



## Polar Capital Funds plc

Annual Report and Audited Financial Statements  
For the year ended 31 December 2021



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## Investment Manager's Report

For the financial year ended 31 December 2021

### Asian Stars Fund

#### Fund Performance

For the full year 2021, we returned 3.7% (Class I US Dollar Accumulation Shares) compared to returns for the MSCI AC Asia ex Japan Total Return Index of -4.7% (in dollar terms), giving us an excess return of 8.4%, net of fees, which we are pleased with given this was generally a strong value year and a weaker one for our style of growth and quality. It was a very disappointing year for Asia as an asset class, witnessing one of the biggest differentials with developed markets. Asia was in particular dragged down by weak performance in China (including Hong Kong) as well as a general fear around the Fed taper, both topics we commented on throughout the year.

We are pleased we provided positive absolute returns, driven by our stock picking, during a year when the Asian market was down, but given the potential we see in Asian equities and the bottom-up cases we have, a return of 'just' 3.7% still feels disappointing.

Our growth and quality bias, linked to our fully integrated sustainability investment process, in the way we select and invest in companies means 2021 was a difficult year for us, in fact for any quality/ESG fund in emerging markets with a growth bias.

There is of course a slightly different calculation for the performance of growth versus value as a style, though using data from Bloomberg, value in Asia for 2021 outperformed growth by 12.9% (value 2.7%; growth -10.3%, in dollar terms). Therefore, we feel it is ok to outperform by nearly 8.5%, given our bias alongside our integrated suitability process where we do not invest in fossil fuel, coal and so on, all areas that performed well during 2021. In a year of constant headwinds, at times the occasional one felt more like a hurricane.

For the full year 2021, we had a positive contribution from our selection as well as our allocation effect, though the biggest positive contribution came from our selection effect. We had a strong, positive performance contribution from a stock selection effect in South Korea, Taiwan, China and India. In Taiwan and China we also had a good allocation effect, with these being our two best absolute contributors from a country perspective, closely followed by South Korea and India.

Despite all the negative issues, China ended up a positive contributor for us during 2021, which we are very pleased by given how 'topical' and centre stage it has been. However, the overall positive contribution has primarily been driven by the allocation effect, having been underweight the market. The selection effect for us in China was 1.4% (gross of fees), which we find acceptable given our profound growth bias here, precisely where a great deal of panic sentiment hit hard. Hopefully, this is in part due to our ability to identify the higher quality part of the market as well as having risk management capabilities at a portfolio level.

Our off-benchmark exposure in Vietnam also paid off well during 2021, with our stock picks returning more than 20%, making it one of the bright spots in an otherwise disappointing year. We remain positive on the return outlook in Vietnam and for our stock picks there.

We did not have any significantly bad countries from an allocation perspective, with Hong Kong – that we fully consider to be part of China – performing ok, driven by the old value names, though we did see a small allocation drag from not owning anything there.

Myanmar was also a drag on relative performance, down to the investment we had in Yoma Strategic Holdings early in the year (we have been a long-term shareholder here going back many years). The military coup totally changed the investment case and we find the situation for Yoma Strategic Holdings, its employees and the population there dreadful.

Our performance from a sector perspective shows our overall outperformance was purely driven by our selection effect (alpha). We ended up with a positive contribution effect from allocation.

We had good, positive selection effect within industrials, real estate and IT. The allocation effect was also positive for IT, leading to IT and industrials being our two strongest contributing sectors overall. We see these two as core sectors so are pleased that in a difficult year like 2021 we can still derive value added and alpha when things get tough.

The good selection effect in real estate was very much driven by our core stock picks in India and Vietnam.

We do not have a huge exposure to materials, but we had a good selection effect from our position in Ivanhoe Mines which we still believe is one of the best ways to gain exposure to what we call 'green metals'.

On the negative side, dragging down relative performance from a sector perspective, were financials and consumer discretionary. Financials was mostly related to not owning the right companies (banks in the value markets did well compared to those in the more growth-oriented markets). From a stock-specific perspective, Ping An Insurance in China was a significant drag.

Communication services (including internet companies) has historically been one of our strongest performing sectors and a key alpha generator. Given the growth scare on the back of the Fed's proposed taper actions, and particularly the Chinese internet regulation we ended up with a positive contribution of 1.1%, gross of fees, very much driven by a positive selection effect.

## Investment Manager's Report *continued*

For the financial year ended 31 December 2021

### Asian Stars Fund *continued*

#### Fund Performance *continued*

Sea was the main positive contributing stock over the year, but our significant reduction in exposure early in 2021 and concentrating our portfolio around what we believe are the high-quality names and business models for the longer term, helped us survive this out of favour area. To be clear, we still structurally believe in a world where most emerging market countries will in the coming decade more significantly move towards greater digital living, so this is certainly not an ex-growth area. In our view, it is becoming attractively priced.

The best contributing stocks were eMemory Technology (Taiwan technology, embedded memory/semiconductors), EcoPro (Korea specialised battery material), Sungrow Power Supply (China inverters for renewable energy), Prestige Estates Projects (India property) and Binjiang Service Group (China property management).

The worst contributors to relative performance for 2021 were Alibaba Health Information Technology (China digital healthcare services), MicroPort CardioFlow (China medtech), Ping An Insurance (China insurance/financial supermarket), Land Mark Optoelectronics (Taiwan technology) and ITM Semiconductor (South Korea battery technology).

eMemory Technology is a company we have invested in for many years now. The case has taken longer to play out than we had hoped but returned well over 200% in 2021 and was the standout company for us last year. It is great when patience is rewarded. This company is at the forefront of semiconductor design and has created a unique security solution that will be built into the wafer (chip) and thereby give it unique security properties which will be essential for our digital world going forward. This is still only a \$5bn market-cap company so with the right execution it has a long way to go.

Another name we want to highlight is Prestige Estates Projects, our key Indian property company. It has not been easy to talk positively about Indian property over the past 18 months, so we are pleased to demonstrate there were return opportunities available there. We still believe we are at the beginning of a multiyear property cycle in India and see Prestige Estates Projects as one of the best positioned companies to turn this growth opportunity into sustainable shareholder value. Our other highlighted and long-term India name – Phoenix Mills (malls and hotels) – also gave a solid contribution to performance last year, though struggled because of COVID-19.

Looking at the weaker areas, one company stands out – Alibaba Health Information Technology (China). A mixture of strong market and sector sentiment headwinds created a strong negative backdrop, combined with questionable strategic decisions the market had a hard time understanding, leading to significant selloffs. Alibaba Health Information Technology increased its capital expenditure while preparing for the opening up of online prescription drugs and the related services and infrastructure needed. This resulted in shorter-term reduced growth and the inflection point moving out to reach breakeven, a problem as the company is still in the early growth stage.

This was clearly not the year to be a high growth company, especially when it then had to disappoint the market on lowering growth guidance during a period with very high risk aversion.

As we mentioned earlier, China was a difficult place to invest during 2021 and the negative sentiment around technology, healthcare and medtech contributed to the weak contribution from MicroPort CardioFlow. Ping An Insurance in China was another drag on performance as the market became frustrated with its growth profile as the year progressed.

#### Market Outlook

We are bullish for 2022 for our Fund as, put simply, we feel little has changed from a structural long-term perspective over the past 6–12 months, while many of our companies have become cheaper relative to their fundamentals (long-term EVA creation). We have, therefore, become more positive on our view of the return prospects for the portfolio over the next 12–18 months, and beyond.

There are big risks in the market for 2022 though our view is they are already quite well understood and priced in by the market to the extent that some are overshooting the longer-term fundamentals on the downside. We obviously cannot spot the unknown unknowns that the market has paid absolutely no attention to, nor can we see any large or broad-based bubble areas either. There are still pockets where a large proportion of companies have high valuations – electric vehicles (EV), Indian consumer names or some of the robotics/automation areas, for example – but these are also areas where the long-term growth opportunities are high and where we see early-stage growth opportunities for significant alpha over the coming decade. We do not have structural concerns here and still believe that even these 'hot' areas will offer the potential for attractive alpha generation. We also believe a great deal of negative sentiment is already priced into emerging markets in general, and we are faced with one of the largest ever valuation spreads between the US/developed markets and emerging markets.

We maintain our view that we are now around peak inflation in the US. The supply-chain bottleneck has been more significant than we originally forecast and moved our original peak inflation point from Q3/Q4 2021 to Q1/Q2 2022. Over the next 12 months we expect to see the inflation scare fade away and think it is likely that by Q4 2022 we will be looking at inflation (US Core CPI and US Core PCE) at around 2.5–3%, with consensus at 2% for 2023 and 2024 that should be supportive for emerging market equities. An increase in inflation from here in the range of 0.2–0.4% per month should take us there – we think this is realistic and the most likely outcome.

Why will inflation go down in 2023–24? The Fed taper combined with reduced stimuli will have an impact on demand as long as consumers continue to behave rationally. There is a lag in fiscal and monetary policy and as most people are forward looking they will price expectations for goods and services faster, in our view.



We are also seeing more indications of supply bottlenecks being eased so as 1H 2022 plays out we see a high likelihood of supply again being stronger than demand which will reduce inflation pressure. The big moving part for inflation will be energy while a potential structural risk to inflation – which is not our base case view – is ‘greenflation’ if politicians push for too unrealistic an agenda on carbon reduction.

Around 6 January, we saw panic in the market when the Fed minutes were released because it now looks like the first rate hike will be moved from May to March. This news sent the MSCI Global Growth index down by 2.7% and the MSCI Global Value index up by 1.2% – a spread of 4% on the back of a potential two-month difference in timing a rate hike. This seems crazy to us, though it also seems people now believe in five US rate hikes in 2022 and an additional three in 2023 which would take real rates into positive territory. We believe the taper and a few rate hikes will do the job for the Fed as has been the case before – just think back to H2 2018.

We mention this as we expect emerging market equities as an asset class to continue for some time to be significantly influenced by US monetary policy. We therefore expect a high likelihood of a repeat of 2021 in 2022 in the US economy, with a great deal of cyclical and value hype in the early part of the year that will then fade away during H1 as it becomes clear supply is outstripping demand. The Fed will be able to show a projection to get itself back to its target inflation level, then the market will move back and favour growth. During this, the 10-year yield will flirt with 2%+ but structurally we do not see it moving beyond 2–2.5%, though we acknowledge the Fed has been a big buyer in the market and there is uncertainty about what a Treasury market looks like without the Fed being there.

Sticking our neck out, we see today’s COVID-19 panic being a thing of the past quite soon. We believe Omicron will burn itself out in the developed world in 1Q22 and the early part of 2Q22 and, unless we get a further mutation that is more deadly (not necessarily more infectious), then we think we are quickly moving towards a pre-COVID-19 normal. The world simply cannot keep going on as it is now. We also think that working from home (WFH) as a new standard will quickly move to working one day per week from home and that people will return to the office. We are increasingly seeing companies complaining that WFH is good for a short period but they cannot grow a business this way and the cost to culture and new employees is just too high.

In general, we are not making large changes to our current positioning. Of the hotter topics, we feel we will reach the bottom for Chinese internet companies and we are now selectively starting to slowly add back exposure as we see favourable risks/rewards for certain companies. This also spills over to other internet-related companies in ASEAN and Korea, such as Sea and Naver, that seem lately to have suffered collateral damage without any real change to their operational fundamentals.

The same goes for technology, particularly semiconductors, an area we are still bullish on. We strongly believe we have seen the right strategic fundamentals play out to give us comfort that we are moving into an upcycle that is clearly not being fully priced in by the broader market. We see a cyclical tailwind coming into play as well as a strong structural underlying trend with technology leaders getting stronger, creating a favourable supply-side relative to demand in the years to come. We believe we have a good mix of strong large-cap names as well as emerging leaders.

We retain a structural positive towards India, acknowledging that it had a great year in 2021 relative to the rest of the emerging world. Seen from a broader market perspective its valuation looks expensive. However, we see the stars aligning for India in terms of its structural growth and we also see the emergence of a housing uptrend, strong underlying consumption trends, a significant infrastructure uptick and a corporate capex cycle that will be codeveloping with growth in manufacturing in India, admittedly from a low base. We still find a large amount of exciting stock picks in India and foresee us having high relative exposure here throughout 2022. Short-term risk will be a likely rate hike around March as the Reserve Bank of India (RBI) will keep a conservative view on inflation as growth momentum builds. As of now, we will see any selloff on the back of such a move by the RBI as a buying opportunity from a long-term perspective.

We also see a significant move within North Asia for advances in manufacturing and automation – we believe we already have some great stock picks here that offer the potential for great returns – so we will maintain our exposure. If anything, if the opportunity emerges we will be happy to add exposure from a structural perspective.

We maintain our positive view on Vietnam and again will be a buyer on any interesting opportunity that appears. We also believe that in 2022 we will have an announcement that Vietnam will be moved into the emerging market universe from its frontier market status in 2023.

The slightly more problematic areas for us into 2022 include EVs (battery technology and battery materials), not because we do not see great growth potential but due to valuation levels for many of these companies. This area will be all about stock picking. Looking more broadly, we increasingly see better supply versus demand dynamics appearing more upstream in the value chain, so expect potential activity from us here.

The bottom line is we see great opportunities for our Asian Stars portfolio, with significant return potential for anyone with a 12–18-month investment horizon. We have historically been good at taking advantages of ‘panic periods’ and turning them into sustainable, responsible returns – we believe one of those periods is coming again.

### Emerging Markets and Asia Team

Polar Capital LLP

January 2022

## Automation & Artificial Intelligence Fund

### Fund Performance

The Fund's NAV (Class I US Dollar Accumulation Shares) returned 16.6% in 2021, compared to its global equity benchmark, the MSCI AC World Index TR Net, which returned 18.5% (in dollar terms).

Our artificial intelligence (AI) theme delivered strong returns, with our AI Enablers subtheme performing particularly well. Our holdings, which include NVIDIA, Advanced Micro Devices (AMD) and Tokyo Electron, benefited from strong investment tailwinds as Fortune 500 companies further accelerated their AI-related projects and moved these into the early stages of commercialisation. While this same tailwind helped our AI Applications' holdings generate a respectable return, the subtheme's returns were somewhat negatively impacted by the sharp rotations from growth to value stocks seen sporadically through the year. Companies such as Guardant Health, Spotify and Snap, to name a few, either in their early stages or with little or no profit, were particularly impacted.

Our Automation theme had a challenging year in a volatile macro backdrop. Recurring COVID-19 waves culminating in the Omicron variant, aggressive deleveraging and regulatory crackdowns the Chinese government pursued through the year, and unprecedented supply-chain shortages combined to produce an environment in which visibility into and execution of orders were seriously compromised, despite generally strong demand levels in many parts of the economy. At the same time, rising expectations of an acceleration in the rate at which central banks tighten monetary policy pressured valuation multiples of high growth stocks, a number of which we own in our Digital Transformation subtheme. Although the Factory Automation subtheme underperformed the overall market, the accelerated adoption of industrial IoT and digital twin technology helped several of our large, key holdings, which delivered strong returns over the year.

Emerging Themes, a relatively small group of holdings that supplement the above-mentioned two key themes, performed broadly in line with the overall market. The strong performance in MediaTek, DexCom and Givaudan was partially offset by weaker performance from Alfen Beheer, Amyris and TDK.

The top three relative performance contributors in 2021 were NVIDIA, eMemory Technology and Tokyo Electron. The bottom three, as relative detractors, were Daifuku, Harmonic Drive Systems and TDK.

### Market Review

2021 began with a contested US presidential election and the storming of the Capitol Building, surging COVID-19 infections and uncertainty around the efficacy and uptake of vaccines. Two major, new COVID-19 variants, supply-chain dislocations, commodity shortages, the Taliban reconquest of Afghanistan, persistently high inflation and the onset of global central bank tightening, could not, however, curtail equity market returns.

If the previous year owed everything to policymakers and unprecedented stimulus, 2021 belongs to science. It is now two years since COVID-19 began to reshape the world we live in, and after a tragic first 18 months, there was clear light emerging at the end of the tunnel in 2021, with spectacular medical vaccine and anti-viral innovations aiding this process. World governments have managed to distribute the vaccine to nearly 5 billion people and the Commonwealth Fund estimates this has saved 1.1 million lives in the US alone.

