promotes the long-term sustainable success of the Company, is reviewed annually. The process and outcomes of the Board evaluation are detailed on page 49.

Role, Responsibilities and Committees of the Board

The Board has delegated to the Audit Committee and the Management Engagement Committee specific remits for consideration and recommendation but the final responsibility in these areas remains with the Board. The Board determined that due to its size, and the fact that all the Directors are non-executive and independent, the functions of the nomination committee and remuneration committee would be carried out by the full Board.

Separate reports of the work of the Audit Committee and Management Engagement Committee over the year are set out on pages 52 to 57 and page 58 respectively.

The Directors' Remuneration Report, including the processes undertaken when reviewing remuneration, can be found on pages 59 to 63.

Report on Corporate Governance continued

Year ended 30 September 2025

BOARD LEADERSHIP AND PURPOSE (Principles A-E, Provisions 1-7) continued

In addition to formal meetings, the Board also holds ad hoc meetings or creates ad hoc committees from to time to enact policies or actions agreed in principle by the whole Board. The number of formal meetings of the Board and its Committees held during the year ended 30 September 2025 and the attendance of individual Directors are set out below.

	Board	Audit Committee	Management Engagement	2025 AGM
Number of Meetings	**6**	**3**	**1**	**1**
Lisa Arnold	6	3	1	1
Neal Ransome	6	3	1	1
Caroline Gulliver*	2	1	1	–
Stacey Parrinder-Johnson~	1	–	1	–
Jeremy Whitley	6	3	1	1

* appointed May 2025
~ appointed July 2025

Role of the Investment Manager

The Board has contractually delegated the management of the portfolio to the Manager. It is the Manager's sole responsibility to take decisions as to the purchase and sale of individual investments other than unquoted investments where the Board is consulted (no unquoted investments were held at the year-end or date of reporting). The Manager has responsibility for 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 including the monitoring of third-party suppliers who are directly appointed by the Company. The Manager also ensures that all Directors receive in a timely manner all relevant management, regulatory and financial information. Representatives of the Investment 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 Investment Manager in all service disciplines and, at each Board meeting, the Company's performance against the market and a peer group of funds with a similar Investment Objective is reviewed. The investment team provided by the Investment Manager has long experience of investment in the healthcare sector. In addition, the Investment Manager has other investment resources which support the investment team and have 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.

DIVISION OF RESPONSIBILITIES (Principles F-I, Provisions 8-21)

Chair

The Chair is responsible for the leadership of the Board and works with the Company Secretary for setting the Board's 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. Lisa Arnold was appointed to the Board in 2018 and appointed as Chair in February 2020. The Chair was independent on appointment and continues to meet the criteria for independence. The Board considers the competence and independence of the Directors on an annual basis. Under the Company's Chair Tenure Policy, having been appointed following time spent as an NED, the Chair may, if deemed appropriate or necessary, remain on the Board for up to twelve years.

Senior Independent Director

Due to the size and structure of the Board it is considered unnecessary to identify a senior independent non-executive director. The Board considers that all Directors have different qualities and areas of expertise on which they may lead where issues arise and to whom concerns may be conveyed. As and when required, the Chair of the Audit Committee leads on specific matters such as the annual evaluation of the Chair.

DIVISION OF RESPONSIBILITIES (Principles F-I, Provisions 8-21) continued

Board Responsibilities

The Board currently comprises five non-executive Directors who are all considered to be independent. The Board considers that its overall composition is adequate for the effective governance of the Company. No Director has any former or present connection with the Investment Manager. A formal schedule of matters specifically reserved for decision by the full Board has been defined and a procedure has been adopted for Directors, in the furtherance of their duties, to take independent professional advice at the expense of the Company. No professional advice has been independently sought during the year.

Company Secretary

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, Tracey Lago, 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) recommend voting against the laying of the Annual Report at an AGM where the Investment Manager provides company secretarial services to the Company. The Board believes that the benefits gained by utilising the services of a Company Secretary provided by the Investment Manager significantly 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.

Meetings

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 including the corporate action of the Company ahead of the end of its fixed life which included the consideration of shareholder feedback, setting and monitoring of investment strategy and performance, review of the Financial Statements and ESG. The level of the ordinary share price discount or premium to the Net Asset Value is kept under review along with matters affecting the industry and the evaluation of third-party service providers. The Board is also responsible for considering, reviewing and implementing appropriate policies in respect of regulatory changes that impact the Company.

The Company's investment strategy was reviewed during the corporate action undertaken in late 2025. 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.

Directors' Professional Development

When new Directors are appointed, they are offered an induction course provided by the Investment 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 participate in professional and industry seminars and may use the Manager's online compliance training resources to ensure they maintain their knowledge.

Conflicts of Interest

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. The Company's Articles contain provisions to permit the Board to authorise acceptable conflicts or potential conflicts. Where a conflict situation arises, the conflicted Director may be excluded from any discussions, decisions or votes relating to the matter of conflict.

Report on Corporate Governance continued

Year ended 30 September 2025

DIVISION OF RESPONSIBILITIES (Principles F-I, Provisions 8-21) continued

Each Director has provided the Company with a statement of all conflicts of interest and potential conflicts of interest, which have been approved by the Board and recorded in a register. The Conflicts Register is reviewed at every Board meeting, and the Directors are reminded of their obligations for disclosure. No Director has declared receipt of any benefits other than their emoluments and associated expenses in their capacity as a Director of the Company. The Board as part of its year-end review has considered the full register of conflicts, any conditions imposed on such conflicts or potential conflicts and the operation of the notification and authorisation process.

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. 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 62 of the Directors' Remuneration Report.

Capacity and Overboarding

Prior to appointment, current and planned commitments of board candidates are considered, and it is determined before interview stage whether the Board feels that the candidate has the capacity to dedicate sufficient time to the Company. Once appointed, all Directors are required to seek permission and approval from the Board prior to accepting any new appointments, including a change of role. Following notification, the Board will give particular consideration to the type of role, expected time commitments and the impact on the Director's ability to discharge their duties to the Company. Directors are also required to provide a list of their existing significant external commitments and estimated time commitments for each in order for the Board to assess any risk of insufficient capacity or overboarding.

The Board continues to be satisfied that the external commitments of all non-executive Directors serve to enhance their skills and experience and do not affect their ability to commit sufficient time to their roles as Directors of the Company, as evidenced by their attendance records and contributions in meetings.

COMPOSITION, SUCCESSION AND EVALUATION (Principles J-L, Provisions 22-28)

Board Composition, Diversity and Recruitment

The Board is responsible to shareholders for the overall management of the Company's affairs. As at 30 September 2025, there were five non-executive Directors. Each Director has different qualities and areas of expertise on which they may lead should issues arise. The Board has a policy to consider diversity and seeks to follow the diversity recommendations of the Hampton-Alexander and Parker 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.

A recruitment process was undertaken during the year under review to find and appoint two new non-executive directors to join the Board, one of whom would assume the role of Chair of the Audit Committee and succeed Neal Ransome as he comes to the end of his nine-year tenure on the Board.

A number of recruitment firms were considered and the role was placed with Odgers Berndtson ("Odgers"). The brief for the new candidates included considerations of gender, ethnic and socio diversity and a number of areas of expertise. Following the advertising and search process, a long list of candidates was considered followed by interviews of shortlisted candidates with the Board. The process culminated in the appointment of two new non-executive directors; Caroline Gulliver as Audit Committee Chair Elect with effect from 15 May 2025 and Stacey Parrinder-Johnson as non-executive Director with effect from 1 July 2025. Mr Ransome will step down as Chair of the Audit Committee on 26 February 2026 and will be succeeded by Mrs Gulliver; it is anticipated that Mr Ransome will remain on the Board until November 2026 as part of a smooth and orderly transition.

Following these appointments the Board as the Nomination Committee met once again in October 2025 and concluded that, at the present time, the Board worked efficiently and had the requisite skill sets to lead the Company effectively. In support of increasing diversity and expanding the pool of potential NED candidates of the future, the Board, in collaboration with "Board Apprentice", welcomed a board apprentice in FY23. Board Apprentice is a not-for-profit organisation dedicated to increasing diversity on boards by widening the pool of non-executive, board-ready candidates. The board apprentice is invited to attend all Board and Committee meetings as an observer and is mentored through the process by a Board member.

COMPOSITION, SUCCESSION AND EVALUATION (Principles J-L, Provisions 22-28) continued

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 September 2025. The Board's current composition meets two of the three 'comply or explain' targets with three of the five members being female and one of the two senior positions being occupied by a female. The Board is conscious that it does not meet the FCA's ethnicity recommendations; however, it believes it has followed a stringent recruitment process and appointed appropriate candidates with the requisite skillsets required of the wider Board. The Board will consider diversity at all stages of future recruitment to the Board and will work hard to ensure the broadest range of candidates are found when recruiting new directors.

As required under UKLR 16.3.29, further detail in respect of the diversity targets as at 30 September 2025 are provided in the tables below. 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.

	Number of board members	Percentage of the board	Number of senior positions on the board (Chair and Audit Chair)
Men	2	40%	1
Women	3	60%	1

	Number of board members	Percentage of the board	Number of senior positions on the board (Chair and Audit Chair)
White British or other (including minority-white groups)	5	100%	2
Minority Ethnic	–	–	–

Succession

The Board believes that retaining Directors with sufficient experience of the Company, investment industry and healthcare markets is of benefit to Shareholders while recognising that regular refreshment of approach is also beneficial. Following the recruitment processes and corporate action undertaken in 2025, the Board considers that its overall composition is well placed for the effective governance of the Company.

Evaluation

The evaluation of the Board, the Committees and individual Directors is typically carried out annually. The process involves the use of a written questionnaire to assess the balance of skills, experience, knowledge, independence and effectiveness of the Board, including how the Directors interact as a unit on the Board. The responses to the questionnaire are then reviewed and discussed individually with the Chair where appropriate and by the full Board and, should it be deemed necessary, additional reporting measures or operations would be put in place. The review of the Chair's performance is conducted by the Board led by the Chair of the Audit Committee. The Chair of the Board does not participate in this discussion.

Through these evaluations, each Director is assessed on their relevant experience, their strengths and weaknesses in relation to the overall requirements of the Board and their commitment to the Company in terms of time by regular attendance and participation at Board meetings. The process is constructed to assess the contribution of individual Directors to the overall operation of the Board and its Committees.

Report on Corporate Governance continued

Year ended 30 September 2025

COMPOSITION, SUCCESSION AND EVALUATION (Principles J-L, Provisions 22-28) continued

In light of the new appointments to the Board during the course of the year and the focus on the corporate action, it was agreed that completion of the full annual Board evaluation would be deferred to FY26 once the corporate action was completed and new Directors have been on Board for a period of c.1 year. The results of the FY25 evaluation will be disclosed within the Company's next Annual Report and Accounts. Notwithstanding this, the Board believes that each Director standing for election / re-election continues to offer relevant experience, effectively contributes to the operation of the Board and has demonstrated independent views on a range of subjects. The Committee is satisfied that the structure, mix of skills and operation of the Board continue to be effective and relevant for the Company.

Performance and Re-election

In accordance with the Company's adopted practices, all Directors will retire and offer themselves for election / re-election at the AGM of the Company to be held in February 2026. The Board has confirmed its support and rationale for each Directors' re-election. The Directors believe that they have a balance of experience, expertise and sufficient diversity and that they work well together, each director brings multiple qualities and areas of expertise to the Board. The Board rationale for re-appointment of each Director is given on pages 6 and 7 and in the letter accompanying the Notice of AGM.

Chair Tenure Policy

The Board considers that in the 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.

As per provision 24 of the AIC Code, the Board's policy is that the maximum Board tenure for its Chair is up to 12 years (where up to 9 years of this could be served as a non-executive Director prior to being appointed as Chair). The Board believes that due to the staggered nature of the appointment dates of existing Directors, and the expectation that Directors, unless assuming the role of Chair or there being unforeseen circumstances, will retire from the Board after nine years of service, there will be regular refreshment of the Board.

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 processes are embedded in the Company's day-to-day operations which are operated or overseen by the Investment Manager.

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, MiFID II and GDPR, for example.

The Board, through the Audit Committee, has established a process for identifying, evaluating, monitoring and managing any 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 in September 2014 by the Financial Reporting Council. The controls are embedded within the business and aim to ensure that identified risks are managed and systems are in place to report on such risks. The internal controls seek to ensure the assets of the Company are safeguarded, proper accounting records are maintained, and the financial information used by the Company and for publication is reliable. Controls covering the risks identified, including financial, operational, compliance and risk management controls, are monitored by a series of regular reports covering investment performance, attribution analysis, reports from various third parties and from the Investment Manager.

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.

AUDIT, RISK AND INTERNAL CONTROL (Principles M-O, Provisions 29-36) continued

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.

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 mitigation 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 key service providers have subsequently provided their ISAE 3402 Reports and confirmed that their control environments continued to operate effectively up to the date of signing these Financial Statements.

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.

Based on the work of the Audit Committee and the reviews of the reports received by the Audit Committee on behalf of the Board, the Board has concluded that there were no material control failures during the year and up to the date of this report.

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

Due to the fully independent non-executive Board comprising five Directors, the Board has deemed it appropriate for the full Board to fulfil the role of the Remuneration Committee. The Board, acting as the Committee, meets at least annually and is responsible for consideration and recommendations in relation to Directors' remuneration.

The remuneration of the Directors is reviewed on an annual basis but will not necessarily lead to a change in remuneration level awarded. Industry guidance, peer investment trust companies' remuneration, the work undertaken by the Board in the prior year along with plans for the current year and the overall regulatory environment are all considered when reviewing remuneration.

Remuneration levels are set to attract candidates of high calibre to the Board. The Company's remuneration policy will be put to shareholders for approval once again at the AGM in February 2026. The policy is detailed within the Directors' Remuneration Report on page 59 and explains how the policy is designed to support strategy and promote long-term sustainable success.

Tracey Lago, FCG
Polar Capital Secretarial Services Limited
Company Secretary

13 January 2026

Audit Committee Report

Neal Ransome
Chair of the Audit Committee

I am pleased to present my Report to you as Chair of the Audit Committee.

As referenced in the Chair's Statement, Caroline Gulliver joined the Board in May 2025 as Audit Chair Elect and will succeed me as Audit Chair. As part of the phased transition and to ensure a smooth and orderly handover process, I will be stepping down as Audit Chair on 26 February 2026 (following the Company's AGM) but will remain on the Board as a non-executive Director whilst Caroline will step up and assume the role of Audit Chair. This is therefore my final report to you as Audit Chair and I express my thanks to shareholders and my fellow board members for the support I have received since taking on this role in 2018.

Committee Composition

The Committee comprises all the Directors and the Board is satisfied that the Committee has sufficient recent and relevant financial experience and has competence relevant to the sector in which the Company operates to discharge its functions effectively. The experience of the members of the Committee can be assessed from the Directors' biographies set out on pages 6 and 7. I am a chartered accountant and a former partner and head of the pharmaceutical and healthcare M&A practice of PricewaterhouseCoopers LLP ('PwC'). I hold the ICAEW's FCA, BFP and CF qualifications and am therefore deemed to have appropriate experience and expertise to carry out the role of Chair of the Audit Committee. The Committee has written terms of reference which are available to view on the Company's website, www.polarcapitalglobalhealthcaretrust.co.uk

During the year the Audit Committee met three times, with all members of the Committee attending each meeting.

Matters Considered during the Financial Year Ended 30 September 2025:

During the year the Audit Committee considered a variety of matters, including:

Audit Regulation

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 to consider any new and ongoing requirements and determine how to apply any relevant best practice to the Company. As noted last year, the Committee is aware of the recent revisions to the UK Code, specifically those relating to risk management and material internal controls which are applicable to accounting periods beginning on or after 1 January 2026. The Committee will report on any applicable changes in the Annual Report following the effective date. In addition, the Committee continues to review the outcomes of the FRC's annual Audit Quality Reviews and discusses the findings with the Auditors.

Annual External Audit

- the scope of the annual audit and agreement with the Auditors of the key areas of focus;
- the reports from the Auditors concerning their audit of the annual Financial Statements of the Company;
- the performance of the Auditors and the level of fees charged for their services;

- the independence and objectivity of the Auditors;
- the appointment of the Auditors;
- the policy for non-audit services which may be provided by the Auditors in line with the FRC guidance; and
- the extent of the non-audit services, the quality of such work and the fees.

Internal Audit

- the potential need for an internal audit function, which we continue to conclude is unnecessary for an externally managed investment trust.

Accounting Policies and related matters

- the appropriateness and any changes to the accounting policies of the Company including any judgements required by such policies and the reasonableness of such. During the year the Committee ensured that the accounting policies as set out on pages 77 to 81 were applied consistently throughout the year. During the year there were no changes to currently adopted policies and no new UK-adopted International Accounting Standards ("UK-adopted IAS") or amendments to UK adopted IAS which had any significant impact on the Company's financial Statements.
- the financial disclosures contained in the Annual Report and Half Year Report to shareholders.
- the going concern statement, longer-term viability statement and the requirement that the Annual Report and Financial Statements, when taken as a whole, are fair, balanced and understandable.

Investment Matters

- the investment management process, including confirmation of the existence and ownership of investments through the review of quarterly Depositary Reports and meeting with the Depositary in relation to the safeguarding of the Company's assets. No errors have been reported during the year under review.

Internal Controls and Risk

- the Risk Map covering the identification of new and emerging risks, adjustments to existing risks and the mitigation and controls in place to manage those risks; and
- reports from the Investment Manager and the Investment Manager's external Auditors on the effectiveness of the system of internal financial controls.

Dividend Policy

- the Committee considered the Company's Dividend Policy as approved by shareholders at the Annual General Meeting held in February 2025 and recommended to the Board that it continue in force. The Dividend Policy will be proposed for approval by shareholders at the Company's AGM to be held in February 2026. The Company's focus remains on capital growth, and while the Company continues to aim to pay two dividends per year these are expected to be a small part of shareholders' total return.

Consideration of the Half Year Report and Financial Statements

- prior to publication, the Committee considered and reviewed the Half Year Report and Financial Statements, which were not audited, to ensure that they were prepared on a basis consistent with the accounting policies used in the Annual Report and Financial Statements for the year ended 30 September 2024.

Consideration of the Annual Report and Financial Statements

- the Committee performed this role through monitoring the integrity of the Financial Statements of the Company and the system of accounting to ensure compliance with the relevant and appropriate accounting standards. The scope of the audit was agreed in advance with a focus on areas of audit risk and the appropriate level of audit materiality.
- the Auditors reported to the Committee on the results of the audit work and highlighted any issues which the audit work had discovered, or the Committee had previously identified as significant or material in the context of the Financial Statements. Following a comprehensive review process the Audit Committee presented its conclusions to the Board.

Audit Committee Report continued

Significant Matters in Relation to the Financial Statements for the Year Ended 30 September 2025

- in addition to the matters considered by the Committee informing its opinions on going concern and longer-term viability (described below) and in concluding that the Annual Report and Financial Statements, when taken as a whole, are fair, balanced and understandable, the Committee also considered the following matters in relation to the Financial Statements:

Significant Matter	How the Issue was Addressed
Valuation, existence and ownership of investments	The valuation is carried out in accordance with the accounting policies of the Company as described in note 2(f). The Depositary has reported on its work and safe keeping of the Company's investments and a report from the Depositary is provided on the Company's website: www.polarcapitalglobalhealthcaretrust.co.uk
Compliance with s1158 and s1159 of the Corporation Tax Act 2010	Consideration of compliance with the requirements of investment trust status is carried out at each Board meeting throughout the year.

There were no adverse matters brought to the Audit Committee's attention in respect of the 2025 audit which were material or significant, or which should be brought to shareholders' attention.

Conclusions in Respect of the Annual Report and Financial Statements

In order to reach the conclusion that the Annual Report and Financial Statements when taken as a whole are fair, balanced and understandable, the Board has requested that the Committee advise on whether it considers these criteria satisfied. In so doing the Committee has considered the following:

- 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 undertaken in the production process, by the Investment Manager and the Committee;
- the internal control environment as operated by the Investment Manager and other suppliers including any checks and balances within those systems; and
- the unqualified audit report from the Auditors confirming their work based on substantive testing of the Financial Statements.

As a result of the work performed, the Committee has concluded that the Annual Report and Financial Statements for the year ended 30 September 2025, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's performance, business model and strategy, and it has reported on these findings and provided such conclusion to the Board.

External Auditors

Appointment of Auditors, Fees and Tenure

The Committee considers by way of meetings and reports, the appointment, remuneration and work of the Auditors. With the completion of the audit for the year ended 30 September 2025 Kevin Rollo has completed five years as the Company's Audit Partner, and accordingly he is required to step down. He will be succeeded as Audit Partner by Sarah Chandler, who will complete her first audit of the Company for the year ending 30 September 2026.

PwC (or the 'Auditors') have provided audit services to the Company from its incorporation in 2010. Following a formal and competitive tender process in 2020, PwC were re-appointed as the Company's auditors. The re-appointment of PwC as Auditors to the Company has been submitted annually for shareholder approval and will be submitted once again at the AGM to be held in February 2026, together with a separate Resolution to authorise the Directors to set the remuneration of the Auditors. In accordance with current legislation, the Company is required to undertake or initiate an audit tender process at least every 10 years and will be required to change its auditors after a maximum of 20 years' engagement.

The Auditors are invited to all Committee meetings and receive copies of all relevant papers and meeting minutes. As part of the year end audit, the Committee considered and re-confirmed the level of fees pre-agreed and payable to the Auditors bearing in mind the nature of the audit and the quality of services received. The fees paid to PwC in respect of the audit of the annual Financial Statements of the Company amounted to £59,750 (2024: £55,000). The fee represents an 8.6% increase on the prior year.

Effectiveness of Audit Process

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

The Audit Committee monitored and evaluated the effectiveness of the Auditors and any changes in the terms of their appointment based on an assessment of their performance, qualification, knowledge, expertise and resources. The Auditors' independence 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. Based on its review the Audit Committee concluded that the Auditors remained independent and continued to act in an independent manner. The Auditors are provided with an opportunity to address the Committee without the Investment Manager present to raise any concerns or discuss any matters relating to the audit work and the cooperation of the Investment Manager and others in providing information and the quality of that information including the timeliness in responding to audit requests.

Non-Audit Services

The Audit Committee's policy for the provision of non-audit services by the Auditors is to ensure that there is a clear separation of audit work and non-audit work and that the cost of any non-audit work is justified and is not disproportionate to the audit fees, to the extent that the independence of the Auditors would be compromised. The Audit Committee's policy on the provision of non-audit services by the Auditors is available on the Company's website. The policy is produced in line with the FRC Ethical Standards (revised January 2024) and any non-audit services are required to be pre-approved by the Audit Committee. In both the year under review and the prior year, no non-audit services were provided by the Auditors.

Following the year end, the Company engaged the Auditors to perform agreed upon procedures on the tender offer price as part of the corporate action which completed in November 2025. In accordance with the Company's non-audit services policy, the service was deemed to be acceptable and did not compromise the independence of the Auditors. The work undertaken was considered to be audit related while distinct from the regular audit of the financial statements, and therefore best undertaken by the Company's appointed external auditors. A charge of £17,500 was levied for the service equating to 35% of the average of the prior three years audit fee (2022-2024 average fee being £49,350).

Overview of Risk and Internal Controls

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. The Committee has continued to review 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 considered the likelihood, impact, mitigating factors and controls to reduce the impact of such risks as described on pages 36 and 37. This process was carried out throughout the year and is the means by which the Risk Map is monitored and kept relevant by reflecting any changes to the source and level of risks facing the Company. The Committee has met to discuss and assess emerging risks and where appropriate recommends changes to the Risk Map. 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 continue to operate as intended.

As part of the year end processes the Audit Committee also undertook a review of the effectiveness of the system of internal controls considering 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 that is in place for the performance of the Investment Manager's duties under the IMA. The Committee and the Manager also received presentations and internal control reports 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 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 also discussed the Investment Manager's policies on whistleblowing, cyber security, antibribery and the Modern Slavery Act and is satisfied that the Investment Manager has controls and monitoring processes to implement their policies across the main contractors which supply goods and services to the Investment Manager and to the Company. The Company has adopted an Anti-Corruption policy which incorporates

Audit Committee Report continued

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.polarcapitalglobalhealthcaretrust.co.uk.

The Audit Committee also considered the policy and controls used by the Investment Manager surrounding the use of brokerage commissions generated from transactions in the Company's portfolio and the obtaining of best execution on all transactions. There were no issues of concern arising from the reviews of or within the internal controls environment the Company relied upon during the course of the year ended 30 September 2025 and up to the date of this report.

Geopolitical Events

During the financial year under review, the Committee continued to monitor the heightened geopolitical landscape. Geopolitical events can have a significant impact on global financial markets, and hence on the Company's portfolio performance. The Committee continues to monitor these risks in the context of the ability of the Company to achieve its 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.

Going Concern and Longer-term Viability

Going Concern

At the request of the Board, the Audit Committee has considered the ability of the Company to adopt the going concern basis for the preparation of the Financial Statements.

The Committee has considered the financial position of the Company, its cashflows and its liquidity position in addition to the support received from shareholders to extend the life of the Company indefinitely in November 2025 subject to five yearly tender offers. The Committee has also considered any material uncertainties and events that might cast significant doubt upon the Company's ability to continue as a going concern. The Audit Committee has considered:

- the ability of the Company to liquidate its portfolio to meet any liabilities as they fall due;
- the level of budgeted expenses and the exposure to currency and credit risk; and
- the factors impacting the forthcoming year as set out in the Strategic Report Section and comprising the Chair's Statement, the Investment Manager's Report and the Strategic Review. The financial position of the Company and its cash flows and liquidity position are described in the Strategic Report and the Financial Statements. Note 26 to the Financial Statements includes the Company's policies and process for managing its capital, its financial risk management objectives, details of financial instruments and hedging activities. Exposure to credit risk and liquidity risk are also disclosed.

Based on the information provided to the Committee and its assessment of the financial position of the Company, there are no material uncertainties that call into question the Company's ability to continue to be a going concern. The Committee has recommended that a going concern basis should be adopted by the Board for the preparation of the Financial Statements for the year ended 30 September 2025.

Longer-term Viability

The Board has also asked the Audit Committee to address the requirement that a longer-term viability statement be provided to shareholders. This statement should take account of the Company's financial position, the principal risks as set out on pages 36 and 37 together with the mitigating factors which are assumed to operate appropriately so that the Board may state that 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. The Audit Committee has assessed the Company's viability over a five year period. This is considered to be an appropriate period given the long term nature of investment and the requirement to make future tender offers at five yearly intervals.