Equity markets reached new highs by mid-February, driven by the prospect of an economic recovery, progress on vaccine rollouts and optimism around further US fiscal stimulus following Democratic victories in the Georgia runoffs. Economic activity indicators pointed to a robust expansion and the successful passage of President Biden's \$1.9trn COVID-19 Relief bill, strong jobs data, and the early success of vaccine rollouts supported expectations for a rapid economic recovery. The speed of the macroeconomic demand recovery pushed the global economy into outright shortages across components, commodities and labour. Supply chains remained tight following lengthy lockdowns, and labour shortages were exacerbated by the continued US stimulus programs in the first quarter and the extension of enhanced unemployment benefits through September.

A pick-up in inflation had been anticipated by the market in response to the reopening and shortages of raw materials, intermediate inputs and labour, but the extent of the surge in CPI inflation in April and May surprised to the upside. A 5% year-over-year increase for May was an acceleration from the already elevated 4.2% in the previous month and represented the fastest growth since August 2008. The core personal consumption expenditure (PCE) price index – the Fed's preferred inflation gauge – was up 3.6% y/y in April, the highest level since 1992. Commodity prices continued to surge and copper prices reached their highest level in a decade.

Financial markets focused on the degree to which inflation was transitory, with the Federal Reserve (Fed) maintaining that 'above-average' inflation is both transitory and somewhat welcome, having spent the post-global financial crisis period fighting deflationary impulses. This consistent, dovish message from the Fed, repeated by the ECB, combined with keeping asset purchases steady at \$120bn per month allowed equity markets to shrug off concerns about inflation, forcing the central banks to tighten policy ahead of schedule. That said, a slightly more hawkish June FOMC saw the so-called 'dot plot' imply two hikes in 2023 from zero in March and October. Fed Chair Jerome Powell indicated the Fed could begin scaling back asset purchases (tapering) as soon as November and complete the process by mid-2022. As inflation readings remained elevated (October CPI +6.2% y/y, November +6.8% – the fastest pace since 1982), the US five-year breakeven reached 3% during November – for the first time based on data going back to 2002 – and the yield curve flattened materially due to a move higher in two-year rates as investors become more concerned about tighter Fed policies.



Powell was re-nominated as Fed chair, and the tone turned more hawkish still, with Powell stressing it was time to 'retire' the word 'transitory' and the December FOMC meeting saw the announcement of a doubling in the pace of tapering from \$15bn to \$30bn per month, which indicates the Fed will stop adding to its balance sheet by March 2022. The median dot plot now suggests three rate hikes in 2022.

Late November also saw South Africa begin to report surging cases of the new Omicron variant. The pace with which the virus has engulfed the world, becoming the dominant strain in many countries due to its high transmissibility, is mind-blowing. During the three previous COVID-19 waves, peak new cases were between 700–900 thousand; in early January, new cases were reported to be 2.5 million daily, with the US alone exceeding one million.

The combination of an apparently less deadly variant and greater immunity (natural or via vaccines) may have broken the link between infection and death. However, the sheer volume of cases and the ability of Omicron to at least partially evade prior immunity threatens significant worldwide disruption. Initially this caused panic, leading the US 10-year Treasury to fall to 1.34% while the VIX Index (an option-implied measure of market volatility) exceeded 30. Since then, a more optimistic view has emerged with this 'weaker' variant the potential bridge between pandemic and endemic phases. This led equity markets to fully recover into year end. Commodity markets also rebounded strongly, and oil prices came close to recovering all their earlier losses, with WTI Oil gaining 14.2%. The US 10-year Treasury yield also recovered sharply, ending the year around 1.5% and surging towards a post-pandemic peak of 1.7% during the first week of 2022.

2021 was another strong year for risk asset returns, reflecting successful vaccine rollouts, a still-supportive fiscal and monetary policy backdrop, strong corporate earnings and record equity inflows. US returns (S&P 500 +29%) once again drove global returns (MSCI ACWI +19%), eclipsing those achieved in Europe (Eurostoxx 600 +17%) and offsetting Japanese (TOPIX +1%), Asian (MSCI Asian ex-Japan: -5%) and emerging market (MSCI EM: -2%) weakness.

The S&P 500's 29% total return was delivered with below-average volatility (largest peak-to-trough drawdown just -5%), and was composed of around c33% growth in earnings and 1.8% in dividend income, offset by around c7% compression in its P/E multiple. The market also saw a decline in breadth as the five largest S&P 500 stocks at the start of the year returned 37% and accounted for almost a third of the Index's total return. Large-cap stocks outperformed small caps, the Russell 1000 Index (LARGE) returning 26% against the Russell 2000 Index's (SMALL) 15%.

There was particular weakness in small-cap growth stocks (Russell 2000 Growth Index), returning just 3% after a strong start to the year. Strong index-level returns belied material volatility under the surface with 92% of S&P 500 companies and 89% of NASDAQ companies experiencing greater than 10% corrections from year-to-date (YTD) highs, while the average company drawdown from YTD highs was -18% for the S&P and -40% for the NASDAQ. US performance also benefitted from dollar strength, the trade-weighted dollar basket gaining 6% during the year. The weakness in Asian stocks reflected the region's struggle with the Delta variant, low vaccination rates, soaring energy prices and a deluge of regulatory changes and market unfriendly developments in China that took their toll on investor sentiment and stock prices alike.

Equity inflows were extraordinarily robust at \$1trn, exceeding the combined total of the past 19 years. Corporate buyback authorisations also passed \$1trn. Equity issuance was a record, with more than \$530bn of total issuance (\$146bn of which was Special Purpose Acquisition Companies or SPACs) as companies looked to take advantage of seemingly insatiable investor demand.

## Fund Activity

While we do not allocate capital on a subtheme basis and the weighting of each bucket is a result of our bottom-up stock-picking approach, the size of each bucket remained broadly the same throughout the year. In a changing macro environment, our focus was on maintaining a high-quality portfolio and incrementally adding to areas of greatest opportunity, rather than making wholesale changes to our investment approach.

We closed successful positions in stocks that performed well such as Airtac, Equifax, Adyen, Cerence and Axon Enterprise, to name a few, and recycled the proceeds in initiating several new positions including Duerr, Micron, Siemens Healthineers and Sandvik. We exited several positions in which our conviction level reduced over the year such as Alibaba, Pinduoduo, Spotify, Delivery Hero and Stone. Lastly, we reduced our weighting in stocks the investment cases for which are being challenged but where we remain confident in the thesis over the mid-term, such as Paypal, Fanuc, Covestro, Samsung Electro-Mechanics and Ansys. Through the year we continued to use dips in the market to build positions in stocks that we believe offer earnings potential over and above consensus estimates – UnitedHealth, Thermo Fisher and Hamamatsu Photonics to name just a few.

Throughout 2021, the cash on average remained just over 2% to enable us to deal with fund flows that were understandably volatile in 2021.



## Investment Manager's Report *continued*

For the financial year ended 31 December 2021

### Automation & Artificial Intelligence Fund *continued*

#### Market Outlook

Looking into 2022, we see a number of factors at play that leave us cautiously constructive on equity markets, but with expectations of volatility ahead. 2021 was a year in which macro factors dominated equity prices, with multiples rerating alongside style rotations as inflationary pressures dominated the discourse and markets adjusted to new monetary policy regimes. While we do not underestimate the potential for further shocks and indeed do not intend to take major macro bets, we believe central bank actions could become less disruptive to market dynamics as the year progresses.

It is our expectation that 2022 may prove more of a stock-picker's market and that earnings revisions will be a major determinant of stock performance. Although the contraction in high valuation stocks has continued since the recent November peak, we continue to look for a greater pullback before stepping into the highest growth opportunities; the rotation from growth to value in the first few days of January proved our fears that many of the best stocks are still on a high base even after recent weakness. We continue to believe the portfolio is of a high quality and well positioned in any serious correction, having taken steps during the inflationary shocks to position ourselves alongside names that are best in breed. The Fund has always been averse to highly indebted names or those with uncertain cash flow or balance sheet outlooks, a position we think is particularly pertinent in a rising rate environment.

While 2021 proved premature for those calling an end to some industrial cycles, we are cognisant that the easing of supply-side pressures might lead to more normalised demand trends later in 2022 and hence expect to hear more concern around early-cycle peaks, even as China moves to provide greater stimulus in some areas. That said, there has been no softening in demand outlooks from the conversations we have had with companies recently, with backlog builds supported by the structural tailwind of the adoption of AI and automation technologies. Both our cyclical and late-cycle industrial exposures are well aligned with those technologies that are most in demand when balance sheets are healthy and companies are facing wage and labour pressures, as is the current environment. US Census Bureau research suggests that, for an average manufacturing facility, even small-scale investment in automation technologies (<\$1m/year) brings productivity improvements such that the payback period is only one year. As a result, and in the absence of new information around double ordering or cancellations, we do not plan to greatly reduce our cyclical exposure in the near term.

With regards to the enterprise adoption of these technologies, 2021 was the year when Fortune 500 companies really started to embrace the transformational power of AI. Technological advancements continue the democratisation of AI, with more companies exploring these new technologies at greater scale across their businesses. Research from McKinsey & Co suggests initial applications have predominantly focused more on cost cutting as the economy recovered from the pandemic while facing labour and inflationary pressures. More companies are feeling the benefit of adopting these technologies, as measured by contribution to profits, while the scale of contribution is also increasing year over year; some surveys suggest AI contributed 20% more to operating profits on a year-over-year basis. Despite these results, this is still a nascent technology for most businesses, and we are excited to see greater progression as companies increasingly turn their attentions to using AI to generate new products and higher growth. We look forward to partaking in the opportunities that greater adoption of these technologies provides, both through a widening of the investable universe and through greater contribution to earnings growth in the highest quality assets.

#### Technology Team

Polar Capital LLP

January 2022



## Biotechnology Fund

### Fund Performance

The Fund returned 4.7% (Class I US Dollar Distribution Shares) in the 12 months to the end of December 2021, modestly ahead of the benchmark's -0.2% for a relative outperformance of 4.9% (all returns in dollar terms, unless otherwise stated). The biotechnology sector underperformed the broader market with the S&P500 Index returning 28.7% over the period.

The start of 2021 was marked by the deployment of the COVID-19 vaccines, but also a return to lockdowns for many countries in the face of resurging infection rates and concern over the emergence of new coronavirus variants. However, the stock market soon started to look ahead towards the potential for a strong economic rebound as the accelerating cadence of mass vaccination strategies in major developed markets offered the prospect of a release from lockdown restrictions within months and a return to normal economic activity.

After a wild start to the year, growth-flavoured equity assets started to relinquish their leadership as investors sought value and cyclical stocks to gain exposure to the impending global economic reopening as well as for protection against an anticipated surge in inflation that most assumed would result in central banks moving to raise interest rates and taper asset purchasing. Overlaid on top of these macro factors was the unprecedented noise and chaos caused by the surging – but then later receding – involvement in the stock market by retail investors. After the middle part of the year was marked by a steadily appreciating market, the run into the end of the year became challenging for equity investors attempting to position portfolios correctly. While investors grappled with the timing and impact of central banks reining in asset purchases and debated the pace of likely interest rate increases in the face of the increasingly alarming inflation picture, the emergence of a new coronavirus variant of concern, subsequently labelled Omicron, had investors wrestling again with the prospects of new lockdowns and potentially fresh disruption of recently normalising economic activity. Along with these overwhelming macroeconomic headwinds, the biotechnology sector continued to struggle as a run of disappointing clinical and regulatory news flow for companies starting the year in many cases with excessive valuations and expectations, coupled with an uncertain regulatory environment and, perhaps most problematically of all, continued excessive new paper issuance, whether from IPOs or follow-on financing activity, weighed on enthusiasm and appetite for the asset class.

### Market Review Q1 2021

The new calendar year of 2021 started to some degree as 2020 finished, with the Fund struggling to keep up with a sector driven higher from investor enthusiasm for earlier-stage concept technology stories as well as renewed enthusiasm for the leading COVID-19 vaccine biotechnology names. In addition, it is not probably unreasonable to say that the biotechnology sector was contaminated by the hedge fund 'degrossing' phenomenon as the GameStop 'retail investor versus Wall Street' short-squeeze situation became front-page news. This 'degrossing' saw hedge funds scramble to buy back short positions in companies perceived to have unattractive fundamental prospects and/or valuations, at the same time as selling down long positions in companies perceived to have attractive fundamental prospects and/or valuations. Given some degree of commonality of view and ownership across specialist funds, this made for especially frustrating investment conditions, probably not just for us but other biotechnology specialists as well.

As with in January, the biotechnology sector started February very strongly but gave back gains into month-end. From a broader market perspective, it felt like investors were torn between wanting to reduce holdings in growth and momentum assets with the global economic reopening trade building momentum, while at the same time reluctant to give up on these same assets that have served them so well for so long, while lingering issues of COVID-19 vaccine deployment and worries over the emergence of new virus strains threatened the tactical asset allocation repositioning. With the biotechnology sector trading wildly day-to-day driven by the push-pull of opposing quantitative factors, largely irrespective of fundamentals, it was an exhausting few weeks for specialist investors in the sector.

The Fund started to eke out relative outperformance largely by avoiding high-profile setbacks for a couple of the sector's gene therapy stories, an area we had been avoiding due to what we perceived to be high expectations and the market distortions created by a recently fashionable investment approach that seems almost to completely fail to consider risks involved in investing in new medical technologies that are just finding their feet. Biotech IPOs continued, typically affording very early-stage companies multi-billion-dollar valuations, reflecting the continued availability of risk capital. That phenomenon aside, we continued to detect a moderating of sentiment towards the sector from institutional investors. We also started to detect a calming of the frenzied appetite of retail investors for the sector's genomics-themed technology concept stories.

## Investment Manager's Report continued

For the financial year ended 31 December 2021

### Biotechnology Fund continued

#### Market Review Q1 2021 continued

March saw continued underperformance for the sector versus the broader market, with defensive growth and momentum assets slipping further as the rotation into value and cyclical stocks continued to gain support from a market increasingly expecting a surge in global economic demand from increased consumer spending and business activity as coronavirus pandemic-driven restrictions eased. It is probably fair to say that most of the sector's relative underperformance during the month was driven by the market's evolving inflation expectations and the move in long-term interest rates in response, raising the discount rate and thus reducing the present value of long-dated cash flows, such as those typically offered by the majority of biotechnology stories. However, it should also be noted that the sector year-to-date had already experienced a run of negative stock-specific news, both in terms of disappointing clinical trial results as well as unexpected regulatory setbacks, which served to temper sentiment. It appeared that US retail investor interest in biotechnology was starting to wane (presumably not coincidentally with the improving cadence of the vaccination effort in the US as well as the easing of lockdown restrictions), leading to the start of outflows from a group of popular thematic actively managed ETFs, which dragged down technology concept stories. Meanwhile, institutional investors seem inclined to let this phenomenon wash out, while also waiting on some colour on the new Biden administration's healthcare reform agenda, particularly as it pertained to prescription drug pricing.

#### Q2 2021

The relative underperformance of the biotechnology sector continued through April in another month where defensive growth and momentum assets again struggled as the rotation into value and cyclical stocks continued to gain support. This support largely came from a market increasingly confident in a surge in global economic demand from increased consumer spending and business activity as coronavirus pandemic-driven restrictions ease. Again, the sector itself struggled to deliver positive fundamental news flow with disappointing clinical trial results as well as unexpected regulatory setbacks continuing to erode sentiment. A lacklustre start to first-quarter earnings season – while traditionally the weakest quarter due to seasonal factors, it appeared to have also suffered from COVID-19 disruption – did not create any urgency to own or add to investments in some of the sector's commercial-stage pharmaceutical and biotechnology companies either. It was more of the same in May, with an adverse macro environment failing to offer the sector the right conditions to find sustained support. Again, there was little positive news flow to lift investors' malaise. That aside, investors seemed content to keep chasing the share prices of mRNA vaccine names higher, which continued to exist in their own unique bubble of investor appetite.

June was a different story entirely as the sector snapped back to outperform the broader market in a sharp reversal of the recent propensity for growth and momentum assets to struggle against the investor preference for value and cyclical stocks. In May, we mused on the conditions that we thought needed to change for the sector to escape the downward pressure it had been experiencing year-to-date. At a high level, we thought inflation concerns and interest rate expectations needed to moderate or even reverse and that the global economic recovery narrative needed to falter (perhaps in the face of the emergence of new coronavirus variants of concern threatening the durable success of vaccination and lockdown release strategies), but most importantly, that the sector needed to string together a series of significant positive fundamental developments for investors to remember the returns possible when innovation succeeds and crystallizes real significant value. Well, all that happened in June.