To provide this assessment, the Audit Committee has considered the Company's financial position as described above including its ability to liquidate its portfolio and meet its expenses as they fall due:

- the portfolio comprises investments traded on major international stock exchanges, and there is a spread of investments by market capitalisation of company. Approximately 97.2% of the portfolio as at 30 September 2025 could be liquidated within seven 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 of the Company and there are no capital commitments foreseen which would alter that position; and
- the Company has no employees and consequently has no employment-related liabilities or responsibilities.

The Audit Committee has also had regard to the following assumptions in considering the Company's longer-term viability:

- healthcare will continue to be an investable sector of the international stock markets and investors will still wish to have an exposure to such investments;
- closed ended investment trusts will continue to be wanted by investors;
- Shareholders' approval of the changes to the Company's Articles of Association to remove the fixed life and extend the Company's life indefinitely subject to five yearly tender offers (with the first to commence on or before 31 March 2031);
- regulation will not increase to a level that makes the running of the Company uneconomical in comparison to other competitor products;
- should the performance of the Company be less than the Board deems acceptable it has appropriate powers to replace the Investment Manager; and
- there will be no material or significant changes in the principal risks and uncertainties.

Stress Testing

In addition to the above, stress testing was undertaken in determining the Company's longer-term viability and the appropriateness of preparing the Financial Statements on a going concern basis. In conducting the stress tests, the Company's principal risks 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 stress tests also used a variety of falling parameters to demonstrate the impact on the Company's share price and NAV. As mentioned above, 97.2% of the Company's portfolio can be liquidated within seven trading days.

The results of the stress testing demonstrated the impact on the NAV and reaffirmed the Company's ability to continue as a going concern.

In light of these considerations, the Committee has recommended to the Board that a positive statement may be made on the Company's longer-term prospects to continue its operations and meet its expenses and liabilities as they fall due. In support of such recommendation the Committee considered the financial position, the cash flow forecast including expenses and the portfolio liquidity position covering the period of five years and beyond.

Effectiveness of the Audit Committee

In light of the focus on the corporate action, it was agreed that completion of the full annual Board and Committee evaluation would be deferred to FY26. The results will be disclosed within the Company's next Annual Report and Accounts.

Neal Ransome
Chair of the Audit Committee

13 January 2026

Management Engagement Committee Report

Neal Ransome
Chair of the Management Engagement Committee

Report of the Management Engagement Committee

The Management Engagement Committee ("the Committee") comprises all of the directors, all of whom are independent and non-executive, is chaired by Neal Ransome, and meets at least once a year and at such other times as may be necessary. The Committee has written terms of reference, which are available to view on the Company's website, www.polarcapitalglobalhealthcaretrust.co.uk. The terms of reference define the Committee's responsibilities and duties.

The Committee 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, prior to making its recommendation to the Board on whether the retention of the Investment Manager is in the interests of shareholders.

Performance Evaluation Process

Investment Manager

During the year ended 30 September 2025 the Management Engagement Committee met once to carry out the detailed review of the Investment Manager and consider its continued appointment for the next financial year ending 30 September 2026. The review of the Investment Manager also considered the strength of the investment team, depth of other resources provided by the Manager and quality of the services provided or procured by the Manager including shareholder communications, company secretarial, accounting and administration.

In addition to this, as part of the corporate action, the Board reviewed the Company's management fee arrangements to ensure that the Company continues to provide value for Shareholders and remains competitive, whilst also reflecting the quality and experience of the Investment Manager's specialist healthcare team and the business infrastructure that supports them. Following this review and effective 1 December 2025, it was agreed with the Investment Manager to replace the previous management fee of 0.75 per cent. per annum (based on the lower of market capitalisation and NAV) with a new tiered structure. A lower initial rate of 0.70 per cent. per annum (based on the lower of market capitalisation and NAV) will apply on the first £500 million and a further lowered rate of 0.65 per cent. per annum (based on the lower of market capitalisation and NAV) will apply thereafter. The performance fee element of the previous fee structure has been removed.

Following these reviews, the Committee concluded that it is in the best interests of shareholders that the appointment of Polar Capital LLP as Investment Manager is continued.

Other Suppliers

The Board also monitors directly or through the Investment Manager the performance of its other key service providers and whether they continue to provide value for money.

- The Board has directly appointed HSBC Bank Plc as Depositary and Panmure Liberum as Corporate Broker. The Depositary reports quarterly and makes an annual presentation to the Board. The Corporate Broker provides reports to each Board meeting and joins the Board 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

In light of the focus on the corporate action, it was agreed that completion of the full annual Board and Committee evaluation would be deferred to FY26. The results will be disclosed within the Company's next Annual Report and Accounts.

Neal Ransome
Chair of the Management Engagement Committee

13 January 2026

Directors' Remuneration Report

Introduction

This report is submitted in accordance with the Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended) (the 'Regulations') and the Listing Rules of the Financial Conduct Authority in respect of the year ended 30 September 2025. It has been audited where indicated.

Chair's Report

The Board has determined that due to its size, and the fact that all the Directors are non-executive and independent, the functions normally carried out by a remuneration committee will be performed by the full Board.

Shareholders approved the current Directors' Remuneration Policy by way of an ordinary resolution passed at the AGM held on 9 February 2023. Such policy came into effect on 1 October 2023 and shall remain in force until 30 September 2026.

Company's Policy on Directors' Remuneration effective until 30 September 2026

How policy supports strategy and promotes long-term sustainable success	Operation
The Board consists entirely of non-executive Directors, who meet regularly to deal with the Company's affairs.	Non-executive Directors have formal letters of appointment which contain the responsibilities and obligations of the Directors in relation to undertaking their role and managing conflicts of interest; their remuneration is determined by the Board within the limits set by the Articles of Association.
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.	Directors are not entitled to payment for loss of office and do not receive any bonus, nor do they participate in any long-term incentive schemes or pension schemes. All fees are paid in cash, 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 and Chair of the Audit Committee. As the Company is an investment trust and all the Directors are non-executive, it is considered inappropriate to have any long-term incentive schemes or benefits.	Rates are reviewed annually but the review will not necessarily result in any change to rates. Non-executive Directors are subject to annual re-election by shareholders.
In accordance with article 105(2) of the Company's New Articles of Association, any Director who performs, or undertakes to perform, services which the Directors consider go 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.	There are no performance conditions relating to non-executive Directors fees.

As the current Remuneration Policy will expire on 30 September 2026, the Company is required to seek shareholder approval for a Remuneration Policy that can remain in operation for the next three-year period (unless proposed for change within such period). The Policy being proposed is unchanged from the policy outlined above which was approved in 2023 and if approved by shareholders, the Remuneration Policy will come into force on 1 October 2026 until its expiry on 30 September 2029.

Directors’ Remuneration Report continued

As per previous AGM resolutions, shareholders will be asked to consider a non-binding vote for the approval of the following Directors’ Remuneration Implementation Report, which reports on how the Remuneration Policy has operated during the year ended 30 September 2025. The result of the shareholder votes on the Directors’ Remuneration Policy and the latest Implementation Report were as follows:

	Implementation Report for the Year ended 30 September 2024	Remuneration Policy for the three years ended 30 September 2026
	Approved at AGM on 13 February 2025	Approved at AGM on 9 February 2023
Votes for	99.72%	99.98%
Votes against	0.28%	0.02%
Votes abstained	0.00%	0.00%

The Board considers this level of support from shareholders a positive endorsement of both its Remuneration Policy and the policy implementation. There has been no communication from shareholders regarding any aspect of the Directors’ remuneration.

Implementation Report

Directors’ Remuneration Paid for the Year Ended 30 September 2025

Annual Fees Review

The review of Directors’ fees is carried out on an annual basis and involves consideration of the time and commitment required of the Directors, including any significant increase in requirements due to regulatory or other changes. For comparative purposes the remuneration awarded to directors of similar companies and relevant market data is also considered. 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 appointment of an external remuneration consultant was considered unnecessary. No Director is involved in deciding their own remuneration and all Directors exercise independent judgement and discretion when considering fees.

In October 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 2025 NED Remuneration Report. Consideration was also given to the rise in inflation since the last change in Directors fees and the increased level of input and responsibility 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 October 2025:

- Chair: £46,000pa to £47,750pa (3.8% increase).
- NED: £33,250pa to £34,500pa (3.8% increase).
- Chair of the Audit Committee supplement: £6,250 to £6,500 (4.0% increase).

Based on the current board membership, the increased fees are expected to total £192,250. The maximum aggregate amount provided for in the Company’s Articles of Association (the Articles) for Directors’ fees is £250,000.

In accordance with the Shareholder Rights Directive, the Board confirms that there were no variable pay awards made to the Directors and there were no deferral periods or share based pay equivalents. The annual percentage change in remuneration in respect of the five financial years prior to the current year in respect of each Director role is as follows:

Financial year to:	2021	2022	2023	2024	2025
Lisa Arnold	–	5.1%	4.9%	4.7%	2.2%
Neal Ransome	–	4.5%	5.0%	4.8%	2.6%
Caroline Gulliver~	–	–	–	–	2.3%
Stacey Parrinder–Johnson^	–	–	–	–	2.3%
Jeremy Whitley	–	5.4%	5.1%	4.8%	2.3%
Andrew Fleming*	–	5.4%	5.1%	4.8%	2.3%

~ Appointed as Non-Executive Director on 15 May 2025. The Director's fee payable in respect of the financial year ended 30 September 2025 has been grossed up to a full years' salary to provide an accurate percentage for comparison purposes.
^ Appointed as Non-Executive Director on 1 July 2025. The Director's fee payable in respect of the financial year ended 30 September 2025 has been grossed up to a full years' salary to provide an accurate percentage for comparison purposes.
* Resigned 21 October 2024

Expenses

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 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.

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. 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.

New Directors are appointed and elected with the expectation that they will serve for a period of at least three years. In accordance with the Articles of Association 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 shall stand for re-election every year following their first election by shareholders. While it is encouraged, there is no requirement for Directors to hold shares in the Company.

Directors' and Officers' Liability Insurance

Directors' and Officers' liability insurance cover is held by the Company in respect of the Directors. The Company has, to the extent permitted by law and the Company's Articles of Association, provided each Director with a Deed of Indemnity which, subject to the provisions of the Articles of Association and s234 of the Companies Act 2006, qualifying third party indemnity provisions, indemnifies the Director 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, judgment is given against them. These provisions were in force during the year and remain in force at the date of this report.

Directors' Remuneration Report continued

Remuneration (Audited)

In the year under review the Directors' fees were paid at the following annual rates, the Chair £46,000; other Directors £33,250 with the Chair of the Audit Committee receiving an extra £6,250 supplement for performing that additional role.

	Year ended 30 September 2025			Year ended 30 September 2024		
Director	Fixed fee	Taxable expenses[1]	Total remuneration	Fixed fee	Taxable expenses[1]	Total remuneration
Lisa Arnold (Chair)	£46,000	£2,271	£48,271	£45,000	–	£45,000
Neal Ransome (Chair of the Audit and Management Engagement Committees)	£39,500	–	£39,500	£38,500	–	£38,500
Caroline Gulliver (appointed 15 May 2025)	£12,618	–	£12,618	–	–	–
Stacey Parrinder-Johnson (appointed 1 July 2025)	£8,312	–	£8,312	–	–	–
Jeremy Whitley	£33,250	£2,315	£35,565	£32,500	£1,271	£33,771
Andrew Fleming (resigned 21 October 2024)	£1,875	–	£1,875	£32,500	–	£32,500
Total*	**£141,555**	**£4,586**	**£146,141**	**£148,500**	**£1,271**	**£149,771**

* See note 8 on page 83

[1] Taxable travel and subsistence expenses incurred in attending Board and Committee meetings. The amounts disclosed are the grossed up figures.

No pension or other contributions were paid 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.

Directors' Share Interests (Audited)

The interests of Directors in the ordinary shares of the Company on 30 September 2025 (and 2024) are as follows:

	2025	2024
Lisa Arnold	20,000	20,000
Neil Ransome	10,073	10,073
Caroline Gulliver	–	–
Stacey Parrinder-Johnson	4,750^	–
Jeremy Whitley	40,000	20,000
Andrew Fleming (resigned 21 October 2024)	–	10,000

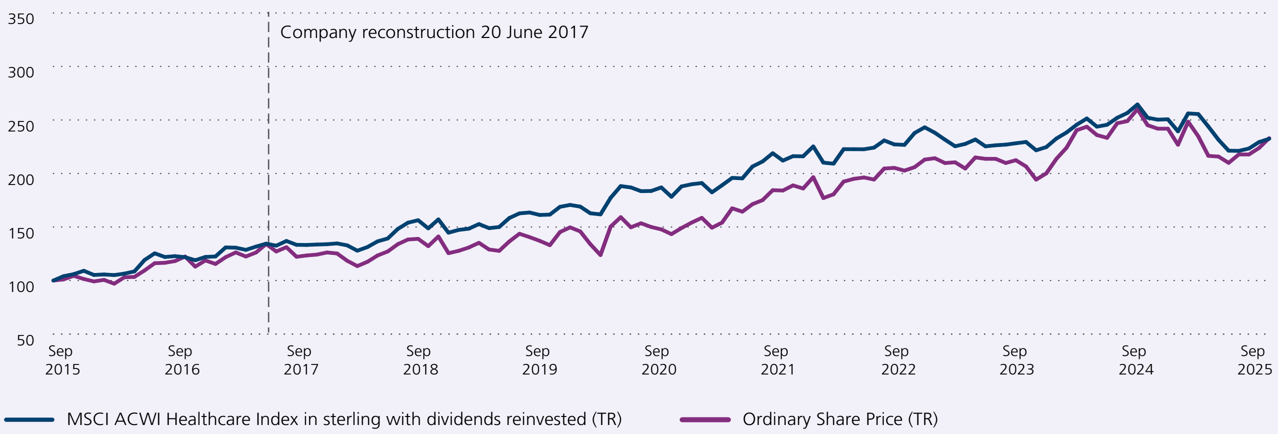
^ Held on appointment

Following the end of the financial year, Mrs Gulliver purchased 10,000 ordinary shares in the Company. Following this, Mrs Gulliver is interested in a total of 10,000 ordinary shares. There have been no other changes to Directors' Share Interests.

Performance

Schedule 8 of the Regulations requires a graph to be included in the Directors' Remuneration Report showing the total shareholder return for the past ten years. The performance comparison is therefore shown for the period of 10 years from 1 October 2015 to 30 September 2025.

Performance comparison



(TR: Total Return, rebased to 100 at 30 September 2015)

The MSCI ACWI Healthcare Index (total return in sterling with dividends reinvested) is used as the comparator because, as a market capitalisation weighted index, the Board considers that it is the most appropriate single market index.

Relative Importance of Spend on Pay

Under the Regulations, the Directors' Remuneration Report must set out in a graphical or tabular form that shows in respect of the relevant financial year and the immediately preceding financial year the actual expenditure of the company, and the difference in spend between those years, on remuneration paid to or receivable by all employees; and distributions to shareholders by way of dividend and share buyback; and any other significant distributions and payments or other uses of profit or cash-flow deemed by the Directors to assist 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 as a meaningful measure of the Company's overall performance having regard to the Company's objective of capital growth, for comparison purposes the table below compares Directors' fee with the level of dividends paid out, profit after tax and the cost of share buy backs undertaken by the Company.

	2025 £'000	2024 £'000	Change £'000
Directors' total remuneration	146	150	(4)
Dividends paid or declared in respect of the financial year	2,400†	2,910	(510)
Net (loss)/profit on ordinary activities after tax	(28,053)	62,801	(90,854)

† Second interim dividend calculated based on the latest practicable date, 6 January 2026

Approved by the Board and confirmed as a true reflection of the major decisions made by the Board acting in the capacity of a remuneration committee, in relation to the remuneration of the Directors.

Lisa Arnold
Chair

13 January 2026

Statement of Directors' Responsibilities

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 the Directors have prepared the Company's Financial Statements in accordance with the UK-adopted International Accounting Standards (UK-adopted IAS) and applicable law. Additionally, the Financial Conduct Authority's Disclosure Guidance and Transparency Rules require the directors to prepare the Financial Statements in accordance with UK-adopted IAS.

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 the profit or loss of the Company for that period. In preparing the Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether they have been prepared in accordance with UK-adopted IAS, subject to any material departures disclosed and explained in the Financial Statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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 the Financial Statements and the Directors' Remuneration Report comply with the Companies Act 2006. They are responsible for such internal controls as they determine 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 comply 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.

Directors' confirmations

The Directors 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.

Each of the directors, whose names and functions are listed in the Strategic Report confirm that, to the best of their knowledge:

- the Company Financial Statements, which have been prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit/loss of the company;
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces;

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Lisa Arnold
Chair

13 January 2026

Independent Auditors' Report

to the Members of Polar Capital Global Healthcare Trust plc

Report on the audit of the financial statements

Opinion

In our opinion, Polar Capital Global Healthcare Trust plc's financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2025 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted International Accounting Standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Balance sheet as at 30 September 2025; the Statement of Comprehensive Income, the Statement of Changes in Equity, and the Cash Flow Statement for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

We have provided no non-audit services to the Company in the period under audit.

Independent Auditors' Report continued

Our audit approach

Overview

Audit scope

- The Company is an Investment Trust Company and engages Polar Capital LLP (the "Manager") to manage its assets and to manage its day to day operations.
- We conducted our audit of the financial statements using information from HSBC Securities Services (the "Administrator") to whom the Manager has, with the consent of the Directors, delegated the provision of certain administrative functions.
- We tailored the scope of our audit taking into account the types of investments within the Company, the involvement of the third parties referred to above, the accounting processes and controls, and the industry in which the Company operates.
- We obtained an understanding of the control environment in place at both the Manager and the Administrator and adopted a fully substantive testing approach using reports obtained from the Administrator.

Key audit matters

- Valuation and existence of investments
- Income from investments

Materiality

- Overall materiality: £4,481,000 (prior period overall materiality: £4,790,000) based on 1% of Net Assets.
- Performance materiality: £3,360,000 (prior period overall materiality: £3,592,500).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, 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. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

Material uncertainty related to going concern, which was a key audit matter last year, is no longer included because the recent restructure eliminates any material uncertainty related to going concern as of the date of the approval of the Annual Report. Otherwise, the key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Valuation and existence of investments *Refer to Note 2 Accounting Policies (f) Investments held at fair value through profit and loss and Note 13 Investments held at fair value.* The investment portfolio at the year-end comprised listed equity investments. We focused on the valuation and existence of investments because investments represent the principal element of the net asset value as disclosed on the Balance Sheet in the financial statements. We also focused on the accounting policy for the valuation of investments held at fair value through profit or loss as incorrect application could indicate a misstatement in the valuation of investments.	We tested the valuation of the listed equity investments by agreeing 100% of the prices used in the valuation to independent third-party sources. We tested the existence of the investment portfolio by agreeing 100% of investment holdings to an independent confirmation obtained from the custodian. We assessed the accounting policy for investments held at fair value through profit or loss for compliance with accounting standards and performed testing to check that investments are accounted for in accordance with the stated accounting policy.
Income from investments *Refer to the Note 2 Accounting Policies (c) Income, (f) Investments held at fair value through profit and loss, Note 3 Investment income and Note 5 (Losses)/Gains on investments held at fair value.* We focused on the accuracy, occurrence and completeness of both net capital gains on investments and of dividend income recognition. We also focused on the accounting policy for investment income recognition and its presentation in the Statement of Comprehensive Income as set out in the requirements of The Association of Investment Companies Statement of Recommended Practice (the "AIC SORP") as incorrect application could indicate a misstatement in income recognition.	We assessed the accounting policy for income recognition for compliance with accounting standards and the AIC SORP, and that income from investments has been accounted for in accordance with the stated accounting policy. We tested the accuracy of all dividend receipts by agreeing the dividend rates from investments to independent third-party data. We tested occurrence by testing that all dividends recorded in the year had been declared in the market by investment holdings. To test for completeness, we verified that all appropriate dividends had been declared in the market had been recorded. We also tested the allocation and presentation of dividend income between the revenue and capital return columns of the Statement of Comprehensive Income in line with the requirements set out in the AIC SORP by determining reasons behind dividend distributions. The gains and losses on investments held at fair value comprise realised and unrealised gains and losses. For unrealised gains and losses, we tested the valuation of the portfolio at the year-end, together with testing the reconciliation of opening and closing investments. For realised gains and losses, we tested a sample of disposals by agreeing the proceeds to bank statements and we reperformed the calculation of a sample of realised gains and losses.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which it operates.

The Company's accounting is delegated to the Administrator who maintains the Company's accounting records and who has implemented controls over those accounting records. We obtained audit evidence from the Administrator for our substantive audit procedures. However, as per our risk assessment, we understood and assessed the internal controls in place at both the Manager and the Administrator to the extent relevant to our audit. This assessment of the operating and accounting structure in place at both organisations involved obtaining and analysing the relevant control-reports issued by the Manager and the Administrator and the work conducted by the independent service auditor in accordance with generally accepted assurance standards for such work. Following this assessment, we applied professional judgement to determine the extent of testing required over each balance in the financial statements.

The impact of climate risk on our audit

As part of our audit we made enquiries of management to understand the extent of the potential impact of climate risk on the Company's financial statements, and we remained alert when performing our audit procedures for any indicators of the impact of climate risk. Our procedures did not identify any material impact as a result of climate risk on the Company's financial statements.

Independent Auditors' Report continued

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall Company materiality	£4,481,000 (prior period overall materiality: £4,790,000).
How we determined it	1% of Net Assets
Rationale for benchmark applied	We believe that net assets is the primary measure used by the shareholders in assessing the performance of the Company, and is a generally accepted auditing benchmark for investment trust audits.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2024: 75%) of overall materiality, amounting to £3,360,000 (prior period overall materiality: £3,592,500:) for the Company financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £224,000 (prior period overall materiality: £239,500) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- evaluating the Directors' updated risk assessment and considering whether it addressed relevant threats;
- evaluating the Directors' assessment of potential operational impacts, considering their consistency with other available information and our understanding of the business and assessed the potential impact on the financial statements;
- reviewing the Directors' assessment of the Company's financial position in the context of its ability to meet future expected operating expenses, their assessment of liquidity as well as their review of the operational resilience of the Company and oversight of key third-party service providers;
- assessing any potential implications of the discount at which the Company's share price trades compared to the net asset value per share;
- assessing the Directors' assessment of the Company's ability to withstand potential significant reductions in net assets as a result of market performance on the ongoing ability of the Company to operate; and
- assessing the outcome of the tender offer of the Company's shares post year-end and the resultant restructure.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's ability to continue as a going concern.

In relation to the Directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Report of the Directors, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Report of the Directors

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Report of the Directors for the year ended 30 September 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Report of the Directors.

Directors' Remuneration

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Corporate governance statement

The Listing Rules require us to review the Directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement, included within the Report on Corporate Governance is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The Directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The Directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the Company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;

Independent Auditors' Report continued

- The Directors' explanation as to their assessment of the company's prospects, the period this assessment covers and why the period is appropriate; and
- The Directors' 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 its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the Directors' statement regarding the longer-term viability of the Company was substantially less in scope than an audit and only consisted of making inquiries and considering the Directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the Company and its environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The Directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the Company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit Committee.

We have nothing to report in respect of our responsibility to report when the Directors' statement relating to the Company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also 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.

In preparing the financial statements, the Directors are responsible for 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 the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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 an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of Section 1158 of the Corporation Tax Act 2010, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue (investment income and capital gains) or to overstate the value of investments and increase the net asset value. Audit procedures performed by the engagement team included:

- discussions with the Manager and Audit Committee, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud where applicable;
- reviewing relevant committee meeting minutes, including those of the Board and Audit Committee;
- review of financial statement disclosures to underlying supporting documentation;
- identifying and testing manual journal entries posted by the Administrator during the preparation of the financial statements; and
- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- 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
- certain disclosures of Directors' remuneration specified by law are not made; or
- the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the Audit Committee, we were appointed by the members on 12 May 2010 to audit the financial statements for the year ended 31 December 2011 and subsequent financial periods. The period of total uninterrupted engagement is 15 years, covering the years ended 31 December 2011 to 30 September 2025.

Kevin Rollo (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

13 January 2026

Financial Statements

Statement of Comprehensive Income

For the year ended 30 September 2025

	Note	Year ended 30 September 2025 Revenue return £'000	Year ended 30 September 2025 Capital return £'000	Year ended 30 September 2025 Total return £'000	Year ended 30 September 2024 Revenue return £'000	Year ended 30 September 2024 Capital return £'000	Year ended 30 September 2024 Total return £'000
(Losses)/gains on investments held at fair value	5	–	(26,558)	(26,558)	–	63,240	63,240
Investment income	3	3,388	–	3,388	5,369	–	5,369
Other operating income	4	83	–	83	122	–	122
Other currency (losses)/gains	6	–	(390)	(390)	–	281	281
Total (expense)/income		**3,471**	**(26,948)**	**(23,477)**	5,491	63,521	69,012
Expenses							
Investment management fee	7	(631)	(2,522)	(3,153)	(687)	(2,747)	(3,434)
Other administrative expenses	8	(855)	(8)	(863)	(833)	(100)	(933)
Total expenses		**(1,486)**	**(2,530)**	**(4,016)**	(1,520)	(2,847)	(4,367)
(Loss)/profit before finance costs and tax		**1,985**	**(29,478)**	**(27,493)**	3,971	60,674	64,645
Finance costs	9	(7)	(26)	(33)	(14)	(882)	(896)
(Loss)/profit before tax		**1,978**	**(29,504)**	**(27,526)**	3,957	59,792	63,749
Tax	10	(424)	(103)	(527)	(708)	(240)	(948)
Net (loss)/profit for the year and total comprehensive (expense)/income		**1,554**	**(29,607)**	**(28,053)**	3,249	59,552	62,801
(Losses)/earnings per ordinary share (pence)	12	1.28	(24.41)	(23.13)	2.68	49.11	51.79

The total column of this statement represents 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 Association of Investment Companies.

The Company does not have any other income or expense that is not included in net loss for the year. The net loss for the year disclosed above represents the Company's total comprehensive expense.

There are no dilutive securities and therefore the Earnings per Share and the Diluted Earnings per share are the same.

All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued in the year.

The notes on pages 77 to 96 form part of these financial statements.