At a high level, markets were calmed by the Federal Reserve with respect to inflation and recently rising long-term interest rates fell. The pro-cyclicals' economic recovery/re-opening trade faltered in the face of mounting concern over the rapid spread of the new Delta variant of coronavirus. Growth, and what were last year labelled 'momentum', assets quickly reasserted themselves and the recently deflating bubbles in ownership and valuation for the highest profile technology (and biotechnology) stories rapidly re-inflated. Within the biotechnology sector itself, the controversial shock FDA approval early in the month of Biogen's Alzheimer's drug aducanumab caught many healthcare specialist investors offside and scrambling to come to terms with the possibility of a new regulatory paradigm where any new medicine is approvable on the most marginal of clinical evidence if the need is great enough. Towards the end of the month, we witnessed a true landmark in medical research with the first very early clinical data for an in-vivo (in body) gene editing approach to treating disease being pioneered by Intellia Therapeutics.

The mRNA vaccine platform stories led by Moderna continued to surge higher in the face of clear negative fundamental developments in the form of emerging safety issues, the fading of mass vaccination momentum, the dismantling of pandemic vaccine delivery infrastructure, increasing COVID-19 vaccine competition, as well as longer-term mRNA platform modality competition from new investment programmes announced by experienced vaccine competitors. With valuations starting to rival long-established pharmaceutical companies, we felt the stocks of these companies had become dangerously divorced from reality, having merely become tools to express technical positioning in equity markets flooded with capital. We were certainly not alone in struggling to rationalise ownership of these types of company, but with bubbles of valuation excess forming everywhere many investors seemed loath (or unable) to identify the catalysts for them to pop. Away from these stocks, many biotechnology companies, large and small, ended the period still struggling to maintain a bid, and certainly fundamental updates such as clinical data and business development activity continued to be met with neutral to negative – sometimes excessively negative – share price reactions.



### Q3 2021

The sector underperformed the broader market in July, reverting to the trend for the sector to lose ground versus a broader stock market that appeared inclined to melt higher irrespective of what is going on in the world. Notably, the sector failed to build on June's material outperformance, driven by high-profile fundamental events, which indicated to us a sector where positioning or ownership continued to remain fuller than perhaps the broader investment community felt comfortable. Interestingly, investors continued to show almost no tangible interest in wanting to own more commercial-stage pharmaceutical and biotechnology companies with real products generating revenues and cash flow today. Instead, interest was still focused on technology concept stocks and companies harnessing cutting edge drug discovery and development tools but where real products remain years away, if ever. Even those stories seemed increasingly unable to keep the attention of investors. Indeed, the only biotechnology stories that seemed to be working from a performance perspective were the mRNA COVID-19 vaccine companies that, while the pandemic burned on, still thematically seemed able to command the attention of the investment community.

With its baffling inclusion into the S&P 500 in early July, Moderna's share price surged higher during the month – the major driver of the Fund's relative underperformance versus the benchmark – leaving the company with a \$140bn valuation at month end. This is greater than biotechnology leaders Regeneron and Vertex combined, greater than industry bellwethers Amgen and Gilead, and effectively at par with pharmaceutical majors AstraZeneca and Bristol Myers Squibb. Fundamentally this made no sense whatsoever, but apparently intoxicated and mesmerised investors seemed perfectly content to chase the share price higher. The combined impact of the immense passive buying impact of index-linked funds, agnostic to either fundamentals or valuations, and frenetic call option buying activity by retail investors, pumped the company's valuation far beyond what any kind of rational investment valuation framework could support.

In August, the broader biotechnology sector managed to outperform the broader market, something we felt was more related to technical trends and hedge funds covering over-shortened positioning, and perhaps some retail averaging down/bargain hunting, rather than reflecting any material shift towards more positive sentiment on the part of institutional investors.

### Q4 2021

The sector fell again in September, though performance was essentially in line with the broader market suggesting a degree of investor ambivalence (or even weariness) towards the sector in the short term. This is in line with our view that August's relative outperformance was more technical in nature. Accordingly, the sector's relative performance fading resumed in October as investors started to give up on the year, with the month marked by the start of material tax loss selling as well as hedge fund de-grossing, which particularly afflicted the struggling smaller-cap segment of the biotechnology sector. Share prices across the sector continued to struggle to react constructively to companies announcing news flow of any kind, which made it especially tricky for investors attempting to navigate a seasonally busy period for clinical and corporate updates.

The dynamics in place in October seemed to accelerate in November, with specialist investors seemingly capitulating, and we heard reports of hedge fund investment portfolios being deleveraged, tidied and even closed down. Towards the end of the month, and somewhat awkwardly over the Thanksgiving holiday period in the US, reports from South Africa of the arrival of Omicron sparked wild market gyrations as investors grappled with the potential implications. With the emerging evidence of Omicron's milder severity (albeit with much higher transmissibility), coupled with the suggestion that vaccinated, boosted, and pre-infected people seemed to be protected against serious disease, in December, the market settled back to trend, which meant for the biotechnology sector an almost predictably downbeat and wearisome end to what for many specialist investors was a year to forget.

### Fund Activity

Within the portfolio, investments in Valneva, Regeneron Pharmaceuticals and BioNTech were among the top absolute contributors to performance, with Y-mAbs Therapeutics, NanoString Technologies and Deciphera Pharmaceuticals among the main absolute detractors from performance. With respect to relative performance versus the benchmark, Valneva, Biohaven Pharmaceutical Holding and Acceleron were the largest positive contributors while Moderna, Gilead Sciences and Y-mAbs Therapeutics were the largest negative contributors. Two Fund investments – Oxford Immunotec and Acceleron – were acquired during the period, bringing the number of Fund investments acquired since its inception to 33. Relative performance versus the benchmark was strong at the start of the year with correct top-down positioning as well as good bottom-up stock-picking and risk management. However, through the middle part of the year, the Fund was overwhelmed by the share price performance of Moderna after the company's successful development of one of the first COVID-19 vaccines and on subsequent investor interest and expectations for the technology platform.

## Investment Manager's Report continued

For the financial year ended 31 December 2021

### Biotechnology Fund continued

#### Fund Activity continued

The company became an investment phenomenon – the biotechnology sector's own Tesla in the eyes of the Fund's manager – as investors clamoured to own a perceived long-term beneficiary of the COVID-19 pandemic at almost any price. It took several months for this ludicrous situation to normalise, and while the company's share price gave back a significant proportion of its gains into the end of the calendar year, which helped the Fund's relative performance, a material reduction in the stock's oversized weighting in the benchmark in September had frustratingly already locked in material relative underperformance versus the benchmark.

The Fund's manager continues to be negative on Moderna, believing there is significant risk to current expectations that the company will be a material beneficiary of any need for regular COVID-19 vaccine boosters; that expectations for what the mRNA platform technology is capable of delivering remain excessive (along with the valuation being afforded to it); and, in addition, has corporate governance and corporate responsibility concerns. Aside from the challenge presented by the performance of Moderna, the period was a positive one in terms of top-down positioning and bottom-up stock selection, as well as risk management. Trading turnover gradually decreased over the period; the number of portfolio investments stayed consistently in the range of between 45–50 and active share versus the benchmark remained high in the range of 70–75%. Over the course of 2021, the Fund manager started to incorporate ESG and sustainability factors into the investment decision-making process on a more comprehensive and rigorous basis.

#### Market Outlook

The biotechnology sector presently seems to be struggling with the evolving macroeconomic environment for equities that is seeing growth and momentum assets slip as investors rotate portfolios towards having greater exposure to value and cyclical stocks. This reflects their expectation of growth in global economic demand from increased consumer spending and business activity as pandemic-driven restrictions ease. It is probably fair to say that most of the sector's relative underperformance during the period was driven by the market's evolving inflation expectations and the move in long-term interest rates in response, raising the discount rate and thus reducing the present value of long-dated cash flows, such as those typically offered by many biotechnology stories. It should also be noted, however, that the sector had a run of negative stock-specific news in 2021, both in terms of disappointing clinical trial results as well as unexpected regulatory setbacks, which tempered – and continues to undermine – sentiment, as well as the inclination of investors to deploy more capital into the biotechnology sector, the macroeconomic environment aside. For a sector that has attracted so much investor capital in recent years, and where market expectations have been raised so high based on thematic narratives pitching the transformative

potential of exciting new technologies to discover and develop new medicines, it has not been terribly surprising to see investor appetite for high-risk early-stage companies sporting enthusiastic valuations faltering in the face of disappointing news flow.

Furthermore, in the short term, violently variable and significant capital flows into and out of sector-specific, quantitative and thematic strategies is introducing significant volatility into share prices, making short-term trading dynamics challenging. This is particularly true for earlier-stage technology concept stories where we feel the quantity of liquidity injected into capital markets by central banks in recent times, as well as the increasingly pernicious involvement of retail investors through online trading platforms, often has the effect of divorcing the valuations and trading behaviour of many of these companies far beyond any rational analysis. Indeed, the area of concern for us remains squarely the capital markets environment, specifically how the biotechnology sector as an asset class behaves in the context of global economic growth trends as we emerge from the pandemic. We can add to this continued central bank interventions and evolving interest rate and inflation expectations, not to mention the toxic participation of retail investors influenced by social media and enabled by online trading platforms. The rise of the arguably asinine 'meme stock' phenomenon over the past couple of years undermines the core price discovery efforts and ability of professional and tightly regulated investors. The biotechnology sector seems to be especially vulnerable given the complexity of the science and technologies involved in creating innovative new products in what is already an emotive industry.

We continue to detect a shift of investor interest towards larger-cap quality within the biotechnology sector, particularly revenue growth-stage companies with robust new product cycles, R&D pipeline potential and M&A possibilities. Recent market volatility caused by evolving monetary policy in the US as well as the emergence of Omicron has clouded the trend to a degree. However, sentiment towards pharmaceutical and larger biotechnology companies seems to be firming as healthcare reform legislative clarity appears to be developing in Washington, providing some comfort on the drug pricing environment for the coming few years. Our sense is that beneath the surface institutional investors are starting to position portfolios more defensively in response to recent geopolitical developments as well as, and perhaps more importantly, in preparation for a changing liquidity environment, given expectations that the Fed will start to taper asset purchases in early 2022, and to increase interest rates through the year. We feel the likely imminent transition from a pandemic to endemic phase for COVID-19, and epidemiology will drive a normalisation of prescription drug trends, which, especially for companies selling medicines for chronic illnesses or attempting to garner physician and patient attention early in product launch cycles, could create a robust environment for a 'beat and raise' dynamic to be established versus investor expectations. This would be positive for commercial-stage



biopharma stories.

Reassuringly too, the pace of successful innovation remains high. Despite the string of high-profile clinical and regulatory setbacks during the year, the FDA approved 50 new medicines in 2021, and we expect a similar number in 2022; new drug approvals are one of the more important building blocks for sustainable value creation for investors in the biotechnology sector, in our view.

By contrast, we feel the recent record-breaking IPO and equity issuance for the sector has stretched specialist capital thinly across a large number of early-stage, unprofitable companies. Many of these stories appear to be 'build-a-bear' attempts by specialist cross-over investors to game the recent appetite of the public markets for innovation and disruptive technologies by creating look-a-like private companies, injecting significant capital and flipping them public almost instantly. Many of these companies appear to be undifferentiated or are otherwise so early in their development that it is extremely hard to discern whether they have the credentials to create real medical breakthroughs with truly sustainable competitive advantage. Certainly over 2021 the market seemed to tire of the constant stream of almost impossible-to-decipher clinical development updates involving very small numbers of patients and often efficacy measures of debatable clinical relevance. For us, this stretching of risk-tolerant capital across early-stage companies in an intensely crowded and competitive environment is a bigger, stickier, pernicious issue for the sector that is likely to keep downward pressure on the share prices of earlier-stage companies in the near term, especially given the tightening macro environment. Therapeutic areas that we feel have become particularly crowded include oncology and inflammation, and from a technology platform perspective we continue to largely avoid cell and gene therapy as well as gene editing companies for the time being.

With this in mind, in terms of positioning, the Fund continues to focus more on late clinical development or revenue growth-stage companies, particularly those with either close-to-market or recently launched unique breakthrough therapies. With the record level of biotech IPO activity in recent years introducing many early-stage unprofitable companies to the public markets, we have started to contemplate the concomitant increased R&D spend for the industry versus current cash balances and future funding requirements, set against what we believe to be a tightening capital markets environment. Taking a step back from the challenges posed by the current nature of the capital markets, the fundamentals of the biotechnology sector responsible for the significant real value

creation seen for investors in recent years in our view remain intact. Accumulating scientific insight and understanding into human biology and powerful new drug development technologies continue to create exciting new medicines that in early-stage clinical trials are generating provocative and encouraging data.

Despite a difficult start to the year driven by the macroeconomic environment, 2022 looks set to be another strong year in terms of new drug approvals, which would be a significant positive for the sector. The importance and value of continued investment in biomedical research and the more effective delivery of healthcare has been heightened over the past two years with the pandemic, in our view. We continue to invest in what we believe to be the best people, using the best technologies, to develop the best new medicines.

#### Healthcare Team

Polar Capital LLP

January 2022

## Investment Manager's Report *continued*

For the financial year ended 31 December 2021

### China Stars Fund

#### Fund Performance

The Fund's full-year 2021 return (Class I US Dollar Accumulation Shares) was -15.3%, compared to -12.9% for the benchmark, the MSCI China All Shares Net Total Return Index (all figures in dollar terms).

In 2021, the Chinese economy can be defined by one word: tightening – tightening of regulations, tightening of policies and tightening of the credit cycle. Much of the tightening is justified and, in many cases, long overdue.

'Innovate first, regulate later' has been the implicit guiding principle for China's growth model for the past few decades. It is no different this time for the consumer internet industry. As the industry graduates from adolescence to adulthood with flattening penetration levels, maturing technologies and slowing innovations, proper regulations and oversight are put in place. Instead of spelling the end of value creation in the consumer internet industry, having these institutionalised guardrails will cement its place as a core pillar of China's economy and ensure more profitable and sustainable growth in its next stage of development.

Similarly, we should also celebrate the downfall of Evergrande in 2021. Chinese policymakers are obsessed with stability and risk – runaway inflation and rampant speculation in the '80s and '90s ran deep in the institutional memory of the top echelon of policymakers. The property sector is the epitome of their fear with its reckless appetite for credit, dizzyingly high leverage ratio and ever-increasing housing prices. Policymakers have attempted to tame the overleveraged industry a few times in the past five years but, each time when it started to hurt overall growth, they blinked. However, this year, with more resolve, determination and a higher pain threshold, we finally witnessed the much-anticipated demise of the colossal Evergrande – short-term pain, long-term gain.

This is of course a tricky balancing act. Too much tightening in regulation, policy and credit runs the risk of sapping what John Maynard Keynes calls the 'animal spirits'. The shroud of uncertainty dampens consumer and business confidence. Many in the business and investment community are taking a 'wait and see' approach before deploying their talent and capital. Some steps have been taken by politicians to boost business confidence but more needs to be done in 2022.

The overarching vision is clear – the Chinese economy is transitioning yet again from a free-wheeling robber baron version of capitalism to a more inclusive model of capitalism. In China 3.0, we are going to see new sources of growth and innovation, and sustainability and ESG will become ever more important.

The top contributors to relative performance in 2021 were Binjiang Service Group, China Resources Sanjiu Medical and China Meidong Auto Holdings; among the biggest detractors were iQIYI, Alibaba Group Holding and Ping An Insurance.

Binjiang Service Group (Binjiang), a high-end property management services provider that is well positioned to capitalise on the growing demand for a premium service from China's burgeoning upper/middle-class consumers, saw its shares increase by 52% as it delivered a strong set of earnings growth. Binjiang is a well-run company with a great reputation for high quality service. It is a mid-size holding.

China Resources Sanjiu Medical, a consumer health company with a portfolio of popular OTC (over the counter) drug brands, appreciated 41%. Its OTC business proved its resilience and quality during the year. We were positively surprised by a management incentive scheme in Q4 which, together with favourable industry news, drove a significant rerating of its shares. We took advantage of the strong performance to reduce our position size. It is a mid-size holding.