Statement of Changes in Equity

For the year ended 30 September 2025

	Note	Called up share capital £'000	Capital redemption reserve £'000	Share premium reserve £'000	Special distributable reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total Equity £'000
		Year ended 30 September 2025						
Total equity at 1 October 2024		**31,037**	**6,575**	**80,685**	**3,672**	**354,300**	**2,804**	**479,073**
Total comprehensive (expense)/income:								
(Loss)/profit for the year ended 30 September 2025		–	–	–	–	(29,607)	1,554	(28,053)
Transactions with owners, recorded directly to equity:								
Equity dividends paid	11	–	–	–	–	–	(2,910)	(2,910)
Total equity at 30 September 2025		**31,037**	**6,575**	**80,685**	**3,672**	**324,693**	**1,448**	**448,110**

	Note	Called up share capital £'000	Capital redemption reserve £'000	Share premium reserve £'000	Special distributable reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total Equity £'000
		Year ended 30 September 2024						
Total equity at 1 October 2023		31,037	6,575	80,685	3,672	294,748	2,465	419,182
Total comprehensive income:								
Profit for the year ended 30 September 2024		–	–	–	–	59,552	3,249	62,801
Transactions with owners, recorded directly to equity:								
Equity dividends paid	11	–	–	–	–	–	(2,910)	(2,910)
Total equity at 30 September 2024		31,037	6,575	80,685	3,672	354,300	2,804	479,073

The notes on pages 77 to 96 form part of these financial statements.

Balance Sheet

As at 30 September 2025

	Notes	30 September 2025 £'000	30 September 2024 £'000
Non-current assets			
Investments held at fair value	13	439,435	474,136
Current assets			
Cash and cash equivalents	24	17,035	9,552
Overseas tax recoverable		952	842
Receivables	14	84	180
		18,071	10,574
Total assets		**457,506**	484,710
Current liabilities			
Payables	15	(9,293)	(5,263)
Bank overdraft	24	(1)	(374)
		(9,294)	(5,637)
Non-current liabilities			
Indian capital gains tax provision		(102)	–
Total liabilities		**(9,396)**	(5,637)
Net assets		**448,110**	479,073
Equity attributable to equity shareholders			
Called up share capital	17	31,037	31,037
Share premium reserve	19	80,685	80,685
Capital Redemption reserve	18	6,575	6,575
Special distributable reserve	20	3,672	3,672
Capital reserves	21	324,693	354,300
Revenue reserve	22	1,448	2,804
Total equity		**448,110**	479,073
Net asset value per Ordinary share (pence)	23	369.51	395.05

The financial statements on pages 73 to 76 were approved and authorised for issue by the Board of Directors on 13 January 2026 and signed on its behalf by

Lisa Arnold
Chair

The notes on pages 77 to 96 form part of these financial statements.

Registered number 7251471

Cash Flow Statement

For the year ended 30 September 2025

	Note	Year ended 30 September 2025 £'000	Year ended 30 September 2024 £'000
Cash flows from operating activities			
(Loss)/profit before finance costs and tax		(27,493)	64,645
Adjustment for non-cash items:			
Losses/(gains) on investments held at fair value through profit or loss		26,558	(63,240)
Adjusted (loss)/profit before tax		**(935)**	1,405
Adjustments for:			
Purchases of investments, including transaction costs		(485,249)	(688,173)
Sales of investments, including transaction costs		497,444	737,080
Decrease in receivables		96	325
Decrease in payables		(22)	(266)
Indian capital gains tax		(1)	(494)
Overseas tax deducted at source		(534)	(872)
Net cash generated from operating activities		**10,799**	49,005
Cash flows from financing activities			
Redemption of ZDP shareholders		–	(39,515)
Interest paid		(33)	(68)
Equity dividends paid	11	(2,910)	(2,910)
Net cash used in financing activities		**(2,943)**	(42,493)
Net increase in cash and cash equivalents		**7,856**	6,512
Cash and cash equivalents at the beginning of the year		**9,178**	2,666
Cash and cash equivalents at the end of the year	24	**17,034**	9,178

The notes on pages 77 to 96 form part of these financial statements

Notes to the Financial Statements

For the year ended 30 September 2025

1 GENERAL INFORMATION

The Financial Statements for the year ended 30 September 2025 comprise the Financial Statements of the Company.

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 presentational currency is pounds sterling (rounded to the nearest £'000). Pounds sterling is also the functional currency of the Company, because it is the currency which is most relevant to the majority of the Company's shareholders and creditors and the currency in which the majority of the Company's operating expenses are paid.

2 ACCOUNTING POLICIES

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

(a) BASIS OF PREPARATION

The Company's Financial Statements have been prepared and approved by the Directors in accordance with UK-adopted International Accounting Standards ("UK-adopted IAS") and with the requirements of the Companies Act 2006.

The Financial Statements have been prepared on a going concern basis under the historical cost convention, as modified by the revaluation 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.

The financial position of the Company as at 30 September 2025 is shown in the balance sheet on page 75. As at 30 September 2025 the Company's total assets exceeded its total liabilities by a multiple of over 48. 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 31 and these securities are readily realisable. The Directors have considered a detailed assessment of the Company's ability to meet their liabilities as they fall due. The assessment took account of the Company's current financial position, it's cash flows and its liquidity position. In light of that assessment, the Directors consider that the Company has adequate financial resources to enable them to continue in operational existence for a period of 12 months from the approval of these financial statements. Accordingly, the Directors believe that it is appropriate to continue to adopt the going concern basis in preparing the Company's Financial Statements.

(b) PRESENTATION OF THE STATEMENT OF COMPREHENSIVE INCOME

In order to better reflect 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 Tax Act 2010.

(c) INCOME

Dividends receivable from equity shares are recognised and 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.

Notes to the Financial Statements continued

For the year ended 30 September 2025

2 ACCOUNTING POLICIES continued

(c) INCOME continued

Bank interest is accounted for on an accruals basis. Interest outstanding at the year end is calculated on a time apportionment basis using market rates of interest.

(d) EXPENSES

All expenses, including the investment management fee, are accounted for on an accruals basis and are recognised when they fall due.

All expenses have been presented as revenue items except as follows:

Expenses are charged to the capital column of the Statement of Comprehensive Income where a connection with the maintenance or enhancement of the value of investments can be demonstrated. In this respect the investment management fees have been charged to the Statement of Comprehensive Income in line with the Board's expected long-term split of returns, in the form of capital gains and income from the Company's portfolio. As a result 20% of the investment management fees are charged to revenue and 80% charged to capital in the Statement of Comprehensive Income.

FINANCE COSTS

Overdraft interest costs are allocated 20% to revenue and 80% to capital in line with the Board's expected long-term split of revenue and capital return from the Company's investment portfolio.

SHARE ISSUE COSTS

Costs incurred directly in relation to the issue of shares in the subsidiary were borne by the Company and taken 100% to capital. Share issue costs relating to Ordinary share issues by the Company are taken 100% to the share premium account.

ZERO DIVIDEND PREFERENCE (ZDP) SHARES

Shares issued by the subsidiary were treated as a liability and were shown in the Balance Sheet at their redemption value at the Balance Sheet date. The appropriations in respect of the ZDP shares necessary to increase the subsidiary's liabilities to the redemption values were allocated to capital in the Statement of Comprehensive Income. The ZDP shares were fully repaid and redeemed on 19 June 2024.

(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 profits for the year ended 30 September 2025. 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.

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 Company is liable to Indian capital gains tax under Section 115 AD of the Indian Income Tax Act 1961. The Indian capital gains tax provision represents an estimate of the amount of tax payable by the Company. Tax amounts payable may differ from this provision depending on when the Company disposes of its investments. The current provision for Indian capital gains tax is calculated based on the long term (securities held more than one year) or short term (securities held less than one year) nature of the investments and the applicable tax rate at the year end. Currently, the short-term tax rate is 20% and the long-term tax rate is 12.5%. The estimated tax charge is subject to regular review including a consideration of the likely period of ownership, tax rates and market valuation movements. The provision at the year end is recognised in the Balance Sheet and the year-on-year movement in the provision is recognised in the Statement of Comprehensive Income.

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.

All investments, classified as fair value through profit or loss, are further categorised into the following fair value hierarchy:

Level 1: Unadjusted prices quoted in active markets for identical assets and liabilities.

Level 2: Having inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Having inputs for the asset or liability that are not based on observable market data.

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.

In the event a security held within the portfolio is suspended then judgement is applied in the valuation of that security.

(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, demand deposits and overdrafts. Cash equivalents are short-term, maturity of three months or less, highly liquid investments that are readily convertible to known amounts of cash.

(i) DIVIDENDS PAYABLE

Dividends payable to shareholders are recognised in the financial statements when they are paid.

(j) PAYABLES

Other payables are not interest-bearing and are initially valued at fair value and subsequently stated at their nominal value (amortised cost).

Notes to the Financial Statements continued

For the year ended 30 September 2025

2 ACCOUNTING POLICIES continued

(k) FOREIGN CURRENCY TRANSLATION

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.

(l) CAPITAL RESERVES

Capital reserve arising on investments sold includes:

– gains/losses on disposal of investments
– exchange differences on currency balances
– the costs of own shares bought back
– transfer to subsidiary in relation to ZDP funding requirement
– other capital charges and credits charged to this account in accordance with the accounting policies above.

Capital reserve arising on investments held includes:

– increases and decreases in the valuation of investments held at the balance sheet date.

All of the above are accounted for in the Statement of Comprehensive Income.

When making a distribution to shareholders, the Directors determine the profits available for distribution by reference to the 'Guidance on realised and distributable profits under the Companies Act 2006' issued by the Institute of Chartered Accountants of England & Wales and the Institute of Chartered Accountants of Scotland in April 2017. The availability of distributable reserves in the Company is dependent on those dividends meeting the definition of qualifying consideration within the guidance and on the available cash resources of the Company and other accessible sources of funds. The distributable reserves are therefore subject to any future restrictions or limitations at the time such distribution is made.

(m) REPURCHASE OF ORDINARY SHARES

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. 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.

(n) 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 Investment Manager (with oversight from the board).

The Directors are of the opinion that the Company has only one operating segment and as such no distinct segmental reporting is required.

(o) KEY ESTIMATE 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 Company does not consider that there have been any significant estimates or judgements in the current financial year.

(p) 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 Instruments	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

For the year ended 30 September 2025

3 INVESTMENT INCOME

	Year ended 30 September 2025 £'000	Year ended 30 September 2024 £'000
Revenue:		
UK Dividend income	316	306
Overseas Dividend income	3,072	5,063
Total investment income allocated to revenue	**3,388**	**5,369**

All investment income is derived from listed investments.

4 OTHER OPERATING INCOME

	Year ended 30 September 2025 £'000	Year ended 30 September 2024 £'000
Bank interest	83	122
Total other operating income	**83**	**122**

5 (LOSSES)/GAINS ON INVESTMENTS HELD AT FAIR VALUE

	Year ended 30 September 2025 £'000	Year ended 30 September 2024 £'000
Net (losses)/gains on disposal of investments at historic cost	(21,971)	48,604
Less fair value adjustments in earlier years	(10,665)	(10,156)
(Losses)/gains based on carrying value at previous balance sheet date	**(32,636)**	**38,448**
Valuation gains on investments held during the year	6,078	24,792
	(26,558)	**63,240**

6 OTHER CURRENCY (LOSSES)/GAINS

	Year ended 30 September 2025 £'000	Year ended 30 September 2024 £'000
Exchange (losses)/gains on currency balances	(390)	281

7 INVESTMENT MANAGEMENT FEE

	Year ended 30 September 2025 £'000	Year ended 30 September 2024 £'000
Management fee		
- charged to revenue	631	687
- charged to capital	2,522	2,747
Investment management fee payable to Polar Capital LLP.	**3,153**	**3,434**

Investment Management fees are allocated 20% to revenue and 80% to capital. Details of the fee arrangements are given in the Strategic Report in pages 32 and 33.

8 OTHER ADMINISTRATIVE EXPENSES (INCLUDING VAT WHERE APPROPRIATE)

	Year ended 30 September 2025 £'000	Year ended 30 September 2024 £'000
Directors' fees and expenses[1]	146	150
Directors' NIC	16	16
Auditors' remuneration: For audit of the Company Financial Statements	60	55
Depositary fee	27	29
Registrar fee	35	39
Custody and other bank charges	45	65
UKLA and LSE listing fees	56	53
Legal & professional fees[2]	23	7
AIC fees	22	21
Directors' and officers liability insurance	21	20
Corporate brokers fee	25	25
Marketing expenses[3]	110	111
Shareholder communications	24	24
HSBC administration fee	194	215
Other expenses[4]	51	3
Total other administrative expenses allocated to revenue	**855**	**833**
Costs related to redemption of ZDP shares and liquidation of PCGH ZDP plc subsidiary	8	100
Total other administrative expenses	**863**	**933**

1 Full disclosure is given in the Directors' Remuneration Report on page 62.
2 Includes Herbert Smith fee for professional and legal advice.
3 Includes bespoke marketing budget of £50,000 (2024: £50,000) and third party fees of £30,000 (2024: £30,000).
4 Includes NED recruitment fees

Ongoing charges represent the total expenses of the fund, excluding finance costs and tax, expressed as a percentage of the average daily net asset value, in accordance with AIC guidance issued in May 2012.

The ongoing charges ratio for the year ended 30 September 2025 was 0.90% (2024: 0.88%). See Alternative Performance Measures on pages 98 and 99.