China Meidong Auto Holdings (Meidong), a luxury car dealership run by an exceptional owner-operator, advanced by 27%. Since our initial investment in Meidong almost exactly three years ago, it has evolved from a small-cap hidden gem with barely any sell-side research coverage to a well-respected mid-cap company with a loyal and strong shareholder base. We believe it can continue to deliver more than 25% EPS CAGR over the next three years. Meidong is currently a large holding.

iQIYI, the leading video streaming platform suffered from tightening content censorship and balance sheet stress. We reduced iQIYI significantly at the beginning of 2021. During the Archegos liquidation saga at the end of March, we refilled our position. Subsequently, China tightened its content censorship, which added to concerns about iQIYI's cash burn and financing given its stretched balance sheet. We have reduced our position materially and it is a small position.

Alibaba Group Holding (Alibaba), China's largest e-commerce platform experienced a horrid year. Tighter regulatory measures on anti-trust and anti-competitive business practices not only undermined sentiment and growth but also weakened Alibaba's competitive positioning. We still believe its competitive positioning remains strong and that it can generate strong and sustainable cash flow in the medium to long term, despite high short-term uncertainty. Given the very favourable risk/reward, we have added to our position. It is a mid-size overweight.

Ping An Insurance, a financial conglomerate with life insurance at its core, continues to disappoint. It became apparent to us that a combination of potential challenges from fintech, generational leadership transition and execution risk had changed the risk/reward proposition of the business. We reduced our exposure materially during the quarter. It is a small overweight.



## Market Review

China equity was one of the worst performing asset classes in 2021 after being one of the best in 2020, primarily driven by multiple derating. MSCI China All Shares 12-month forward earnings multiple contracted from 15.5x at the beginning of the year to 13x as the year ended, a 16% depression compared to the total return of -13% by the index. This derating should be viewed in the context of tightening policy this year given low growth pressure.

## Fund Activity

During 2021, there were a few noteworthy new positions and exits.

We reinitiated a position in China State Construction Development (CSCD), a Hong Kong-based leading exterior engineering solution provider; OPT Machine Vision Tech, an emerging champion in machine vision benefiting from explosive growth in electric vehicle batteries; and KE Holdings, a leading digital platform serving the property market vertical.

We exited positions in Geely and VNET Group, as we found better opportunities elsewhere for the capital.

## Market Outlook

2021 was a year of regulation, policy tightening and financial derisking in China. The scale and speed of regulatory actions created a crescendo of panic, which was then further augmented by rising default risk at a few recklessly leveraged property developers. The rhetoric on regulation has changed and we believe the systematic risk from the Evergrande implosion is very low.

Thanks to these tightening regulatory and macro policies, China will exit 2021 with slowing growth momentum. Growth will return as a top priority again as we enter 2022 and we expect to see a more decisive pro-growth shift soon. After a more than 20% pullback, China equity is valued attractively in both absolute and relative terms, in our opinion. A receding regulatory cycle and loosening macro policy will provide confidence on corporate earnings growth and drive a meaningful rerating.

Some of the worst hit sectors are likely to drive performance in 2022. There are signs of stabilisation and reduced competitive intensity in the internet and technology sectors. For healthcare, the worst pricing environment is likely over, but recovery is subject to COVID-19 developments. In the consumer segment, a pro-growth policy shift is supportive of consumption, but China's zero COVID-19 policy creates short-term volatility.

The strong trends in the adoption of factory automation and rising penetration of electric vehicles are likely to continue for many years to come. As such, while valuations are less compelling, we still see attractive stocks capable of delivering robust growth with the potential for significant upside.

As China picks itself up off the floor, there are plenty of opportunities in well priced and high-quality companies with high structural growth.

We are confident that our portfolio companies will continue to deliver strong earnings growth, and they are trading at a material discount to their intrinsic value. We believe the portfolio is well positioned to deliver good performance in 2022.

Thank you for keeping your eyes on the horizon.

## Emerging Markets and Asia Team

Polar Capital LLP

January 2022



## Investment Manager's Report *continued*

For the financial year ended 31 December 2021

### Emerging Markets Income Fund

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Due to the retirement of the fund manager, the Fund was merged into the Polar Capital Emerging Markets Stars Fund with effect from 8 June 2021.



## Emerging Markets Stars Fund

### Fund Performance

For the full year 2021, we returned -0.5% (Class I US Dollar Accumulation Shares), compared to -2.5% for the MSCI Emerging Market Net Total Return Index (in dollar terms), which we are pleased with given this was generally a strong value year and a weaker one for our style of growth and quality. It was a disappointing year for the emerging market asset class, witnessing one of the biggest differentials with developed markets.

We are disappointed to end with a negative absolute return, however small, though pleased we managed to reduce the negative return, through good stock selection, and to demonstrate that active management can add value when we are not in a bull market.

Our growth and quality bias, in the way we select and invest in companies linked, to our fully integrated sustainability investment process, means 2021 was a difficult year for us, in fact for any SFDR Article 8 fund in emerging markets with a growth bias. There is of course a slightly different calculation for the performance of growth versus value as a style, though using data from Bloomberg, value in emerging markets for 2021 outperformed growth by 12.4% (value 4%; growth -8.4%, in dollar terms). Therefore, we feel it is ok to outperform by nearly 2%, given our bias and our integrated suitability process where we do not invest in fossil fuel, coal and so on, all areas that performed well during 2021. In a year of constant headwinds, at times the occasional one felt more like a hurricane.

For the full year 2021, we had a positive contribution from our country selection (mainly South Korea, Taiwan and India) but our main outperformance came from our allocation effect. Taiwan and India benefited from both, with South Korea following closely from a country perspective.

Despite all the negative issues, China ended up a positive contributor for us during 2021, which we are very pleased by given how 'topical' and centre stage it has been. However, the overall positive contribution has primarily been driven by the allocation effect, having been underweight the market. The selection effect for us in China was only -0.1% (gross of fees), which we find acceptable given our profound growth bias here, precisely where a great deal of panic sentiment hit hard. Hopefully, this is in part due to our ability to identify the higher quality part of the market as well as having risk management capabilities at a portfolio level.

Our off-benchmark exposure in Vietnam also paid off well during 2021, with our stock picks returning more than 20%, making it one of the bright spots in an otherwise disappointing year. We remain positive on the return outlook in Vietnam and for our stock picks there.

The negatives came from Brazil, Saudi Arabia and Russia that hit us relatively hard and which explain most, if not all of, the broader headwinds we faced last year.

Brazil was the biggest negative contributing country, driven by selection effect. Our allocation effect was positive, having been underweight the Brazilian market throughout the year. From a selection perspective we had exposure to a number of so-called new, high growth technology and consumer (fintech/ecommerce)-related companies, which had weak performance on the back of weaker overall growth in the economy, the COVID-19 panic and a spike in interest rates, causing these types of company to perform badly. On the other hand, Brazil still has a relatively large number of more value-related names which held up much better; not having exposure here also cost us relative performance.

We often hit significant ESG issues within Brazil's so-called value-related companies, best illustrated with the massive corruption scandals in Petrobras over the years and the significant lack of safety in a company like Vale, which has had fatal consequences for its workers. We believe Brazil's digitalisation online development is at an inflection point and there are good companies that will take advantage, which is why we are maintaining an exposure there. Clearly, macroeconomics and politics are a significant factor when it comes to investing in Brazil.

Saudi Arabia was the second biggest negative contributing country for 2021. We have a zero weight here, driven to a large degree by ESG considerations. With 'oil on fire' and expectations of US rate hikes, the Saudi market managed to return more than 34%, making it one of the best performing emerging markets in 2021. In our view, this performance seems top-down driven and as stock-pickers we are having a hard time getting excited.

The third most negative contributing country was Russia. Again, we do not have a great deal of exposure, but the exposure we do have is growth-oriented (like Yandex) where performance was poor, as was the case for most growth stocks in emerging markets. On the other hand, there was strong performance in Russian energy and commodities, where we not involved for ESG reasons. Russia does have quality assets if looked at objectively (lifting costs and so on), but there are huge governance issues. Within base materials, we find interesting opportunities in copper and nickel but here we often have environment issues on top of governance issues. We strongly believe in our ESG-bias investment process and, therefore, the types of company we invest in.

We strongly believe our integrated sustainability process helps to generate alpha, but there are periods where style swings can lead to significant dislocations from the true longer-term fundamentals. We would appeal to investors to join us in focusing over the longer term and allowing the fundamentals to play out over time.

Our performance from a sector perspective shows our overall outperformance was purely driven by selection effect. We ended up with a small negative allocation effect.



## Emerging Markets Stars Fund continued

### Fund Performance continued

We had good, positive selection effect within industrials, real estate and IT. The allocation effect was also positive for IT, leading to IT and industrials being our two strongest contributing sectors overall. We see these two as core sectors so are pleased that in a difficult year like 2021, we can still derive value added and alpha when things get tough.

The good selection effect in real estate was very much driven by our core stock picks in India and Vietnam.

We do not have a huge exposure to materials, but we had a good selection effect from our position in Ivanhoe Mines which we still believe is one of the best ways to gain exposure to what we call 'green metals'.

On the negative side, financials and consumer discretionary dragged down relative performance from a sector perspective. Financials was mostly related to not owning the right companies (banks in the value markets did well compared to those in the more growth-oriented markets). From a stock-specific perspective, Ping An Insurance in China was a significant drag. The weak performance within consumer discretionary was explained by our exposure in Brazil and to some degree China, where e-commerce is classified as consumer discretionary.

Communication services (including internet companies) has historically been one of our strongest performing sectors and a key alpha generator. Given the growth scare on the back of the Fed's proposed taper actions, and particularly the Chinese internet regulation, we ended up 'only' losing -0.2%, gross of fees. We had a small positive selection effect, so the drag was from our overweight in this sector.

Sea was the main positive contributing stock over the year, but our significant reduction in exposure early in 2021 and concentrating our portfolio around what we believe are the high-quality names and business models for the longer term, helped us survive this out of favour area. To be clear, we still structurally believe in a world where most emerging market countries will in the coming decade more significantly move towards greater digital living, so this is certainly not an ex-growth area. In our view, it is becoming attractively priced.

The best contributing stocks were eMemory Technology (Taiwan technology, embedded memory/semiconductors), EcoPro (Korea specialised battery material), Sungrow Power Supply (China inverters for renewable energy), Ivanhoe Mines (DRC and South Africa copper mining), and Prestige Estates Projects (India property).

The worst contributors to relative performance for 2021 were StoneCo (Brazil fintech), Alibaba Health Information Technology (China digital healthcare services), B2W (Americas, Brazil e-commerce/fintech), MicroPort CardioFlow (China medtech), and Ping An Insurance (China insurance/financial supermarket).

eMemory Technology is a company we have invested in for many years now. The case has taken longer to play out than we had hoped but returned well over 200% in 2021 and was the standout company for us last year. It is great when patience is rewarded. This company is at the forefront of semiconductor design and has created a unique security solution that will be built into the wafer (chip) and thereby give it unique security properties which will be essential for our digital world going forward. This is still only a \$5bn market-cap company so with the right execution it has a long way to go.

Another name we want to highlight is Prestige Estates Projects, our key Indian property company. It has not been easy to talk positively about Indian property over the past 18 months, so we are pleased to demonstrate there were return opportunities available there. We still believe we are at the beginning of a multi-year property cycle in India and see Prestige Estates Projects as one of the best positioned companies to turn this growth opportunity into sustainable shareholder value. Our other highlighted and long-term India name – Phoenix Mills (malls and hotels) – also gave a solid contribution to performance last year, though struggled because of COVID-19.

Looking at the weaker areas, two companies stand out – StoneCo (Brazil) and Alibaba Health Information Technology (China). A mixture of strong market and sector sentiment headwinds created a strong negative backdrop for both that, combined with questionable strategic decisions the market had a hard time understanding, led to significant selloffs. For StoneCo, it was company-specific and weak execution around their new credit portfolio, while for Alibaba Health Information Technology it was around their bigger capex move into preparing for the opening up of online prescription drugs and the related services and infrastructure needed. This resulted in shorter-term reduced growth and the inflection point moving out for them to reach breakeven, a problem as they are still in their early growth stage. This was clearly not the year to be a high growth company, especially when they then had to disappoint the market on lowering growth guidance during a period with very high risk aversion.

Having ended November with a first quartile Lipper ranking versus our peers, our weak December nudged us into the best third of the Lipper peer group over the course of the year. Saying that, we beat most of those we consider to be our core competitors and are within the top third percentile over the past three years, and top fourth percentile since inception, according to Lipper data (Lipper figures representative of the Class I US Dollar Accumulation Shares).



## Market Outlook

We are bullish for 2022 for our Fund as, put simply, we feel little has changed from a structural long-term perspective over the past 6–12 months while many of our companies have become cheaper relative to their fundamentals (long-term EVA creation). We have, therefore, become more positive on our view of the return prospects for the portfolio over the next 12–18 months, and beyond.

There are big risks in the market for 2022, though our view is they are already quite well understood and priced in by the market to the extent that some are overshooting the longer-term fundamentals on the downside. We obviously cannot spot the unknown unknowns that the market has paid absolutely no attention to, nor can we see any large or broad-based bubble areas either. There are still pockets where a large proportion of companies have high valuations – electric vehicles (EV), Indian consumer names or some of the robotics/automation areas, for example – but these are also areas where the long-term growth opportunities are high and where we see early-stage growth opportunities for significant alpha over the coming decade. We do not have structural concerns here and still believe that even these ‘hot’ areas will offer the potential for attractive alpha generation. We also believe a great deal of negative sentiment is already priced into emerging markets in general, and we are faced with one of the largest ever valuation spreads between the US/developed markets and emerging markets.

We maintain our view that we are now around peak inflation in the US. The supply-chain bottleneck has been more significant than we originally forecast and moved our original peak inflation point from Q3/Q4 2021 to Q1/Q2 2022. Over the next 12 months we expect to see the inflation scare fade away and it is likely that by Q4 2022 we will be looking at inflation (US Core CPI and US Core PCE) at around 2.5–3%, with consensus at 2% for 2023 and 2024 that should be supportive for emerging market equities. An increase in inflation from here in the range of 0.2–0.4% per month should take us there – we think this is realistic and the most likely outcome.

Why will inflation go down in 2023–24? The Fed taper combined with reduced stimuli will have an impact on demand as long as consumers continue to behave rationally. There is a lag in fiscal and monetary policy and as most people are forward looking they will price expectations for goods and services faster, in our view. We are also seeing more indications of supply bottle necks being eased so as 1H 2022 plays out we see a high likelihood of supply again being stronger than demand which will reduce inflation pressure. The big moving part for inflation will be energy while a potential structural risk to inflation – which is not our base case view – is ‘greenflation’ if politicians push for too unrealistic an agenda on carbon reduction.

Around 6 January, we saw panic in the market when the Fed minutes were released because it now looks like the first rate hike will be moved from May to March. This news sent the MSCI Global Growth index down by 2.7% and the MSCI Global Value index up by 1.2% – a spread of 4% on the back of a potential two-month difference in timing a rate hike. This seems crazy to us, though it also seems people now believe in five US rate hikes in 2022 and an additional three in 2023 which would take real rates into positive territory. We believe the taper and a few rate hikes will do the job for the Fed as has been the case before – just think back to H2 2018.

We mention this as we expect emerging market equities as an asset class to continue for some time to be significantly influenced by US monetary policy. We therefore expect a high likelihood of a repeat of 2021 in the US economy in 2022, a great deal of cyclical and value hype in the early part of the year that will then fade away during H1 as it becomes clear supply is outstripping demand. The Fed will then be able to show a projection to get back on its target inflation level, and the market will move back and favour growth. During this, the 10-year yield will flirt with 2%+ but structurally we do not see it moving beyond 2–2.5%, though we acknowledge the Fed has been a big buyer in the market and there is uncertainty about what a Treasury market looks like without the Fed being there.