9 FINANCE COSTS

	Year ended 30 September 2025			Year ended 30 September 2024		
	Revenue return £'000	Capital return £'000	Total return £'000	Revenue return £'000	Capital return £'000	Total return £'000
Interest on overdrafts	7	26	33	14	54	68
Appropriation to ZDP shares	–	–	–	–	828	828
Total finance costs	**7**	**26**	**33**	**14**	**882**	**896**

Notes to the Financial Statements continued

For the year ended 30 September 2025

10 TAXATION

a) Analysis of tax charge for the year:

	Year ended 30 September 2025			Year ended 30 September 2024		
	Revenue return £'000	Capital return £'000	Total return £'000	Revenue return £'000	Capital return £'000	Total return £'000
Overseas tax	424	–	424	708	–	708
Indian capital gains tax	–	103	103	–	240	240
Total tax for the year (see note 10b)	**424**	**103**	**527**	**708**	**240**	**948**

b) Factors affecting tax charge for the year:

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

	Year ended 30 September 2025			Year ended 30 September 2024		
	Revenue return £'000	Capital return £'000	Total return £'000	Revenue return £'000	Capital return £'000	Total return £'000
(Loss)/profit before tax	**1,978**	**(29,504)**	**(27,526)**	**3,957**	**59,792**	**63,749**
Tax at the UK corporation tax rate of 25% (2024: 25%)	495	(7,376)	(6,881)	989	14,948	15,937
Tax effect of non-taxable dividends	(847)	–	(847)	(1,342)	–	(1,342)
Losses/(gains) on investments that are not taxable	–	6,737	6,737	–	(15,879)	(15,879)
Non taxable expenses not utilised in the year	352	637	989	353	699	1,052
Overseas tax suffered	424	–	424	708	–	708
Indian capital gains tax	–	103	103	–	240	240
Expenses not allowable	–	2	2	–	232	232
Total tax for the year (see note 10a)	**424**	**103**	**527**	**708**	**240**	**948**

c) Factors that may affect future tax charges:

The Company has an unrecognised deferred tax asset of £9,353,000 (2024: £8,364,000). The deferred tax asset is based on the current corporation tax rate of 25% (2024: 25%)

It is unlikely that the Company will generate sufficient taxable profits in the future to utilise these expenses and deficits and therefore no deferred tax asset has been recognised.

Due to the Company's tax status as an investment trust and the intention to continue meeting the conditions required to obtain 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.

The Company is liable to Indian capital gains tax under Section 115 AD of the Indian Income Tax Act 1961. A tax provision on Indian capital gains is calculated based on the long term (securities held more than one year) or short term (securities held less than one year) nature of the investments and the applicable tax rate at the year end. The current rates of short-term tax rates are 20% and the long term tax rates are 12.5% respectively. At the year ended 30 September 2025, the Company has a deferred tax liability of £102,000 (2024: £nil) on capital gains which may arise if Indian investments are sold.

11 AMOUNTS RECOGNISED AS DISTRIBUTIONS TO ORDINARY SHAREHOLDERS IN THE YEAR

Dividends paid in the year ended 30 September 2025

Payment date	No of shares	Pence per share	Year ended 30 September 2025 £'000
28 February 2025	121,270,000	1.20p	1,455
29 August 2025	121,270,000	1.20p	1,455
			2,910

The revenue available for distribution by way of dividend for the year is £1,554,000 (2024: £3,249,000).

The total dividends payable in respect of the financial year ended 30 September 2025 which is the basis on which the requirements of Section 1158 Corporation Tax Act 2010 are considered, is set out below:

Payment date	No of shares	Pence per share	Year ended 30 September 2025 £'000
29 August 2025	121,270,000	1.20p	1,455
27 February 2026	94,541,974*	1.00p	945
			2,400

*Based on the latest practicable date, 6 January 2026.

Dividends paid in the year ended 30 September 2024

Payment date	No of shares	Pence per share	Year ended 30 September 2024 £'000
29 February 2024	121,270,000	1.20p	1,455
30 August 2024	121,270,000	1.20p	1,455
			2,910

The total dividends payable in respect of the financial year ended 30 September 2024,which is the basis on which the requirements of Section 1158 Corporation Tax Act 2010 are considered, is set out below:

Payment date	No of shares	Pence per share	Year ended 30 September 2024 £'000
30 August 2024	121,270,000	1.20p	1,455
28 February 2025	121,270,000	1.20p	1,455
			2,910

All dividends are paid as interim dividends, and all have been charged to revenue, where necessary utilising the revenue reserves.

The dividends paid in February each year relate to a dividend declared in respect of the previous financial year but paid in the current accounting year.

12 (LOSSES)/EARNINGS PER ORDINARY SHARE

	Year ended 30 September 2025			Year ended 30 September 2024		
	Revenue return	Capital return	Total return	Revenue return	Capital return	Total return
The calculation of basic (losses)/earnings per share is based on the following data:						
Net (loss)/profit for the year (£'000)	1,554	(29,607)	(28,053)	3,249	59,552	62,801
Weighted average Ordinary shares in issue during the year	121,270,000	121,270,000	121,270,000	121,270,000	121,270,000	121,270,000
Basic - Ordinary shares (pence)	**1.28**	**(24.41)**	**(23.13)**	**2.68**	**49.11**	**51.79**

As at 30 September 2025 there were no potentially dilutive shares in issue.

Notes to the Financial Statements continued

For the year ended 30 September 2025

13 INVESTMENTS HELD AT FAIR VALUE

(a) Investments held at fair value through profit or loss

	30 September 2025 £'000	30 September 2024 £'000
Opening book cost	440,211	438,965
Opening investment holding gains	33,925	19,290
Opening fair value	**474,136**	**458,255**
Analysis of transactions made during the year		
Purchases at cost	489,301	689,721
Sales proceeds received	(497,444)	(737,080)
(Losses)/gains on investments held at fair value	(26,558)	63,240
Closing fair value	**439,435**	**474,136**
Closing book cost	410,097	440,211
Closing investment holding gains	29,338	33,925
Closing fair value	**439,435**	**474,136**

The Company received £497,444,000 (2024: £737,080,000) from disposal of investments in the year. The book cost of these investments when they were purchased was £519,415,000 (2024: £688,475,000). 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.

The following transaction costs, including stamp duty and broker commissions were incurred during the year:

	30 September 2025 £'000	30 September 2024 £'000
On acquisition	442	540
On disposal	237	383
	679	**923**

(b) Fair value hierarchy

	30 September 2025 £'000	30 September 2024 £'000
Level 1 assets	439,435	474,136
Valuation at the end of the year	**439,435**	**474,136**

All Level 1 assets are traded on a recognised Stock Exchange.

(c) Subsidiary undertaking

Company and business	Country of registration, incorporation and operation	Number and class of shares held by the Company	Holding
PCGH ZDP Plc	England and Wales	50,000 Ordinary shares of £1	100%

Following the full repayment of the ZDP shareholders on 19 June 2024, the subsidiary was placed into liquidation.

14 RECEIVABLES

	30 September 2025 £'000	30 September 2024 £'000
Accrued income	37	138
VAT recoverable	15	20
Prepayments	32	22
	84	**180**

15 PAYABLES

	30 September 2025 £'000	30 September 2024 £'000
Purchases for future settlement	8,852	4,800
Accruals	441	463
	9,293	**5,263**

16 LOAN FROM SUBSIDIARY

	30 September 2025 £'000	30 September 2024 £'000
At 1 October	–	38,687
Capital growth of ZDP shares	–	828
Repayment of ZDP shares	–	(39,515)
At 30 September	**–**	**–**

The ZDP shares were fully repaid and redeemed on 19 of June 2024 in the amount of £39,515,000 and the subsidiary was subsequently placed into liquidation.

17 CALLED UP SHARE CAPITAL

(i) Ordinary shares - Allotted, Called up and Fully paid:

	30 September 2025 £'000	30 September 2024 £'000
Ordinary shares of nominal value 25p each:		
Opening balance of 121,270,000 (2024: 121,270,000) Ordinary shares in issue	30,317	30,317
121,270,000 (2024: 121,270,000) Ordinary shares in issue	**30,317**	**30,317**
2,879,256 (2024: 2,879,256) Ordinary shares, held in treasury	720	720
Total of 124,149,256 (2024: 124,149,256) shares	**31,037**	**31,037**

No Ordinary shares were repurchased or issued during the year (2024: nil).

The Ordinary shares held in treasury have no voting rights and are not entitled to dividends.

Notes to the Financial Statements continued

For the year ended 30 September 2025

17 CALLED UP SHARE CAPITAL continued

(ii) Subsidiary company (for information purposes)

	30 September 2025 £'000	30 September 2024 £'000
ZDP shares - Allotted, Called up and Fully paid:		
ZDP shares of nominal value 1p each:		
Opening balance of nil ZDP shares (2024: 32,128,437)	–	32,128
Redemption of nil ZDP shares (2024: 32,128,437) ZDP shares	–	(32,128)
Allotted, Called up and Fully paid: nil (2024: nil) ZDP shares of 1p	**–**	**–**
At 30 September	**–**	**–**

The ZDP shares were fully repaid and redeemed on 19 of June 2024 in the amount of £39,515,000 and the subsidiary was subsequently placed into liquidation.

18 CAPITAL REDEMPTION RESERVE

	30 September 2025 £'000	30 September 2024 £'000
At 1 October	6,575	6,575
At 30 September	**6,575**	**6,575**

The Capital Redemption reserve was created following the Company's reconstruction tender offer of shares, where shares were repurchased and cancelled in 2017. This reserve is not distributable.

19 SHARE PREMIUM RESERVE

	30 September 2025 £'000	30 September 2024 £'000
At 1 October	80,685	80,685
At 30 September	**80,685**	**80,685**

This reserve is not distributable.

20 SPECIAL DISTRIBUTABLE RESERVE

	30 September 2025 £'000	30 September 2024 £'000
At 1 October	3,672	3,672
At 30 September	**3,672**	**3,672**

The special distributable reserve was created following approval from the Court, received on 18 August 2010, to cancel the share premium account arising from the initial share offering.

Surpluses to the credit of the special distributable reserve can be used to purchase the Company's own shares. In addition, the Company may use this reserve for the payment of dividends.

21 CAPITAL RESERVES

	30 September 2025 £'000	30 September 2024 £'000
At 1 October	354,300	294,748
Net (losses)/gains on disposal of investments	(32,636)	38,448
Valuation gains on investments held during the year	6,078	24,792
Exchange (losses)/gains on currency balances	(390)	281
Overdraft interest allocated to capital	(26)	(54)
Investment management fee allocated to capital	(2,522)	(2,747)
Indian capital gains tax	(103)	(240)
ZDP final redemption cost	(8)	(100)
Capital contribution to ZDP entitlement	–	(159)
ZDP appropriation	–	(669)
At 30 September	**324,693**	**354,300**

The balance on the capital reserve represents a profit of £29,198,000 (2024: £33,888,000) on investments held and a profit of £295,495,000 (2024: £320,412,000) on investments sold.

The balance on investments held has not been further analysed between those amounts that are distributable and those that are not distributable.

The balance on investments sold are realised distributable capital reserves which may be used to repurchase the Company's shares or be distributed as dividends subject to meeting the definition of qualifying consideration as noted in Note 2(l).

22 REVENUE RESERVE

	30 September 2025 £'000	30 September 2024 £'000
At 1 October	2,804	2,465
Revenue profit	1,554	3,249
Interim dividends paid	(2,910)	(2,910)
At 30 September	**1,448**	**2,804**

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

23 NET ASSET VALUE PER ORDINARY SHARE

Ordinary shares

	30 September 2025	30 September 2024
Net assets attributable to Ordinary shareholders (£'000)	448,110	479,073
Ordinary shares in issue at end of year	121,270,000	121,270,000
Net asset value per Ordinary share (pence)	**369.51**	**395.05**

As at 30 September 2025 there were no potentially dilutive shares in issue.

Notes to the Financial Statements continued

For the year ended 30 September 2025

24 CASH AND CASH EQUIVALENTS

	30 September 2025 £'000	30 September 2024 £'000
Cash at bank	17,035	9,552
Bank overdraft	(1)	(374)
Cash and cash equivalents	**17,034**	**9,178**

25 TRANSACTIONS WITH THE INVESTMENT MANAGER AND RELATED PARTY TRANSACTIONS

(a) TRANSACTIONS WITH THE MANAGER

Under the terms of an agreement dated 26 May 2010 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 fees, paid under this agreement to Polar Capital in respect of the year ended 30 September 2025 were £3,153,000 (2024: £3,434,000) of which £262,000 (2024: £288,000) was outstanding at the year-end.

(b) RELATED PARTY TRANSACTIONS

The Company has no employees and therefore no key management personnel other than the Directors. The Company has paid £146,000 (2024: £150,000) to the Directors and the Remuneration Report including Directors' shareholdings and movements within the year is set out on pages 61 and 62.

Refer to Note 13(c) for details of the subsidiary undertaking which was placed into liquidation in June 2024.

26 DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

RISK MANAGEMENT POLICIES AND PROCEDURES FOR THE COMPANY

The Company invests in equities and other financial instruments for the long term to further the investment objective set out on page 31.

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 and credit risk and the Directors' approach to the management of them is set out below.

The Company's exposure to financial instruments can comprise:

- Equity and non-equity shares and fixed interest securities which may be held in the investment portfolio in accordance with the Investment Objective.
- Bank overdrafts, the main purpose of which is to raise finance for the Company's operations.
- Cash, 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 futures contracts, and forward foreign exchange contracts.

The purpose of these is to manage the market price risks and foreign exchange 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 26(a)(i)), currency risk (see Note 26(a)(ii)), and interest rate risk (see Note 26(a)(iii)).

(i) Market Price Risk

The Company is an investment company and as such its performance is dependent on its 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 page 22. Investments are valued in accordance with the accounting policies as stated in Note 2(f).

At the year end, the Company did not hold any derivative instruments (2024: nil).

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 healthcare sub 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 risks exposure

The Company's exposure to changes in market prices at 30 September on its investments was as follows:

	Year ended 30 September 2025 £'000	Year ended 30 September 2024 £'000
Non-current asset investments at fair value through profit or loss	439,435	474,136
	439,435	**474,136**

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 15% 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 September 2025		30 September 2024	
	Increase in fair value £'000	Decrease in fair value £'000	Increase in fair value £'000	Decrease in fair value £'000
Statement of Comprehensive Income - profit after tax				
Revenue return	(99)	99	(107)	107
Capital return	65,520	(65,520)	70,693	(70,693)
Change to the profit after tax for the year	**65,421**	**(65,421)**	**70,586**	**(70,586)**
Change to equity attributable to shareholders	**65,421**	**(65,421)**	**70,586**	**(70,586)**

(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 risks through an international spread of investments and may make use of forward foreign exchange contracts.

Notes to the Financial Statements continued

For the year ended 30 September 2025

26 DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS continued

(a) Market Risk continued

Foreign currency exposure

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

	Year ended 30 September 2025 £'000	Year ended 30 September 2024 £'000
Monetary Assets:		
Cash and short term receivables		
Danish krone	4,525	105
Swiss francs	730	642
Euros	189	151
US dollars	137	7
Indian rupee	112	119
Japanese yen	–	76
Monetary Liabilities:		
Other payables		
US dollars	(4,447)	(5,173)
Danish krone	(4,405)	–
Indian rupee	(102)	–
Swiss francs	(1)	(1)
Foreign currency exposure on net monetary items	**(3,262)**	**(4,074)**
Non-Monetary Items:		
Investments at fair value through profit or loss that are equities		
US dollars	266,028	248,634
Danish krone	48,571	41,892
Euros	48,434	72,815
Swiss francs	23,414	60,149
Indian rupee	20,804	–
Japanese yen	5,019	29,155
Swedish krona	–	9,865
Total net foreign currency exposure	**409,008**	**458,436**

During the financial year, movements against sterling in the five major currencies in foreign currency exposure were:

- US dollar depreciated by 0.37% (2024: depreciated by 9.9%),
- Danish krone appreciated by 4.5% (2024: depreciated by 4.2%),
- Japanese yen depreciated by 3.6% (2024: depreciated by 5.3%),
- Euro appreciated by 4.7% (2024: depreciated by 4.3%),
- Swiss franc appreciated by 5.3% (2024: depreciated by 1.3%).

Foreign currency sensitivity

The following table illustrates the sensitivity of the return after tax for the year and net assets in regard to the financial assets and financial liabilities and the exchange rates for the £/US dollar, £/Euros, £/Japanese yen, £/Swiss francs and £/Danish krone.

Based on the year end position, if sterling had depreciated by a further 20% (2024: 20%) against the currencies shown, this would have the following effect:

	Year ended 30 September 2025 £'000				
	US dollars	**Euro**	**Japanese yen**	**Swiss francs**	**Danish krone**
Statement of Comprehensive Income - profit after tax					
Revenue return	34	47	–	182	1,131
Capital return	65,395	12,109	1,255	5,854	12,143
Change to the profit after tax for the year and to equity attributable to shareholders	**65,429**	**12,156**	**1,255**	**6,036**	**13,274**

	Year ended 30 September 2024 £'000				
	US dollars	**Euro**	**Japanese yen**	**Swiss francs**	**Danish krone**
Statement of Comprehensive Income - profit after tax					
Revenue return	2	38	19	160	26
Capital return	60,865	18,204	7,289	15,037	10,473
Change to the profit after tax for the year and to equity attributable to shareholders	**60,867**	**18,242**	**7,308**	**15,197**	**10,499**

Based on the year end position, if sterling had appreciated by a further 20% (2024: 20%) against the currencies shown, this would have the following effect:

	Year ended 30 September 2025 £'000				
	US dollars	**Euro**	**Japanese yen**	**Swiss francs**	**Danish krone**
Statement of Comprehensive Income - profit after tax					
Revenue return	(23)	(32)	–	(122)	(754)
Capital return	(43,597)	(8,072)	(837)	(3,903)	(8,095)
Change to the profit after tax for the year and to equity attributable to shareholders	**(43,620)**	**(8,104)**	**(837)**	**(4,025)**	**(8,849)**

	Year ended 30 September 2024 £'000				
	US dollars	**Euro**	**Japanese yen**	**Swiss francs**	**Danish krone**
Statement of Comprehensive Income - profit after tax					
Revenue return	(1)	(25)	(13)	(107)	(18)
Capital return	(40,577)	(12,136)	(4,859)	(10,025)	(6,982)
Change to the profit after tax for the year and to equity attributable to shareholders	**(40,578)**	**(12,161)**	**(4,872)**	**(10,132)**	**(7,000)**

Notes to the Financial Statements continued

For the year ended 30 September 2025

26 DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS continued

(a) Market Risk continued

In the opinion of the Directors, while these are regarded as reasonable estimates, neither of the above sensitivity analyses 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

Although the majority of the Company's financial assets are equity shares which pay dividends, not interest, the Company will be affected by interest rate changes as interest is earned on any cash balances and paid on any overdrawn balances.

Management of the risk

The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment decisions.

Derivative contracts are not used to hedge against the exposure to interest rate risk.

Interest rate exposure

At the year-end, financial assets and liabilities exposed to floating interest rates were as follows:

	Year ended 30 September 2025 £'000	Year ended 30 September 2024 £'000
Cash at bank	17,035	9,552
Bank overdraft	(1)	(374)
	17,034	**9,178**

The above year-end amounts may not be representative of the exposure to interest rates in the year ahead since the level of cash held during the year will be affected by the strategy being followed in response to the Board's and Manager's perception of market prospects and the investment opportunities available at any particular time.

Interest rate sensitivity

The following table illustrates the sensitivity of the return after taxation for the year and net assets to an increase or decrease of 150 (2024: 150) basis points in interest rates in regard to the Company's monetary financial assets, which are subject to interest rate risk. This level of change is considered to be reasonably possible based on observation of current market conditions.

The sensitivity analysis is based on the Company's monetary financial instruments held at each balance sheet date, with all other variables held constant.

	30 September 2025		30 September 2024	
	Increase in rate £'000	Decrease in rate £'000	Increase in rate £'000	Decrease in rate £'000
Statement of Comprehensive Income - profit after tax				
Revenue return	256	(256)	142	(142)
Capital return	–	–	(4)	4
Change to the profit after tax for the year	**256**	**(256)**	**138**	**(138)**
Change to equity attributable to shareholders	**256**	**(256)**	**138**	**(138)**

In the opinion of the Directors, the above sensitivity analysis may not be representative of the year as a whole, since the level of exposure may change.

(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

At 30 September the financial liabilities comprised:

	30 September 2025 £'000	30 September 2024 £'000
3 months or less:		
Other creditors and accruals	9,293	5,263
Bank overdraft	1	374
More than 12 months:		
Indian capital gains tax provision	102	–
	9,396	**5,637**

(c) Credit Risk

Credit risk is the exposure to loss from the 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 and prior year.

Credit risk exposure

The maximum exposure to credit risk at 30 September 2025 was £17,072,000 (2024: £9,690,000) comprising:

	30 September 2025 £'000	30 September 2024 £'000
Accrued Income	37	138
Cash at bank	17,035	9,552
	17,072	**9,690**

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 assets are past due or impaired. All deposits were placed with banks that had a rating of A or higher.

Notes to the Financial Statements continued

For the year ended 30 September 2025

26 DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS continued

(d) Capital Management Policies and Procedures

The Company's capital, or equity, is represented by its net assets which amounted to £448,110,000 as at 30 September 2025 (2024: £479,073,000), which are managed to achieve the Company's investment objective set out on page 31.

The Board monitors and reviews the broad structure of the Company's capital on an ongoing basis. This review includes:

(i) 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); and

(ii) the determination of dividend payments.

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 two capital restriction tests imposed on investments by company law.

These requirements are unchanged since the previous year end and the Company has complied with them and no breaches have taken place during the year under review.

27 POST BALANCE SHEET EVENTS

Per the Articles of Association (prior to 27 November 2025), the Company was required to propose a special resolution for the winding-up of the Company at the first AGM after 1 March 2025 unless alternative reconstruction proposals were approved by the shareholders prior to that date. Accordingly, in substitution of the fixed life, Shareholders who did not wish to continue their investment in the Company, were offered the opportunity to tender their shares at the prevailing NAV per ordinary share less costs and other appropriate adjustments. On 26 November 2025, the Company announced to the market that the total number of shares tendered was 27,253,026 with a total of £115,991,604 being paid out to Shareholders based on a tender price of 425.61p. Following the tender offer, the total number of ordinary shares in issue was 94,016,974 and 30,132,282 shares were held in treasury.

Subsequent to the tender offer process, 525,000 shares were reissued from those purchased in the tender, resulting in an issued share capital of 124,149,256 of which 29,607,282 are held in treasury.

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 has performed over a period of time taking into account both capital returns and dividends paid to shareholders. NAV total return is calculated as the change in NAV from the start of the period, assuming that dividends paid to shareholders are reinvested on the payment date in Ordinary shares at their net asset value.

		Year ended 30 September 2025	Year ended 30 September 2024
Opening NAV per share	a	395.05p	345.66p
Closing NAV per share	b	369.51p	395.05p
Dividend reinvestment factor	c	1.006441	1.005787
Adjusted closing NAV per share	d = b*c	371.89p	397.34p
NAV Total Return	**(d / a)-1**	**-5.86%**	**14.95%**

NAV Total Return Since Restructuring

NAV total return since restructuring is calculated as the change in NAV from the date of reconstruction on 20 June 2017, assuming that dividends paid to shareholders are reinvested on the payment date in Ordinary shares at their net asset value.

		Year ended 30 September 2025	Year ended 30 September 2024
NAV per share at reconstruction	a	215.85p	215.85p
Closing NAV per share	b	369.51p	395.05p
Dividend reinvestment factor	c	1.059243	1.052450
Adjusted closing NAV per share	d = b*c	391.40p	415.77p
NAV Total Return Since Restructuring	**(d / a)-1**	**81.33%**	**92.62%**

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.

		Year ended 30 September 2025	Year ended 30 September 2024
Opening share price	a	376.00p	319.00p
Closing share price	b	355.00p	376.00p
Dividend reinvestment factor	c	1.006885	1.006635
Adjusted closing share price	d = b*c	357.44p	378.49p
Share price total return for the year	**(d / a)-1**	**-4.94%**	**18.65%**

(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.

		30 September 2025	30 September 2024
Closing share price	a	355.00p	376.00p
Closing NAV per share	b	369.51p	395.05p
Discount per Ordinary share	**(a / b)-1**	**(3.93%)**	**(4.82%)**

Ongoing Charges

Ongoing charges are calculated in accordance with AIC guidance by taking the Company's annual ongoing charges, excluding 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 nonrecurring expenses are excluded from the calculation as are the costs incurred in relation to share issues and share buybacks.

		Year ended 30 September 2025 £'000	Year ended 30 September 2024 £'000
Investment Management (Note 7)		3,153	3,434
Other Administrative Expenses (Note 8)		855	833
	a	**4,008**	**4,267**
Average daily net asset value	b	443,517	485,709
Ongoing Charges	**a / b x 100**	**0.90%**	**0.88%**

(Net Cash) or Net Gearing

Gearing is calculated in line with AIC guidelines and represents net gearing, i.e. borrowings less cash and cash equivalents divided by net assets. If the amount calculated is negative, this is shown as a 'net cash' position. The Company had no borrowings as at the year end (2024: nil). Cash and cash equivalents are cash, purchases and sales for future settlement outstanding at the year end.

		30 September 2025 £'000	30 September 2024 £'000
Borrowings	a	–	–
Less Cash and cash equivalents (including amounts awaiting settlement)	b	8,182	4,379
	c = (a-b)	**(8,182)**	**(4,379)**
Net assets	d	448,110	479,073
Net cash	**(c/d)*100**	**(1.83%)**	**(0.91%)**

Glossary of Terms

AAF Report	A report prepared in accordance with the Audit and Assurance Faculty guidance issued by the Institute of Chartered Accountants in England and Wales. Utilised within the review of internal controls.
Administrator	The Company's Administrator is HSBC Securities Services (HSS) who are contracted through Polar Capital LLP to provide accounting, the calculation of net asset values (NAVs) 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, to be held at 2:00pm on Thursday, 26 February 2026 at the office of the manager, Polar Capital, 16 Palace Street, London SW1E 5JD.
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 31).
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 Benchmark is the MSCI ACWI Healthcare Index (total return in sterling with dividends reinvested).
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	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. 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 98.