Sticking our neck out, we see today’s COVID-19 panic being a thing of the past quite soon. We believe Omicron will burn itself out in the developed world in 1Q22 and the early part of 2Q22 and, unless we get a further mutation that is more deadly (not necessarily more infectious), then we think we are quickly moving towards a pre-COVID-19 normal. The world simply cannot keep going on as it is now. We also think that working from home (WFH) as a new standard will quickly move to working one day per week from home and that people will return to the office. We are increasingly seeing companies complaining that WFH is good for a short period but they cannot grow a business this way and the cost to culture and new employees is just too high.

In general, we are not making large changes to our current positioning. Of the hotter topics, we feel we will reach the bottom for Chinese internet companies and we are now selectively starting to slowly add back exposure as we see favourable risks/rewards for certain companies. This also spills over to other internet-related companies in ASEAN and Korea, such as Sea and Naver, that seem lately to have suffered collateral damage without any real change to their operational fundamentals.

The same goes for technology, particularly semiconductors, an area we are still bullish on. We strongly believe we have seen the right strategic fundamentals play out to give us comfort that we are moving into an upcycle that is clearly not being fully priced in by the broader market. We see a cyclical tailwind coming into play as well as a strong structural underlying trend with technology leaders getting stronger, creating a favourable supply-side relative to demand in the years to come. We believe we have a good mix of strong large-cap names as well as emerging leaders.



## Emerging Markets Stars Fund continued

We retain a structural positive towards India, acknowledging that it had a great year in 2021 relative to the rest of the emerging world. Seen from a broader market perspective its valuation looks expensive. However we see the stars aligning for India in terms of its structural growth and we also see the emergence of a housing uptrend, strong underlying consumption trends, a significant infrastructure uptick and a corporate capex cycle that will be codeveloping with – growth in manufacturing in India, admittedly from a low base. We still find a large amount of exciting stock picks in India and foresee us having high relative exposure here throughout 2022. Short-term risk will be a likely rate hike around March as the Reserve Bank of India (RBI) will keep a conservative view on inflation as growth momentum builds. As of now, we will see any selloff on the back of such a move by the RBI as a buying opportunity from a long-term perspective.

We also see a significant move within North Asia for advances in manufacturing and automation – we believe we already have some great stock picks here that offer the potential for great returns – so we will maintain our exposure. If anything, if the opportunity emerges we will be happy to add exposure from a structural perspective.

We maintain our positive view on Vietnam and again will be a buyer on any interesting opportunity that appears. We also believe that in 2022 we will have the announcement that Vietnam will be moved into the emerging market universe from its frontier market status in 2023.

The slightly more problematic areas for us into 2022 include EVs (battery technology and battery materials), not because we do not see great growth potential but due to valuation levels for many of these companies. This area will be all about stock picking. Looking more broadly, we increasingly see better supply versus demand dynamics appearing more upstream in the value chain, so expect potential activity from us here.

The really difficult spot this year, as we see it right now, is Brazil. Clearly a great many interesting company cases are flagging given the aggressive selloff in Brazil, particularly of newer digital growth names. As one of the few emerging market countries that has had inflation issues and an aggressive rate-hike cycle, combined with what is a complex political environment, it looks like Brazil will have to choose between keeping Jai Bolsonaro ('Trump in LatAm' who has mishandled the economy for the past few years) as its president or elect Luiz Inácio Lula da Silva (the former president who spent eight years destroying all reforms and misusing the massive windfall Brazil had from the commodity cycle in the 2000s). This will be a really ugly contest. We are stock-pickers by heart and there are great companies in Brazil that are cheap but we have to navigate the country risk carefully to make sure we do not get a repeat of 2021.

The bottom line is we see great opportunities for our Emerging Market Stars portfolio, with significant return potential for anyone with a 12–18-month investment horizon. We have historically been good at taking advantages of 'panic periods' and turning them into sustainable, responsible returns – we believe one of those periods is coming again.

### Emerging Markets and Asia Team

Polar Capital LLP

January 2022



## European ex UK Income Fund

### Fund Performance

In 2021, the Fund returned (Class I GBP Accumulation Shares) 11.4% on an absolute basis but underperformed by 5.3% relative to the MSCI Europe Daily Total Net Return, excluding UK, Euro Index (in sterling terms).

The top relative contributors to performance were Total, Deutsche Post, Enel\*, Iberdrola\* and Adidas\*. Contrastingly, the top relative detractors were ASML Holding\*, Unilever, Anheuser-Busch InBev (ABl), Novo Nordisk\* and Orange.

### Market Review

The year began with crazy moves in the market because of a long period of very easy monetary policy and a steady build-up of moral hazard as many assumed the Fed would never let asset prices fall. This had two effects: a de-anchoring of valuations based on low rates forever (some sell-side analysts barely mention valuation these days or reference expensive stocks to each other) and a buy-any-dip mentality. Below the surface of markets, there continued to be signs of excessive risk-taking being revealed at even small signs of liquidity tightening. Credit Suisse\* was hit by two separate scandals: the collapse of Greensill and heavy losses in its prime broking exposure to the Archegos margin call blow-up.

The main risks to markets were more endogenous (ie about leverage, excess valuation and speculation within financial markets as taper talk builds, or a change in the correlation of equities and bonds) than from the pandemic. Markets are always riskier when the inflation picture limits the scope of central banks to do 'whatever it takes'. While much talk was of bubbles, there remained a massive bifurcation in valuation between loved and unloved sectors and between loved and unloved stocks within sectors. The valuation of our defensive blue-chip, cash-generative stocks continued to make no sense relative to other parts of the equity market and other asset classes.

While there remained plenty of volatility in the pandemic news flow, the broad trend remained towards normalisation with improving pharma interventions (vaccines and new drug treatments) reducing the need for non-pharma interventions (mobility restrictions and lockdowns). Early evidence from South Africa and the UK indicated that the Omicron variant resulted in less severe hospitalisations and lower mortality risk than earlier variants. The main development in pandemic policy, considering both the higher transmissibility and vaccine efficacy, was a trend towards countries reducing self-isolation periods.

In November, Fed Chair Jerome Powell was renominated for a new term by a president under political pressure around inflation. Due to the sequencing pathway of it not raising rates until the taper was complete, the Fed was in a position where inflation was above 6%, unemployment at 4.2%, real rates were deeply negative, and interest rates were unlikely to start to move away from zero until the middle of this year.

Furthermore, commentary from the Fed implied the risk to inflation from new coronavirus variants was to the upside (from further supply chain and labour shortages) rather than downside (demand destruction). The latest policy implied that the Fed was in tightening mode. The yield curve has continued to flatten. While the ECB may come under pressure if inflationary pressures persist in 2022, we continue to not expect Eurozone rate rises for the foreseeable future. Central banks were making tentative efforts to tighten monetary policy at a time when analysis from strategists at Société Générale shows the stocks most negatively correlated to bond yields currently trade at a 40+% valuation premium (versus no valuation premium prior to the QE era). As such, further violent rotations within markets should be expected even if index headline moves are most measured.

Our central scenario for European equities in 2022 is that European politics will be broadly dull, inflation in Europe will ease faster than other regions, economic stimulus will be steadily withdrawn absent a large macro slowdown and the pandemic policy response will continue to be less draconian (less non-pharma interventions). The starting valuation of European equities (around 15x forward earnings) means there is sufficient risk premium for us to be compensated for any negative surprises to this scenario. We would be more cautious of the most expensive sub-segments within Europe's markets. We continued to prefer recovery plays that broadly sit in two camps: those that benefit from higher global bond yields (not reliant on European ones) or from economies reopening (some of our usual recession defensives like brewers are more reopening/recovery plays this time around).

Despite considerable absolute recovery year to date, the valuations of our portfolio remain striking. We only own seven stocks on P/Es above 20x (the multiple of global equities) or 5% earnings yield (Air Liquide, Tryg, Heineken, Assa Abloy, Nestle, Industria de Diseno Textil [Inditex] and ABl). These should deliver unusually fast medium-term earnings growth as they directly benefit from reopening tailwinds over the next three years (due to exposure to bars, hotels, travel and retail). The median 2022 P/E of the portfolio is 15x. The median 2022 EV/EBITDA of the portfolio is just below 10x. These remarkable valuation characteristics are despite the fact the Fund has no exposure to traditional value sectors like banks or autos and only invests in companies that make 10% through-cycle returns on equity. Defensive dividend equities had become deep value versus growth equities (the NASDAQ at around all-time highs), cyclical equities (European autos are at a 20-year high relative to the index) and other asset classes. In our view, global defensive equities with dividend yields above 2.5% are materially the wrong price versus individual government bonds. This is because global defensive equities have an ability to grow yields over the medium term in a more uncertain inflation backdrop, and diversification protects these yields from single country pandemic setbacks and foreign exchange risk.

\* not held

## Investment Manager's Report continued

For the financial year ended 31 December 2021

### European ex UK Income Fund continued

#### Fund Activity

Our low portfolio activity was lower than usual in 2021 reflecting two things. First, the Fund's defensive holdings were currently out of favour and tended to be good companies benefitting from reopening, rather than stocks benefitting from monetary reflation of lower quality cyclicals. Given that most economies are in the early stages of reopening, plus the extended nature of the reflation trade, there are few compelling switch ideas between these two camps. Second, we were very active in 2020 repositioning the Fund for the new dividend reality. The Fund's dividend yield grew faster than the index before the pandemic (7.8% CAGR 2016–19) and was more resilient last year (down 14% versus the index down roughly a third). The wide dividend yield of the Fund versus the index is a function of these two factors rather than reaching for yield, but we are not looking to extend this premium even further by rotating from lower yielders into higher yielders.

Our stock sales were dominated by those we felt had reached expensive valuations. In February, we sold our position in Brenntag (German chemical distributor) on valuation grounds. The new management team was trying to drive significant change through the business to improve organic growth trends and better tap opportunities in specialist chemicals distribution. After a strong run since late 2018, we felt there was insufficient upside given what we perceive as underappreciated execution risk to their initiatives. In October, we decided to tender our share in Naturgy Energy Group in the tender offer carried about by an infrastructure fund. We became more sceptical on the ability of utility stocks, such as Naturgy, to maintain such high dividend payouts relative to free cash flow generation while investing so much capex in renewables. We also exited our position in BASF (German chemicals group). We lost conviction in the ability of management to allocate capital in an attractive way. The current macro backdrop seemed challenging given issues around China, auto supply chains and moderating PMIs and we are wary of cyclically exposed stocks where there are doubts around execution. We continued to review companies as potential Fund purchases that are executing well but are becoming cheaper for these reasons. In December, we exited two positions. We sold Pernod Ricard (spirits business) on valuation grounds. The shares had performed strongly since purchase and materially outperformed other reopening stocks despite travel retail remaining subdued and the key Chinese end market continuing to pursue a zero-COVID-19 policy. We also sold our position in Scandinavian Tobacco Group (STG) (cigars business) after reviewing the position as part of our dividend sustainability score work (see ESG below). The shares still look cheap despite performing well, but we see less scope for a rerating from here and are cautious on growth prospects.

We found several interesting ideas later in the year. After attending its impressive capital markets day, we started a position in Tryg (Scandinavian insurer). The company expects to double its technical result by 2024. Management has an impressive track record in pursuing efficiencies in the business and extracting synergies from acquisitions. The company is focused on retail (commercial and private) to drive future value creation, while the corporate business is being repositioned towards more attractive smaller customer portfolios while reducing less profitable clients. Tryg has also laid out an attractive shareholder returns program combining attractive and growing dividends plus a buyback starting next year. We took profits on our position in Cie Financiere Richemont (Swiss luxury branded goods) as the shares performed strongly on the back of activist investor headlines around realising value in the online business, strong trading and speculation around the metaverse being bullish for luxury stocks.

In December, we started positions in two stocks. First, we bought Air Liquide (industrial gases business). We have long admired the company as a very solid, defensive compounder in an attractive industry that has significantly consolidated in the past 20 years. The index dividend reset has made the stock's dividend look cheap relative to the index given its growth of 6% 5-year CAGR. Second, we bought Siemens (German industrial business), a stock we have consistently liked and previously owned. The business is executing very well both operationally and in terms of portfolio rotation. The group has delivered 8% dividend CAGR since 2009 and consistently augmented a solid ordinary dividend with share buybacks. We see the diversified growth profile as highly compelling in the context of the current 6% free cash flow yield.

#### ESG

We are in the process of applying to move the Fund to an Article 8 status under the SFDR (Sustainable Finance Disclosure Regulation). We have spent time building a dividend sustainability score methodology for each of the Fund's holdings and potential purchases going forward. We believe a bottom-up score method has two advantages for our approach relative to a sector exclusion methodology. Divestment approaches do not really solve problems like energy transition. Additionally, we expect the score approach to have more longevity as all industries implement ESG measures over time.

Having integrated ESG into our process more than two years ago, there is relatively little change to our stock research template and therefore stock picking. The aim of the dividend sustainability score is threefold. First, we want to improve the transparency to our clients of how we see our stocks' ESG profiles to our clients given third-party ESG scores are only an input into our ESG view. Second, we want to better quantify the metrics on which we seek to engage with our companies. Last, we want to create a binding constraint to meet the requirements of SFDR Article 8 funds. We do not expect this process to require any further stock divestments, apart from our sale of Scandinavian Tobacco Group (see above).



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## Market Outlook

Volatility and uncertainty are likely to remain in the near term as markets process the implications of the pandemic and subsequent policy responses. We are optimistic on the opportunities the market will inevitably present us with while continuing to relentlessly focus on protecting capital and dividend streams as best we can.

Stocks with defensive business models and resilient dividend yields look increasingly appealing in the current backdrop against overvalued growth stocks, vulnerable deep value sectors and other asset classes with little yield.

### European Income Team

Polar Capital LLP

January 2022



## Financial Opportunities Fund

### Fund Performance

Markets saw a strong recovery in 2021 but remained volatile given the unpredictable nature of the COVID-19 virus. Consequently, there were a number of conflicting market forces with new virus variants causing moderation in the pace of economic recovery while progress on vaccinations provided reassurance on the longer-term outlook.

Global financials saw a relatively strong recovery, with the MSCI ACWI Financials Net TR Index rising 24.3% in the year, outperforming broader markets (MSCI ACWI Index +19.0%) (all returns in dollar terms, unless otherwise stated). The Fund's NAV (Class I US Dollar Accumulation Shares) rose 19.7%, with the relative performance affected primarily by our mix of holdings in Asia (bias to emerging Asia and underweight developed Asia) along with the underweight position in diversified financials and a drag from the cash position.

### Market Review

US financials outperformed (MSCI US Financials +35.8% in the year), led by diversified financials (+38%), with the banking and insurance sectors rising 35% and 31% respectively. While COVID-19 developments led to heightened volatility, the banking sector benefited from a pick-up in bond yields which bottomed in August and started to increase meaningfully in late September as market expectations shifted on the extent to which inflationary pressures were transitory or durable. The Federal Reserve announced in December that given upside surprises in both inflation and the labour market they would double the speed of tapering (to conclude in March 2022) with the dot plot moving from half a hike in 2022 to three hikes (three hikes maintained for 2023).

European financials saw a strong recovery in 2021, the MSCI European Financials rising 29.5% (in euro terms) although underperforming in dollar terms given significant currency movements during the year. The banking sector was relatively strong (+39%, in euro terms) as while COVID-19 infection rates picked up in the latter part of the year, the progress on vaccinations reduced the requirement for a reimposition of widespread restrictions. As with US banks, European bank results typically came in ahead of expectations (primarily on lower provisioning but also stronger fee income), leading to material earnings upgrades in the year, while a lifting of remaining regulatory restrictions led to the confirmation of high yields.

The MSCI Emerging Market Financials rose 8.2% in 2021, underperforming peers due to a combination of escalating pandemic concerns, expectations for tighter US monetary policy and heightened political risk (US-Russia rhetoric in relation to Ukraine became increasingly heated). Turkey's unconventional approach to tackling soaring inflation through lower interest rates (associated with 'Erdonomics') also brought into focus the risks for countries reliant on external financing.

### Fund Activity

While COVID-19-related uncertainties limited visibility on the near-term economic trajectory leading to abrupt shifts in market expectations, we have been encouraged by operating trends in the banking sector where fundamentals remain attractive. Management feedback points to a pick-up in lending activity, low levels of provisioning and elevated capital markets activity. Costs are also expected to see upward pressure (primarily linked to wages) but, overall, the sector is a significant net beneficiary of higher inflation leading to higher interest rates. Consequently, we raised our exposure to the banking sector during the year in both the US and Europe with a focus on adding to companies whose earnings are particularly sensitive to higher interest rates.

Emerging markets look less vulnerable than in previous cycles to rising US interest rates, given lower current account deficits, contained inflation levels and lower reliance on FX debt. However, the combination of rising COVID-19 infection levels (and slower vaccine rollouts) along with the prospect of tighter US monetary policy has raised risks relative to developed markets. We materially lowered our emerging market exposure during the year through reductions in Asia, Eastern Europe and Latin America.

Fintech companies saw selling pressure in the latter part of the year alongside a reassessment of the monetary policy outlook and a broader rotation out of growth and towards value sectors, with loss-making companies seeing particular weakness. Payment companies also underperformed, with concerns on competition (from account-to-account transfer and Buy Now/Pay Later providers), pricing (following Amazon's decision to stop accepting UK Visa credit cards) and strategic positioning (PayPal's potential takeover of Pinterest). We continue to view payment companies, such as Mastercard, as a strong reopening play as cross-border revenues rebound but reduced our overall fintech exposure during the year in light of elevated valuations, a shift in the interest rate outlook and the potential for tighter regulation.

### Market Outlook

Omicron, the latest COVID-19 variant, has raised uncertainty, added to market volatility and is set to weigh on economic activity in 1Q22. However, we have been encouraged by recent data that points to a milder infection which, along with an acceleration in vaccine programs, suggests the impact on mobility will be significantly lower than in previous waves. The prospect of receding Omicron fears (South African cases have peaked), above-trend global growth and rising interest rates creates a positive setup for the sector in 2022. Within financials, the banking sector (which remains the core of the Fund and the key overweight) looks particularly well placed given its earnings sensitivity to interest rates and strong correlation to bond yields, while valuations remain undemanding (supported by earnings upgrades) despite the strong recovery in 2021.

### Financials Team

Polar Capital LLP

January 2022



## Global Absolute Return Fund

### Fund Performance

The Polar Capital Global Absolute Return Fund returned 4.3% (Class I US Dollar Accumulation Shares) in 2021, taking its return since inception to 30.8% (Class I US Dollar Accumulation Shares).

### Market Review

We believe 2021 can be reviewed in the context of the following five events:

1. Stimulus levels and policy in the US
2. COVID-19 cases, variants and restrictions
3. Inflation levels, expectations and the need of the central banks to tighten monetary policy
4. Strong corporate earnings growth
5. Global supply chain crisis

Despite starting the year in the face of political uncertainty in the US, the presidential inauguration and an eventual Democrat Congressional majority led to agreement on further fiscal stimulus. Given the positive development along with a rollout of vaccines by the middle of the first quarter, value names, particularly smaller-cap recovery beneficiaries, were once again leading risk assets higher. The positive macro outlook also tightened credit spreads.

On the flip side, with elevated personal disposable income and savings levels in the US, another round of fiscal stimulus led to higher inflation expectations and contributed to a further steepening in the US yield curve to levels not seen since 2017. In fact, Q1 finished with the 10-year treasury bonds suffering their worst quarterly performance since 1980, when interest rates were raised significantly in the US to fight double-digit levels of inflation. Elevated inflation levels were supported by bottlenecks at multiple levels of the supply chain, stemming from a paucity of raw materials, port congestion and difficulty finding labour supply, the latter likely being a result of the generous benefits-related component of financial stimulus.

At the same time, central bank sentiment shifted as US policymakers opened the discussion about an eventual reduction of the bank's \$120bn-a-month bond purchases, with 190 US companies citing inflation on their first quarter earnings, the highest number in at least 10 years, according to FactSet.

Rising real yields and the strong main street rebound continued to prove challenging for long-duration, high-growth companies while supporting more cyclical equities through Q1 and the first two months of Q2 (Russell 2000 Value: +26.7% (in dollar terms); Russell 2000 Growth: 3.9% (in dollar terms) through May).

However, in the final month of the first half of the year, the Fed decided to re-emphasise its willingness to let inflation run hot before taking action. This which helped yields revert back to where we were in February with the 10-year US treasury yield back to 1.47% from a peak of 1.74% and the 2s/10s curve 36bps flatter than at its steepest point, reached at the end of Q1. On the back of this reversion in yields, equities started to see a pullback in value versus growth.

The second half faced a backdrop of resurging COVID-19 cases, softening economic data, ongoing cost pressures and lower leverage levels among market participants. Yet, in August, markets generally moved higher over the month driven by strong Q2 earnings. Per the Financial Times, European companies reported aggregate second quarter net income growth of 249% year-on-year while the percentage of European companies beating analysts' estimates hit a five-year high.

At the 26–28 August Jackson Hole meeting, Fed officials leaned towards reigning in US monetary stimulus in the form of tapering the bank's crisis-era \$120bn-per-month asset purchase program, while keeping the effort to taper bond buying decidedly separate from potential future increases to US interest rates.

Supply chain constraints only worsened with complications remaining for many in sourcing enough key materials, such as semiconductor devices, as well as sourcing the necessary human capital to process demand. With the possibility of prolonged higher inflation, major central banks tilted towards a more hawkish monetary policy stance and a slowdown in growth during September. Labour, supply and inflation conditions continued into October, as companies such as McDonald's commented on the need for a 15% increase in employee wages, as well as the need to pass some of these costs to consumers. Additionally, Ford and Apple both commented on semiconductor chip shortages hampering their respective ability to meet demand, with the former expecting the current environment to last well into 2023. These supply-chain disruptions and labour difficulties, as well as further increases in the prices of various important commodities (copper: +9.7%; crude oil: +11.4%; platinum: +5.7%; S&P Agricultural Index (SPCGAG): +3.8%) led to expectations of inflation remaining at more elevated levels for longer, as seen in US treasury 5yr breakeven rates (+40bp to 2.9%). Nevertheless, while yields increased and credit spreads widened modestly, equity markets largely shrugged off these fears in October, with many indices retracing to near record levels (S&P 500: +6.9% (in dollar terms); Eurostoxx600: +4.6% (in euro terms); MSCI Emerging Market Index: +0.9% (in dollar terms)). We believe this was mainly due to a general sense of strong corporate earnings combined with a lowering of real rates, helping higher growth assets (Russell 2000 Growth Index: +8.4% (in dollar terms)).

## Investment Manager's Report *continued*

For the financial year ended 31 December 2021

### Global Absolute Return Fund *continued*

#### Market Review *continued*

Towards the end of November, this sense of calm was shattered as Omicron emerged. Market moves were exacerbated when Fed Chair Jerome Powell signalled an intention to reduce asset purchases more quickly than expected to fight stubbornly persistent inflation.

Financial markets recovered in December in the wake of early signs of relatively positive data pertaining to the virulence of the latest strain. This relief was also bolstered by news of ongoing strength both of consumers and corporates. A US personal consumption increase of 4.7% year on year for November came in higher than anticipated, while staff lay-offs remained low as highlighted by US jobless claims. According to data from Goldman Sachs, US financial conditions in December were near the most accommodative on record.

Despite all the headwinds faced in 2021, most headline equity indices rallied meaningfully for the year (S&P 500: +26.9% (in dollar terms); EuroStoxx 600: +22.3 (in euro terms); TOPIX: +10.4% (in yen terms)). This was driven substantially by ongoing asset flows into mega-cap stocks which, due to how they are represented within indices, have an outsized impact on returns. Indeed, the Financial Times reported that, as of year-end, the top six contributors to the S&P 500 performance were all big tech names. This can be seen most clearly in the chart below, which shows an increasing number of securities hitting 52-week lows while only a few are hitting 52-week highs within the Russell 3000 index, which represents more than 95% of listed US companies.

Convertibles' issuance remained strong in 2021. By the end of the first half, there had been \$99bn of new convertible issuance, an increase of 6.8% from the already high bar set during the same period in the previous year. The US contributed approximately 56.5% of the issuance, followed by Asia with 22.5%, Europe with 19.1% and Japan with 1.9% (source: BAML). Though the monthly level of convertible primary activity closely resembled levels seen during the height of the pandemic, issuance was driven much more by companies seeking opportunistic financing as opposed to rescue financing. The cheapening of the secondary convertible market, despite a positive equity and credit backdrop, was a material headwind to the Fund's performance and explains much of the disappointing result for the first half.

#### Fund Activity

Looking back at 2021, while the Fund modestly underperformed its 5–8% return target, we are pleased to have been able to post positive numbers following an exceptionally strong 2020. At the end of the year, the Fund had a net equity sensitivity of 11.7%. With regards to investment categories, asymmetric investments and equity hedged drove performance with contributions of 496 bps and 318 bps respectively versus having spent 89 bps on put trades and 42 bps on a credit hedge. As we reflect on the Fund's three-year track record, we are pleased to be able to report a compound net annual return of 9.4% with a volatility of return of 5.4% (against our target of 5–8% net return with approximately 6% volatility of return). Moreover, that we have been able to provide these risk/return metrics with generally very low net equity sensitivity is, we believe, testament to our approach of utilising the Fund's differentiated investment categories to provide a highly asymmetric investment opportunity with limited downside risk.

The Fund enjoyed a strong start to the year, with performance driven primarily by the Fund's equity hedged and asymmetric investment categories as elevated volatility and ongoing attractive new convertible issuance continued to present profit-generating opportunity. Additionally, the Fund was able to take advantage of the above-mentioned cyclical strength, evidenced by consumer discretionary being the largest contributing sector to Fund Performance in February and March. During the same timeframe, IT was the largest detractor, largely due to the level of issuance from this sector weighing on convertible valuations. Fund Performance in March suffered from both the widening of credit spreads and a general decline in convertible valuations, with the latter being driven by the extraordinary level of convertible issuance. Despite these headwinds, the Fund was able to maintain most of its returns as it de-grossed substantially in anticipation of the convertible valuation contraction. Notably, the Fund's gross exposure had declined from 218% in June 2020 and 172% at the beginning of 2021 to less than 150% at the end of the first half. This enabled the Fund to avoid the worst impacts from the cheapening of the secondary market. Indeed, valuations began to stabilise towards the end of the first half and we increased the Fund's gross exposures in response to this attractive risk/ reward backdrop. The Fund has adhered to its philosophy of strong risk discipline and management throughout this turbulent period, maintaining a modest equity exposure throughout.

The Fund generated positive returns in August driven both by the equity hedged and asymmetric investment categories. In particular, the equity hedged category benefitted from the stabilisation of convertible valuations as well as the Fund's lack of exposure to Chinese ADR-linked convertibles. Additionally, the broader equity market appreciation benefitted the Fund's asymmetric investment category, while causing some losses in the put profile category.



Against a volatile backdrop, Fund Performance was mixed in September. In particular, the Fund's asymmetric investment category, which is most closely correlated with broader equity moves, provided a negative return. Conversely, the Fund's equity hedged investment category, which largely has very limited positive or negative equity sensitivity, contributed modestly to performance, while the Fund's put profile investment category, which benefits most during declining markets, contributed most positively during the month. However, given an overall modestly positive net equity exposure across all investment categories, Fund Performance was in aggregate slightly negative in September.

The Fund benefitted from the theme of rising inflation and rates as energy, materials and financials were the largest contributors to performance during October. Notably, it benefitted from a modest long exposure in cryptocurrency exchange, Coinbase, whose equity rose 40.4% in October and second, a modest long exposure to US neo bank Sofi Technologies, whose stock rose 26.5%. This was offset by small losses in some consumer discretionary and IT names, though these were generally small and no individual name caused an outsized loss.

Against this risk-off backdrop, the Fund performed well in November driven by several factors, including a partial credit hedge, maintenance of a very modest equity sensitivity and good security selection. No investment category detracted materially from performance during the month. The Fund performed moderately in December given a volatile backdrop.

## Market Outlook

As mentioned above, with few mega-cap names, the convertible asset class lacked a source of the support enjoyed by the broader equity market this year. We note that in recent times, when headline indices were advancing contemporaneously with such narrow breadth (such as March 2020 and December 2019, the latter during fears over a premature tightening cycle from the Fed which has a similar ring to today's backdrop), these smaller stocks rebounded strongly in the months following months. While we remain cautious on the outlook as discussed below, we believe that, coupled with an asymmetric exposure to their underlying securities this backdrop, offers some comfort that the convertible universe will provide a solid risk/reward ratio in the months ahead.

While we are generally constructive, we are also cognisant that there are risks. These include credit spreads that remain historically tight, interest rates that could rise, a further rotation away from longer-duration growth equities and the potential that risk assets in general are late cycle and supported by a declining amount of supra-normal liquidity. However, these are risks investors in general must address, not just those in the convertibles market.

Convertibles have historically been well placed to address each of these, as their low duration protects against interest rates and credit spreads and their bond floors provide late-cycle protection and defensiveness. Also, the breadth of the opportunity set noted above provides convertible investors with more ability to navigate equity market rotations than they have ever had – and arguably more than the mega-cap-centric equity indices provide.

Consequently, despite the challenges of 2021, we believe the asset class remains well positioned to provide both fixed income and equity investors with superior risk-adjusted return potential than their native asset classes.

### Convertibles Team

Polar Capital LLP

January 2022



## Global Convertible Fund

### Fund Performance

The Polar Capital Global Convertible Fund returned -7.5% (Class I US Dollar Accumulation Shares) in 2021, taking its return since inception to 61.0% (Class I US Dollar Accumulation Shares). In comparison, the Refintiv Global Focus Convertible Bond Index returned -3.8% and 49.3% (both in dollar terms) for the same periods respectively.

### Market Review

We believe 2021 can be reviewed in the context of the following five events:

1. Stimulus levels and policy in the US
2. COVID-19 cases, variants and restrictions
3. Inflation levels, expectations and the need of the central banks to tighten monetary policy
4. Strong corporate earnings growth
5. Global supply chain crisis

Despite starting the year in the face of political uncertainty in the US, the presidential inauguration and an eventual Democrat Congressional majority led to agreement on further fiscal stimulus. Given the positive development along with a rollout of vaccines by the middle of the first quarter, value names, particularly smaller-cap recovery beneficiaries, were once again leading risk assets higher. The positive macro-outlook also tightened credit spreads.

On the flip side, with elevated personal disposable income and savings levels in the US, another round of fiscal stimulus led to higher inflation expectations and contributed to a further steepening in the US yield curve to levels not seen since 2017. In fact, Q1 finished with the 10-year treasury bonds suffering their worst quarterly performance since 1980, when interest rates were raised significantly in the US to fight double-digit levels of inflation. Elevated inflation levels were supported by bottlenecks at multiple levels of the supply chain, stemming from a paucity of raw materials, port congestion and difficulty finding labour supply, the latter likely being a result of the generous benefits-related component of financial stimulus.

At the same time, central bank sentiment shifted as US policymakers opened the discussion about an eventual reduction of the bank's \$120bn-a-month bond purchases, with 190 US companies citing inflation on their first quarter earnings, the highest number in at least 10 years, according to FactSet.

Rising real yields and the strong main street rebound continued to prove challenging for long-duration, high-growth companies while supporting more cyclical equities through Q1 and the first two months of Q2 (Russell 2000 Value: +26.7% (in dollar terms); Russell 2000 Growth: 3.9% (in dollar terms) through May).

However, in the final month of the first half of the year, the Fed decided to re-emphasise its willingness to let inflation run hot before taking action this helped yields revert back to where we were in February with the 10-year US treasury yield back to 1.47% from a peak of 1.74% and the 2s/10s curve 36bps flatter than at its steepest point, reached at the end of Q1. On the back of this reversion in yields, equities started to see a pullback in value versus growth.

The second half faced a backdrop of resurging COVID-19 cases, softening economic data, ongoing cost pressures and lower leverage levels among market participants. Yet, in August, markets generally moved higher over the month driven by strong Q2 earnings. Per the Financial Times, European companies reported aggregate second quarter net income growth of 249% year-on-year while the percentage of European companies beating analysts' estimates hit a five-year high.

At the 26–28 August Jackson Hole meeting, Fed officials leaned towards reigning in US monetary stimulus in the form of tapering the bank's crisis-era \$120bn-per-month asset purchase program, while keeping the effort to taper bond buying decidedly separate from potential future increases to US interest rates.