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 (excluding shares held in treasury).
ESEF	European Single Electronic Format (ESEF) is the requirement whereby reports are prepared and filed in XHTML format. The requirement applied with effect from 1 January 2021 to all issuers in UK (or EU) regulated markets. In addition, for issuers preparing consolidated annual accounts in accordance with IFRS, the XHTML file requires tagging under the IFRS taxonomy.
ESMA	The European Securities and Markets Authority is an independent EU authority whose purpose is to improve investor protection and promote stable, orderly financial markets.
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.
Investment Company	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 Manager/Manager	Polar Capital LLP is the Investment Manager. Mr Gareth Powell and Dr James Douglas together have delegated responsibility for the creation of the portfolio of investments subject to various parameters set by the Board of Directors. The responsibilities of the Investment Manager and the fees payable are set out in the Strategic Report and the Directors' Report.
Investment Trust taxation status	Section 1158 of the Corporation Tax Act 2010. UK Corporation Tax law allows an Investment Company (referred to in Tax law as an Investment Trust) to be exempted 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.
MiFID II	Markets in Financial Instruments Directive, applicable from 3 January 2018.
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 assets of the Company less the liabilities, presented either on a per share or total basis. 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 has no 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.
Ongoing Charges Ratio	Ongoing Charges are the total operating expenses of the Company excluding any performance fee and are expressed as a percentage of the average daily net asset value during the year. See Alternative Performance Measure (APM) on page 99.

Glossary of Terms continued

PRIIPS	The Packaged Retail and Insurance-based Investment Products regulations which came into force on 1 January 2018 in the UK and EU. The regulations require generic pre-sale disclosure of investment 'product' costs, risks and certain other matters.
PwC	The Company's Auditors are PricewaterhouseCoopers LLP, represented by Kevin Rollo, Partner.
SORP	The Statement of Recommended Practice (SORP) for investment trusts is issued by the AIC and it provides recommendations on financial reporting that supplement official accounting standards. (See Note 2(a) on page 77).
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.
ZDP	Zero Dividend Preference shares are preference shares which carry no entitlement to dividends, but which carry the right, on a fixed date, to the repayment of capital and a fixed rate of return in priority to any capital payment to the holders of ordinary shares. On 19 June 2024, the subsidiary PCGH ZDP plc was placed into liquidation following the full repayment of its loan to the Company and the redemption of the ZDP shares.

Corporate Information - AGM

2026 Annual General Meeting ("AGM")

The Company's AGM will be held at 2:00pm on **Thursday 26 February 2026** at 16 Palace Street, London, SW1E 5JD.

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 **PCGH-AGM**. We will endeavour to answer relevant questions at the meeting or on the Company's website as appropriate.

For ease of reference and understanding a brief explanation of the resolutions is set out 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 published 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.

Resolutions 2 and 3, 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 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 Directors' Remuneration Policy. Resolution 2 seeks shareholder approval to renew the forward-looking Remuneration Policy which lasts for up to three years. The current Policy was approved by shareholders at the 2023 AGM and will expire on 30 September 2026 unless renewed. The Policy being presented for renewal is unchanged from the current Policy and will expire on 30 September 2029.

In addition to this, on an annual basis, shareholders are presented with the Directors' Remuneration Implementation Report which looks back at the year under review and advises how the Remuneration Policy was applied. Resolution 3 therefore, is the annual advisory vote of shareholders on the Remuneration Implementation Report. The Directors' Remuneration Report is presented on pages 59 to 63.

Resolutions 4 to 8 relate to the annual election and re-election of directors. In line with good corporate governance the tenure policy of directors is 9-years, with the exception of the Board's Chair tenure policy which allows the Chair to remain in role for up to 12-years in certain circumstances. It is recommended that directors stand for election or re-election on an annual basis in order to give shareholders the opportunity to vote on each Director. The Directors have provided a rationale for their support for the reappointment of each director on pages 6 and 7 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 page 54.

Resolution 11 relates to the Company's dividend policy. Following the Company's corporate action in November 2025, the adopted dividend policy has been and remains that dividends will be paid bi-annually in February and August.

Resolutions 12 to 16 relate to potential changes in the share capital.

Resolutions 12 and 13 authorise the Directors to allot (i.e. sell) ordinary shares, whether these be newly created shares or shares held in the Company's treasury account which have been previously bought back in the market. Once allotted the shares are listed on the London Stock Exchange and have the same rights as any other ordinary shares of the Company.

Resolutions 14 and 15 (proposed in connection with Resolutions 12 and 13) allows the Directors to allot the shares without pre-emption rights. Under the Companies Act, all shareholders have the right of pre-emption which means that the Company must offer existing shareholders an opportunity to buy the company's shares before they are offered to third parties; being a listed company with many shareholders, the Directors ask to disapply the pre-emption rights which means they are able to offer and allot the shares to specific shareholders or in specific ways to the market, noting that such allotments would be at a premium to the net asset value (NAV) per share and therefore accretive (i.e. positive) to overall shareholder value. While all shareholders can trade the ordinary shares of the Company on the open market there are times when a shareholder would like to acquire greater amounts of shares than are available in the market and might approach the Company through the corporate broker to obtain shares. In a similar but opposite scenario, Resolution 16 provides the Directors' the ability to buy back (i.e. purchase) shares of the Company in the market. Depending on the market environment, and various other factors, the shares of the Company may trade at a discount to NAV, when this is the case the Company may step in and buy back shares in an effort to reduce the discount. Each of these authorities require shareholder approval and are regular resolutions proposed to each AGM; each authority remains in place for 12 months or until the limits have been reached.

Corporate Information - Other

History, Structure and Fees

The Company was incorporated as Polar Capital Global Healthcare Growth and Income Trust plc on 12 May 2010. On 15 June 2010 the Company issued 89,000,000 ordinary shares of 25p each and 17,800,000 subscription shares of 1p each which were admitted to trading on the Main Market of the London Stock Exchange. The original subscription price for each ordinary share was £1 and the Net Asset Value (NAV) per share on 15 June 2010 was 98p (after launch costs). The subscription share rights expired on 31 January 2014, following the issue of 17,800,000 ordinary shares. The subscription shares were subsequently cancelled.

On 20 June 2017 the Company was reconstructed and the name was changed to Polar Capital Global Healthcare Trust plc. As part of the reconstruction, a 100% tender offer was made to shareholders of which 21.8% was accepted resulting in 26,299,042 ordinary shares being bought back by the Company; the Company also offered new ordinary shares in the form of an issue and placing which resulted in 27,798,298 new ordinary shares being created. As part of the reconstruction and change of investment strategy, the Company created a wholly owned subsidiary, PCGH ZDP Plc (the 'subsidiary') which was created to provide structural gearing to the Company through the placing of Zero Dividend Preference shares ('ZDP shares').

The subsidiary was incorporated on 30 March 2017 and issued 50,000 ordinary shares of £1 each which were subscribed by the Company and fully paid up. On 19 June 2017 the subsidiary issued 32,128,437 ZDP shares at 100p each.

As mentioned above, the subsidiary was created as part of the Company's restructure in 2017 with a limited life of seven years, for the sole purpose of providing a loan to the Company. Following repayment of the loan advanced, PCGH ZDP plc was placed into liquidation on 19 June 2024 in accordance with the Articles of Association.

At the Company's General Meeting held on 27 November 2025, Shareholders approved changes to the Company's Articles of Association to remove the fixed life and extend the Company's life indefinitely. The revised Articles of Association require the Company to make future tender offers at five yearly intervals, with the first to commence on or before 31 March 2031.

IMA Termination Arrangements

The IMA may be terminated by either party giving 12 months' notice. 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. In the event the IMA is terminated before the expiry of the Company's fixed life then, except in the event of termination by the Company for certain specified causes, the management fee will be calculated pro rata for the period up to and including the date of termination.

Share Capital, Voting Rights and Transferability

The Company's share capital is divided into ordinary shares of 25p each. At the year end, there were 124,149,256 ordinary shares in issue (2024: 124,149,256 ordinary shares), of which 2,879,256 (2024: 2,879,256) were held in treasury by the Company.

As mentioned above, in substitution of the fixed life, tender offer proposals were made to Shareholders in November 2025 as a result of which, the Company bought back 27,253,026 ordinary shares, and these were placed into treasury. Following this tender offer buyback, the Company's issued share capital is 124,149,256, of which 30,132,282 is held in treasury.

Subsequent to the tender offer and repurchase of the shares, the Board was further delighted to see some immediate demand, resulting in the reissuance of 525,000 shares out of treasury from those tendered, at an average price of 418.65p per share.

Ordinary shares carry voting rights which are exercised on a show of hands at a meeting, where each shareholder has one vote, or on a poll, where each share has one vote. Ordinary shares held in treasury carry no voting rights. 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.polarcapitalglobalhealthcaretrust.co.uk. The Company is not aware of arrangements to restrict the votes or transferability of its shares.

Subscription Shares Tax Implications

The base 'cost' for UK tax purposes of the subscription shares is a proportion of the issue price paid for the ordinary shares to which the subscription shares were attached. The apportionment is made by reference to the respective market values of the ordinary shares and subscription shares at the close of business on 15 June 2010, the day the ordinary and subscription shares were admitted to trading. The market value for UK tax purposes of the Company's ordinary shares and subscription shares on such date were as follows:

Ordinary Shares 101.0p Subscription Shares 14.875p

If you have exercised the subscription rights attaching to your subscription shares, the resulting ordinary shares are treated for UK tax purposes as the 'same' asset as the subscription shares in respect of which the subscription rights are exercised. The base 'cost' for UK tax purposes of the resulting ordinary shares will be the base cost attributed to the exercised subscription shares, increased by the amount of subscription monies paid.

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 adviser for further information regarding a possible tax liability in respect of their shareholdings.

Further information on the subscription shares is provided in the subscription share section above. The Company was launched on 15 June 2010 with the issue of ordinary shares at £1 per share with subscription shares attached (on a one for five basis).

Company Website

http://www.polarcapitalglobalhealthcaretrust.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

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 September 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.

Statement By the AIFM

The statement by the AIFM in respect of matters to be disclosed to investors for the year ended 30 September 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

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.

Nominee shareholders

Where notification has been provided in advance the Company will arrange for copies of shareholder communications to be provided to the operators of nominee accounts. Nominee service providers are encouraged to advise investors that they may attend general meetings when invited by the Chair.

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.

Corporate Information - Other continued

Investing

The ordinary shares of the Company are listed and traded on the London Stock Exchange. Investors may purchase shares through their stockbroker, bank or other financial intermediary.

Polar Capital Global Healthcare 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 continue 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 Global Healthcare Trust plc:

Past performance is not a guide to future performance.

Please remember that any investment in the shares of Polar Capital Global Healthcare Trust plc either directly or through a savings scheme or ISA carries the risk that the value of your investment and any income from them 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 their original amount invested.

As the shares in an investment trust are traded on a stock market, the share price will fluctuate in accordance with supply and demand and may not reflect the underlying net asset value of the shares. Where the share price is less than the underlying value of the assets, the difference is known as the 'discount'. For these reasons, investors may not get back the original amount invested.

Although the Company's Financial Statements are denominated in sterling, it may invest in stocks and shares that are denominated in currencies other than sterling. To the extent that it does so, asset values may be affected by movements in exchange rates. As a result, the value of your investment may rise or fall with movements in exchange rates.

Polar Capital Global Healthcare Trust plc is allowed to borrow against its assets and this may increase losses triggered by a falling market. The Company may increase or decrease its borrowing levels to suit market conditions. If you are in any doubt as to the suitability of a plan or any investment available within a plan, please take professional advice.

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.

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

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 8.00am 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 Global Healthcare Trust plc or any other entity and must not be relied upon in any way in connection with any investment decision. The Company undertakes no obligation to update any forward-looking statements.

Boiler Room Scams

Shareholders of Polar Capital Global Healthcare 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 on 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

Company Registration Number

7251471 (Registered in England)

The Company is an investment company as defined under Section 833 of the Companies Act 2006.

Directors

Lisa Arnold (Chair)
Neal Ransome (Audit Committee Chair)
Caroline Gulliver (Audit Committee Chair Elect)
Stacey Parrinder-Johnson
Jeremy Whitley

Registered Office and Contact Address for Directors

16 Palace Street
London
SW1E 5JD

Investment Manager and AIFM

Polar Capital LLP

16 Palace Street
London
SW1E 5JD

Authorised and regulated by the Financial Conduct Authority.

Telephone: 020 7227 2700
Website: www.polarcapital.co.uk

Portfolio Managers

Mr. James Douglas
Mr. Gareth Powell

Company Secretary

Polar Capital Secretarial Services Limited

Represented by Tracey Lago, FCG

Depositary, Bankers and Custodian

HSBC Bank Plc

8 Canada Square
London
E14 5HQ

Independent Auditors

PricewaterhouseCoopers LLP

7 More London Riverside
London
SE1 2RT

Solicitors

Herbert Smith Freehills Kramer LLP

Exchange House
Primrose Street
London
EC2A 2HS

Stockbrokers

Panmure Liberum

One New Change
London
EC4M 9AF

Identification Codes

Ordinary shares

SEDOL: B6832P1
ISIN: GB00B6832P16
TICKER: PCGH
GIIN: ID3ME4.99999.SL.826
LEI: 549300YV7J2TWLE7PV84

Registrar

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. Post, telephone and internet contact details are given below.
In correspondence you should refer to Polar Capital Global Healthcare Trust plc, stating clearly the registered name and address and, if available, the full account number.

Equiniti Limited

Aspect House
Spencer Road
Lancing
West Sussex
BN99 6DA

Shareholder helpline: +44 (0) 800 313 4922

aic
The Association of Investment Companies

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