Supply chain constraints only worsened with complications remaining for many in sourcing enough key materials, such as semiconductor devices, as well as sourcing the necessary human capital to process demand. With the possibility of prolonged higher inflation, major central banks tilted towards a more hawkish monetary policy stance and a slowdown in growth during September. Labour, supply and inflation conditions continued into October, as companies such as McDonald's commented on the need for a 15% increase in employee wages, as well as the need to pass some of these costs to consumers. Additionally, Ford and Apple both commented on semiconductor chip shortages hampering their respective ability to meet demand, with the former expecting the current environment to last well into 2023. These supply-chain disruptions and labour difficulties, as well as further increases in the prices of various important commodities (copper: +9.7%; crude oil: +11.4%; platinum: +5.7%; S&P Agricultural Index (SPCGAG): +3.8%) led to expectations of inflation remaining at more elevated levels for longer, as seen in US treasury 5yr breakeven rates (+40bp to 2.9%). Nevertheless, while yields increased and credit spreads widened modestly, equity markets largely shrugged off these fears in October, with many indices retracing to near record levels (S&P 500: +6.9% (in dollar terms); Eurostoxx600: +4.6% (in euro terms); MSCI Emerging Market Index: +0.9% (in dollar terms)). We believe this was mainly due to a general sense of strong corporate earnings combined with a lowering of real rates, helping higher growth assets (Russell 2000 Growth Index: +8.4% (in dollar terms)).



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Financial markets recovered in December in the wake of early signs of relatively positive data pertaining to the virulence of the latest strain. This relief was also bolstered by news of ongoing strength both of consumers and corporates. A US personal consumption increase of 4.7% year on year for November came in higher than anticipated, while staff lay-offs remained low as highlighted by US jobless claims. According to data from Goldman Sachs, US financial conditions in December were near the most accommodative on record.

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## Fund Activity

After the exceptional strength of 2020, 2021 was a much more challenging year for convertibles, with many of the tailwinds from 2020 turning into headwinds in 2021. Convertibles are often used by mid-cap companies transitioning from equity-financing to straight debt-financing. Although there are some mega-cap names, these are under-represented.

The Fund began the year by taking profits on the reopening names which had generated strong outperformance in the second half of 2020. With fiscal and monetary policies both being simultaneously expansionary in the most marked fashion since the 1970s, we harboured concerns that there could be near-term inflationary spikes.

As a result, we rotated from our reopening trades of 2020 into names that should be more direct beneficiaries of inflation, such as miners, materials and industrial companies, while maintaining an underweight in growth. However, absent the overweight in materials and the underweight in IT, the Fund generally maintained a neutral exposure both by geography and sector. With market volatility and dispersion increasing, and given the multitude of crosscurrents, we believed it unwise to run significant macro or factor exposures. In general, this view was borne out even if our single-stock performance has been disappointing. With some cyclical equities trading above their pre-COVID-19 levels, this created an unfavourable risk/reward relative to that of our preferred defensive growth investments, whose convertibles and underlying equities traded at more attractive valuations in the first half of the year.

The Fund generated positive returns in August, with all regions contributing. Moreover, returns were broad-based, with no sector or individual position contributing an outsized profit. Additionally, the Fund did not hold any Chinese ADR-linked convertible positions at month end as, although many of these names had fallen precipitously in earlier months, we felt the risk-to-reward remained sub-optimal in many cases.

While convertible bonds were moderately pressured by rising credit spreads and interest rates as well as declining equity markets, the convertible universe in general fared well given a lower sensitivity to equity markets in September, helped by more balanced recent new convertible issuance (source: BAML).

In October, the Fund benefitted from the broader moves in equity markets, with IT (duration), materials (inflation beneficiaries) and financials contributing most to performance.

The convertible asset class was similarly influenced by the previously mentioned themes in November, with higher-beta names underperforming lower-risk assets. With the Federal Reserve signalling a faster pace of monetary policy tightening, coupled with elevated valuations, we lowered the overall equity sensitivity of the Fund in November. This proved beneficial when news of the emergence of the Omicron variant spread through markets. In addition, we also reduced our technology exposure and slightly increased our exposure to the utility sector to further reduce the risk profile of the Fund.

Amid easing fears of the new Omicron variant, the Fund performed well in December. Performance was strong in the industrial sector as cyclicals outperformed.



## Investment Manager's Report *continued*

For the financial year ended 31 December 2021

### Global Convertible Fund *continued*

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#### Market Outlook

As mentioned above, with few mega-cap names, the convertible asset class lacked a source of the support enjoyed by the broader equity market this year. We note that in recent times, when headline indices were advancing contemporaneously with such narrow breadth (such as March 2020 and December 2019, the latter during fears over a premature tightening cycle from the Fed which has a similar ring to today's backdrop), these smaller stocks rebounded strongly in the months following months. While we remain cautious on the outlook as discussed below, we believe that, this backdrop coupled with an asymmetric exposure to their underlying securities, offers some comfort that the convertible universe will provide a solid risk/reward ratio in the months ahead.

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Consequently, despite the challenges of 2021, we believe the asset class remains well positioned to provide both fixed income and equity investors with superior risk-adjusted return potential than their native asset classes.

#### Convertibles Team

Polar Capital LLP

January 2022



## Global Insurance Fund

### Fund Performance

For 2021, the Fund returned 15.7% (Class R GBP Accumulation Shares) versus 19.0% for the MSCI World Insurance Index benchmark, 22.9% for the MSCI World Index (both net total return in GBP terms), 18.3% for the FTSE All Share Index and 29.8% for the S&P 500 Index (both total return in GBP terms).

Fund Performance was largely driven by our estimate of book-value growth in 2021 with only a modest increase in price-to-book valuations despite the material improvement in underwriting conditions and strong equity market performance. Sentiment to non-life insurance has not been helped by another year of elevated catastrophe losses, discussed further below, and market rotation. The latter helped life insurer stock prices accelerate their recovery from post-COVID-19 lows which impacted the Fund's relative performance over the year. Non-life insurance is typically neglected in favour of the banks and life companies as bond yields move higher. However, rising bond yields and inflation expectations are a positive for our companies given their focus on annual policies with short-duration liabilities and this adds further upward momentum to already rising earnings estimates. Given our companies' 2.5x investment leverage to shareholders' equity, the recent rise in short-term bond yields should translate into a meaningful 1% increase in our prospective book-value growth.

We entered 2021 expecting book values to grow by double digits for the year with better underwriting margins offsetting modestly lower investment returns. While we will not know the outcome for 2021 until the year-end results are published our expectation is that our companies grew book values by c-3% in the fourth quarter making -11% for the full year and achieving our 10%+ expectation at the start of 2021. Catastrophe frequency was marginally above 'normal' expectations and the average of the past 10 years, although our prudent catastrophe weighting meant the portfolio was not materially impacted. The Fund was up -16% in 2021 with FX contributing a marginal c1%. We estimate the 15% constant FX return comprises 11% book-value growth with a further 4% from rising price-to-book valuations. Multiple expansion for our companies in the aggregate lagged what we saw for the US industry overall. The Dowling & Partners industry price-to-book multiple increased from 132% to 145% during 2021 but still ended the year below the pre-pandemic levels of 150%.

In the end, what drives long-term Fund Performance is our companies' ability to compound book value per share and dividends at an attractive rate over time. Over the 23 years of the Fund, we estimate this metric has compounded at close to 11% per annum which is almost identical to the Fund Performance over the same period. Constructing a 30–35 stock diversified portfolio focused on specialty underwriters that can deliver double-digit book value per share growth over time remains core to our investment process.

### Market Review

Given recent experience, perhaps it is not surprising that each passing year feels like it again breaks climate-related records, and that we see the world suffering a barrage of ever more unusual weather events. 2021 sadly was another active year with Swiss Re's preliminary estimate for global insured natural catastrophe losses standing at \$105bn (excluding the December events such as the US tornadoes which will likely add another \$3–5bn to this total). 2021 was the fourth year of \$100bn+ insured losses in the past 20 and exceeded our normalised \$85–90bn expected level. Losses were led by Hurricane Ida (\$30–32bn), the Texas Winter Storm Uri (\$15bn) and the July European flooding losses (\$13bn). Managing and insuring risk is becoming more and more complex given rising climate change volatility, a proliferation of cyber threats, increasing jury verdicts and social inflation. In a world of relentlessly increasing risk, the value the insurance industry provides has never been greater. Risk globally continues to be re-evaluated and repriced, providing excellent underwriting and growth opportunities for our companies.

The strong underwriting market conditions are well illustrated by the quarterly Global Insurance Market Index published by insurance broker Marsh. In 2019, rate rises progressively rose from 3% in 1Q19 ending 2019 at 11%. Pricing accelerated throughout 2020 with 14% in 1Q20 rising to 22% by 4Q20 which was the greatest increase since the survey begun. In 2021, rates rose again in the mid/high-teens resulting in a third year of rate-on-rate increases. For the three years to 3Q21, the compounded rate rise has been a significant 49% which we believe is materially ahead of loss cost inflation. This has led to improving underwriting margins since mid-2020. Insurance is a lagged industry and the profits being reported today mostly reflect the underwriting environment of 12–18 months ago. Given the extent of premium rate rises we have seen the best is still to come with regards to underwriting margins for our portfolio companies.

Rob Berkley, CEO of WR Berkley, nicely summarised the current market opportunity on Berkley's 3Q21 earnings call: 'It's just a good moment for the P&C space, quite frankly, ex-most of the workers comp market, which continues to feel a bit of a growing headwind. Obviously, property felt some pain in the quarter, but just general market conditions are reasonably attractive, and we don't see that trend changing. More specifically, it is a good moment for specialty writers, particularly casualty-related specialty writers and even more so the E&S [Excess & Surplus Lines] market. We continue to see a growing flow of opportunities both in specialty and even more so in E&S, and there is nothing that leads us to believe that that tide is going to reverse anytime soon, so that's definitely encouraging.'

## Investment Manager's Report *continued*

For the financial year ended 31 December 2021

### Global Insurance Fund *continued*

#### Market Review *continued*

Against this backdrop we also expect to see improved reinsurance pricing as 2022 develops which will further support the already strong rating environment we see in commercial insurance. This is also discussed further below.

In recent years, we have seen a huge shift in public company disclosures given the growth in ESG investing, supplemented by new disclosure frameworks like the Taskforce on Climate-related Financial Disclosures (TCFD). The UK is on track to become the first G20 country to make TCFD mandatory for Britain's largest companies with rules coming into force from April 2022 and we hope other countries will quickly follow suit. Importantly, as we saw at COP26, the emphasis is moving beyond purely climate change to something more holistic where other considerations such as biodiversity are given their due recognition. The risks that many companies are now publicly disclosing have mostly always been there but encouragingly we see a renewed effort by company managements to demonstrate they are appropriately managing risks that have been highlighted to stakeholders. The good news for the sector is that insurance is one of the key tools in managing risk and volatility and therefore rising disclosures alongside ongoing regulatory change will likely act as a tailwind for insurance demand for many years to come. Helping communities build resilience is a core competency of the insurance industry and it has a critical role to play in this effort.

In May, we published our inaugural dedicated ESG and Sustainability presentation. This brought together and expanded on many of the themes we have discussed in our factsheets, presentations and webcasts including topics such as climate change, biodiversity and nature-based solutions. We addressed the role of the insurance industry within an ESG context and described the key role both the Fund and the industry are playing, now and in the future, as part of the transition to a greener and more sustainable world: "The Fund's proprietary ESG scoring methodology and context on how we assess the impact of individual companies through the lenses of the UN's Sustainable Development Goals (SDGs) is provided in more detail in the Fund's prospectus, website and annual report SFDR disclosures pursuant to Article 8 of the SFDR. The mapping of the Fund's underlying underwriting exposures to the SDGs forms the basis of these disclosures under the SFDR."

We believe the non-life insurance sector is currently underappreciated within most ESG and sustainability-led portfolios. However, we are somewhat encouraged by the ongoing improvement in how third-party ESG rating companies are assessing the industry, but it will take time. The Fund is A-rated by MSCI with strong positive momentum as our companies continue to improve their broader ESG approach and disclosures which complement their strong governance.

#### Fund Activity

The Fund continues to have a low turnover and we did not change our overall positioning materially during the period. One new holding was initiated in Ryan Specialty Group Holdings, a wholesale insurance broker that listed in the US in July. No positions were fully sold.

#### Market Outlook

In December 2020, we revised our prospective book-value growth assumption back to 10%+ having marginally lowered it at the onset of COVID-19. Our current expectations are that industry COVID-19 losses will come below the lower end of our initial \$60–70bn base case estimate (2% industry capital) given in April 2020. Many companies have yet to recognise the lower claims experience in 2020 in their financial results which will likely see material favourable reserve development benefiting future earnings. The vast majority of COVID-19 underwriting losses were borne in the 2020 financial results with very little impact in 2021. Elevated COVID-19 deaths will continue to impact RGA, the Fund's life reinsurer (2.6% holding) but we would not expect any material underwriting impacts from Omicron, nor any other variant, on our non-life companies. Industry losses to COVID-19 in 2020 were led by event cancellation and business interruption within commercial property policies. The latter was specific to certain geographies such as the UK and policy language has since been tightened up where necessary with exposure having now largely run off the books.

In recent years, a growing proportion of catastrophe reinsurance risk has been borne by the broader capital markets, rather than by traditional reinsurers through Insurance Linked Securities (ILS) such as catastrophe bonds and other reinsurance capital structures. However, following the elevated catastrophe losses since 2017, the appetite for catastrophe risk from these capital providers, as well as a growing number of traditional reinsurers, is declining. At the same time demand for catastrophe reinsurance is rising and consequently premium rates are moving higher.

Around 50–60% of property catastrophe business is placed at the 1 January renewal with a bias to European and global accounts, given Japanese risk largely renews 1 April and US domestic accounts at the mid-year ahead of the Atlantic hurricane season. Early market commentary has suggested that the 1 January 2022 renewal was 'very late' with some reinsurance buyers struggling to buy the catastrophe protection they wanted. Deployable ILS capital (excluding catastrophe bonds) is thought to be down 20–25% from the previous year, adding to the upwards pressure on catastrophe pricing, particularly for retrocession. 'Retro' is the reinsurance bought by reinsurers and is a market that is majority supported by ILS capital.



Overall, we believe property catastrophe pricing rose by low double digits depending on geography. Guy Carpenter, the reinsurance broking subsidiary of Marsh McLennan, announced its Global Property Catastrophe Rate-on-Line Index rose by 10.8% for the 1 January renewals. Several commentators suggested that retro saw rate rises of 15%+. We expect catastrophe reinsurance pricing to continue to harden as we move through 2022 particularly towards the mid-year with the US renewals. This will add even more pricing discipline to the already strong primary insurance market condition.

Although catastrophe reinsurance rates are now 30% above 2017 levels, we are maintaining our current prudent low level of catastrophe exposure, given the heightened level of activity in recent years and the excellent underwriting margins we expect in many non-catastrophe classes of business. The economics of non-catastrophe-related reinsurance follows insurance market profitability which is strong and continues to improve. We expect catastrophe reinsurance pricing to continue to harden as we move through 2022 particularly towards the mid-year with the US renewals. This will add even more pricing discipline to the already strong primary insurance market conditions.

The US industry price to book is currently around 145% still below the pre-pandemic levels of 150%, despite the increasing earnings power of our companies. Historically, the weighted average price to book for the Fund's companies (excluding brokers) has been at a meaningful premium to industry averages, which is what you would expect given the quality bias of the portfolio to best-in-class underwriters. However, that historic premium has disappeared, and the Fund now trades in line with the US average and at a modest discount to the benchmark price-to-book multiple.

We believe our quality companies remain on sale and it is no surprise to have seen significant share buybacks in 2021. Chubb, Arch Capital, RenaissanceRe Holdings and Fairfax Financial Holdings all repurchased 5%+ of their outstanding shares during the year and Berkshire Hathaway and Travelers could join this list depending on their 4Q21 activity. With earnings power rising, balance sheets in great shape and valuations attractive, we believe material buyback activity will continue benefiting future financial results.

We expect our companies to report double digit book-value growth in the aggregate for the foreseeable future. It is looking increasingly likely that earnings power will be further increased by rising short-term bond yields as markets react to growing inflationary pressures. The four key building blocks of book-value growth – namely underwriting leverage, underwriting margin, investment income return and investment leverage – are all moving favourably higher. Insider buying, M&A and robust share repurchase activity suggest the non-life insurance sector remains on sale. The growing disconnect between fundamentals and valuations is why we believe the Fund is very well placed to deliver good returns in 2022 and beyond.

### Financials Team

Polar Capital LLP

January 2022

## Investment Manager's Report *continued*

For the financial year ended 31 December 2021

### Global Technology Fund

#### Fund Performance

The Fund's NAV increased 10.1% (Class I US Dollar Distribution Shares) during 2021, a solid absolute return, but notably lagging behind its benchmark, the Dow Jones Global Technology Net Total Return Index, which returned 26.9% (all returns in dollar terms, unless otherwise stated). Relative underperformance was driven by multiple headwinds, which we discuss below, many of which we expect will subside in 2022, hopefully allowing stock selection and fundamentals to play a greater role in Fund returns this year.

Large caps materially outperformed, the Russell 1000 Technology Index returning +37.2%, while the small-cap Russell 2000 Technology Index returned +14.2%. The Fund is structurally underweight mega-caps and, as such, their strength was a meaningful headwind to relative performance (despite our use of out of the money (OTM) call options to reduce our underweight positions at various points during the year) with Apple (+35%), Microsoft (+53%), Alphabet (+65%) and Facebook (+23%) representing around 39% of our benchmark. Our more global approach, especially relative to peers, also proved deleterious with the Dow Jones Technology (ex US) W2TEC Index returning only 1.8%.

However, the most significant headwind to both absolute and relative returns during 2021 was a reversal in many of the trends that powered the Fund in 2020, when many of its existing core themes benefited from work from home (WFH) and other related behaviour changes. What were tailwinds leading to multiple expansion in 2020 became headwinds and multiple compression in 2021. In that context, we prefer to look at underlying returns over the entire pandemic period, which have lagged the benchmark a little but remained robust, largely due to the strong underlying growth of our holdings which persisted more evenly during both years.

A good example of this was the reversal in investor sentiment around small and mid-cap growth companies, outside a small group of the highest growth companies trading at very elevated valuations: Russell 3000 constituents with high sales growth but low margins saw EV/sales multiples compress from 16x EV/FY2E sales in February to just 8x by the end of the calendar year. Another example was the full-year performance of next-generation technology stocks, especially the unprofitable stocks and concentrated funds investing aggressively in these areas, many of which ended the year in substantially negative territory.

While our holdings largely delivered robust results ahead of expectations, there were pockets of disappointment and slowing growth against difficult growth comparisons for e-commerce/ payments and other direct WFH beneficiaries such as Peloton\* and Zoom, where we very recently reinitiated a position. Some of these stocks are now back at pre-pandemic levels with much greater levels of sales. In addition, we encountered a few stock-specific execution issues at holdings such as Everbridge, Zendesk and Zillow\*.

Payments and fintech companies also came under sustained pressure as the benefits of elevated e-commerce activity and support from government stimulus measures rolled off and concerns mounted about the perceived increased threat of disruption from new payment modalities, including account to account payments, BNPL (buy now/ pay later) and cryptocurrencies. Fortunately, we have limited exposure here due to these and other potential risks.

However, our concerns about high-growth valuations and exuberance in certain areas – recently borne out by market weakness – proved premature. As such, our decision to hold cash and deep OTM NDX put options reduced the beta of the Fund in a rising market and dragged on returns. That said, cash and our NDX puts should not be viewed in isolation because by ameliorating downside risk during market setbacks (as per 1Q20 and 4Q18), they positively influence stock selection and embolden overall portfolio construction. This has benefitted the Fund relative to growth-centric peers which have proven even more volatile recently (December 2021 and early 2022).

For the full year, the top contributors to relative performance were Alibaba\* (u/w), Advanced Micro Devices (AMD), Marvell Technology, Applied Materials and E Ink Holdings. The biggest detractors to relative performance during the year were our cash holdings and NDX index puts, Microsoft (u/w), Everbridge, Zendesk and Peloton\*.

#### Market Review

2021 began with a contested US presidential election and the storming of the Capitol Building, surging COVID-19 infections and uncertainty around the efficacy and uptake of vaccines. Two major new COVID-19 variants, supply-chain dislocations, commodity shortages, the Taliban reconquest of Afghanistan, persistently high inflation and the onset of global central bank tightening could not, however, curtail equity market returns. If the previous year owed everything to policymakers and unprecedented stimulus, 2021 belongs to science. It is now two years since COVID-19 began to reshape the world we live in, and after a tragic first 18 months, there was clear light emerging at the end of the tunnel in 2021, with spectacular medical vaccine and anti-viral innovations aiding this process. World governments have managed to distribute the vaccine to nearly 5 billion people and the Commonwealth Fund estimates this has saved 1.1 million lives in the US alone.

Equity markets reached new highs by mid-February, driven by the prospect of an economic recovery, progress on vaccine rollouts and optimism around further US fiscal stimulus following Democratic victories in the Georgia runoffs. Economic activity indicators pointed to a robust expansion and the successful passage of President Biden's \$1.9trn COVID-19 Relief bill, strong jobs data and the early success of vaccine rollouts supported expectations for a rapid economic recovery.

\* not held



The speed of the macroeconomic demand recovery pushed the global economy into outright shortages across components, commodities and labour. Supply chains remained tight following lengthy lockdowns, and labour shortages were exacerbated by the continued US stimulus programs in the first quarter and the extension of enhanced unemployment benefits through September.

A pick-up in inflation had been anticipated by the market in response to the reopening and shortages of raw materials, intermediate inputs and labour, but the extent of the surge in CPI inflation in April and May surprised to the upside. A 5% year-over-year increase for May was an acceleration from the already elevated 4.2% in the previous month and represented the fastest growth since August 2008. The core personal consumption expenditure (PCE) price index – the Fed's preferred inflation gauge – was up 3.6% y/y in April, the highest level since 1992. Commodity prices continued to surge and copper prices reached their highest level in a decade.

Financial markets focused on the degree to which inflation was transitory, with the Federal Reserve (Fed) maintaining that 'above-average' inflation is both transitory and somewhat welcome, having spent the post-global financial crisis period fighting deflationary impulses. This consistent dovish message from the Fed, repeated by the ECB, combined with keeping asset purchases steady at \$120bn per month allowed equity markets to shrug off concerns about inflation, forcing the central banks to tighten policy ahead of schedule. That said, a slightly more hawkish June FOMC saw the so-called 'dot plot' imply two hikes in 2023 from zero in March and October. Fed Chair Jerome Powell indicated the Fed could begin scaling back asset purchases (tapering) as soon as November and complete the process by mid-2022. As inflation readings remained elevated (October CPI +6.2% y/y, November +6.8% – the fastest pace since 1982), the US five-year breakeven reached 3% during November – for the first time based on data going back to 2002 – and the yield curve flattened materially due to a move higher in two-year rates as investors become more concerned about tighter Fed policies. Powell was re-nominated as Fed chair and the tone turned more hawkish still, with Powell stressing it was time to 'retire' the word 'transitory' and the December FOMC meeting saw the announcement of a doubling in the pace of tapering from \$15bn to \$30bn per month, which indicates the Fed will stop adding to its balance sheet by March 2022. The median dot plot now suggests three rate hikes in 2022.

Late November also saw South Africa begin to report surging cases of the new Omicron variant. The pace with which the virus has engulfed the world, becoming the dominant strain in many countries due to its high transmissibility, is mind-blowing. During the three previous COVID-19 waves, peak new cases were between 700–900 thousand; in early January, new cases were reported to be 2.5 million daily, with the US alone exceeding one million.

The combination of an apparently less deadly variant and greater immunity (natural or via vaccines) may have broken the link between infection and death. However, the sheer volume of cases and the ability of Omicron to at least partially evade prior immunity threatens significant worldwide disruption. Initially this caused panic, leading the US 10-year Treasury to fall to 1.34% while the VIX Index (an option-implied measure of market volatility) exceeded 30. Since then, a more optimistic view has emerged with this 'weaker' variant the potential bridge between pandemic and endemic phases. This led equity markets to fully recover into year-end. Commodity markets also rebounded strongly, and oil prices came close to recovering all their earlier losses, with WTI Oil gaining 14.2%. The US 10-year Treasury yield also recovered sharply, ending the year around 1.5% and surging towards a post-pandemic peak of 1.7% during the first week of 2022.

2021 was another strong year for risk asset returns reflecting successful vaccine rollouts, a still-supportive fiscal and monetary policy backdrop, strong corporate earnings and record equity inflows. US returns (S&P 500 +29%) once again drove global returns (MSCI ACWI +19%), eclipsing those achieved in Europe (Eurostoxx 600 +17%) and offsetting Japanese (TOPIX +1%), Asian (MSCI Asian ex-Japan: -5%) and emerging market (MSCI EM: -2%) weakness.

The S&P 500's 29% total return was delivered with below-average volatility (largest peak-to-trough drawdown just -5%), and was composed of 33% growth in earnings and 1.8% in dividend income, offset by a 7% compression in its P/E multiple. The market also saw a decline in breadth as the five largest S&P 500 stocks at the start of the year returned 37% and accounted for almost a third of the Index's total return. Large-cap stocks outperformed small caps, the Russell 1000 Index (large-cap) returning 26% against the Russell 2000 Index's (small-cap) 15%. There was particular weakness in small-cap growth stocks (Russell 2000 Growth Index), returning just 3% after a strong start to the year. Strong index-level returns belied material volatility under the surface with 92% of S&P 500 companies and 89% of NASDAQ companies experiencing greater than 10% corrections from year-to-date (YTD) highs, while the average company drawdown from YTD highs was -18% for the S&P and -40% for the NASDAQ. US performance also benefitted from dollar strength, the trade-weighted dollar basket gaining 6% during the year. The weakness in Asian stocks reflected the region's struggle with the Delta variant, low vaccination rates, soaring energy prices and a deluge of regulatory changes and market unfriendly developments in China that took their toll on investor sentiment and stock prices alike.

Equity inflows were extraordinarily robust at \$1trn, exceeding the combined total of the past 19 years. Corporate buyback authorisations also passed \$1trn. Equity issuance was a record, with more than \$530bn of total issuance (\$146bn of which was special purchase acquisition companies or SPACs), as companies looked to take advantage of seemingly insatiable investor demand.

## Global Technology Fund continued

### Technology review

The technology sector posted another strong year in 2021, after a phenomenal 2020, the Dow Jones Global Technology Index gaining +26.9% supported by strong underlying growth in revenue and earnings. Having been at the heart of the response to the COVID-19 pandemic, the sector performed in line with the broader market during the reopening phase, against the MSCI All Company World Index's +19% and the S&P 500's +29%. Larger technology companies (Russell 1000 Technology Index) returned +37%, significantly ahead of the smaller technology companies' (Russell 2000 Technology Index) +14% return, led by strong performance from Microsoft (+52%), Alphabet (+65%), Apple (+35%) and NVIDIA (+125%). The technology sector contributed one third of the S&P 500's 29% total return in 2021, and the sector made up 29% of the index by year-end while contributing 22% of total index earnings. This remains in stark contrast with the dot.com bubble years when the sector accounted for 33% of market cap and just 14% of earnings.

Strong headline returns led by the largest companies belied bifurcated subsector returns. Semiconductors were the strongest performing subsector, the Philadelphia Semiconductor Index (SOX) returning 43% as strong demand from cloud data centre capex and economic reopening met constrained supply, despite earlier concerns about double ordering and the durability of the cycle. The semiconductor industry is estimated to have grown +26% (per SIA billings data) during 2021 and is on course to reach \$1trn over the next five years as semiconductor spending as a percentage of GDP and economic profitability continues to trend higher. Memory stocks were lacklustre for most of the year, with Hynix\*, Micron and Samsung tracking the DRAM spot price lower, but recovered in Q4 on hopes the cycle had bottomed, metaverse excitement and an expected increase in the ratio of memory-to-compute with increasing core counts, memory channels and DDR5 coming in.

Strong growth at the hyperscale companies led to continued strength in cloud data centre capex benefitting AMD (+57%) and NVIDIA (+125%). Both were also perceived to be winners from the emergence of the metaverse as an investment theme. In contrast, Intel\* (+6%) underperformed as it continued to lose market share while a more detailed plan to turn the business around made the enormity of the task all too apparent. Semiconductor capital equipment stocks performed particularly well as the industry continued to invest in technology to combat Moore's Stress, add capacity and build out domestic manufacturing to reduce reliance on Taiwan. In June, the US Senate passed the \$250bn US Innovation and Competition Act to provide subsidies for domestic manufacturing. The WFE market is expected to have grown 40% in 2021 to near \$90bn, three times the historical annual run rate and up from c\$33bn in 2015.

While most of the automotive industry struggled with the global chip shortages, Tesla (+50%) enjoyed a stellar period, delivering a record number of vehicles – and record margins – in Q3 and Q4 against a supportive backdrop for electric vehicles. Apple (+35%) struggled early in the year with chip shortages, blaming 'larger than expected supply constraints' for a c\$6bn headwind when the company missed revenue expectations in Q3 despite growing sales 29% y/y in the quarter. Still, the stock recovered strongly in Q4 (+26%) as investors moved into large, liquid, profitable, ESG-friendly names as higher growth/less profitable technology companies sold off aggressively. Despite its focus on app stores, the US regulatory backdrop remained relatively benign during the period, with the Federal Trade Commission suffering a small setback in its case against Facebook. Unfortunately, the same was not true in China where a regulatory crackdown has been both unexpected and unwelcome. President Xi's bid for a third term by adopting a populist agenda saw wealthy elites and technology billionaires targeted under the guise of 'common prosperity'.

Software returns were reasonable in absolute terms (IGV: +12%) but lagged other sectors and trailed the S&P 500 for the first time in five years due to valuation compression during the second half of the year. For the full year, software underperformed the S&P 500 by 15% in 2021, having outperformed by 36% during 2020 – its best relative performance in two decades. Multiples compressed by 10% in 2021 having expanded by 80% in 2020 and 37% in 2019. Sector underperformance was most acute into year-end (continuing into 2022) as concerns about a more hawkish Fed put downward pressure on historically elevated software valuations. Returns were led by Microsoft (+53%) and a narrower group of next-generation winners, especially high growth companies tied to the ongoing adoption of public cloud.

Internet returns were weak as the NASDAQ Internet Index returned -5% during the year. Having been well positioned during lockdown, the internet sector was challenged by reopening dynamics which initially impacted engagement trends. Pinterest had exploded into relevance during 2020 but in 2Q21, the company announced that its US monthly active user (MAU) had declined 7% y/y amid reopening, and it declined to offer Q3 MAU guidance due to their lack of visibility. In hindsight, Pinterest was the proverbial canary in the coalmine, but at the time most of its peers continued to deliver strong growth. However, many of the key e-commerce and payment-related stocks such as Amazon (+2%) and PayPal (-19%) saw their stock prices peak in the summer and trail into year-end. Third-quarter earnings season once again saw Amazon's retail results fall short of consensus with weaker trends (exacerbated by several billion dollars of additional costs due to labour shortages and supply-chain issues). PayPal missed lowered expectations on greater eBay\* headwinds and weaker back to school spending and took down guidance for Q4 and 2022. Even Shopify\*, who were certain in June that they saw 'no slowdown whatsoever', missed revenue forecasts for the first time in at least five years.

\* not held



Online advertising stocks initially performed significantly better than e-commerce, led by Alphabet (+65%) as any drag from e-commerce normalisation was lost in easier comparisons, the rebounding travel vertical (said to represent 10–15% of Google's revenue pre-pandemic) and the broader ad spend recovery with the advertising market forecast at \$669bn this year, representing 11.2% y/y and \$40bn ahead of pre-pandemic levels. However, privacy changes made by Apple to its Identifier for Advertisers (IDFA) – intended to give users the options of not sharing their personal data – created a new challenge to user targeting and ROI measurement. Meta Platforms (Facebook) had previously warned about the risk posed by the removal of personalised ads which materialised in Q3 when Snap (-6%) results and guidance missed on larger than expected headwinds from Apple's IDFA changes as well as weaker ad demand from some of its customers due to supply-chain disruption and cost inflation. Facebook themselves also underestimated the IDFA impact with Q3 advertising revenue 'only' growing 32% y/y in constant currency (cc) during the quarter. However, this disappointment was overshadowed by capex guidance for 2022 which at \$29–34bn is higher than TSMC, reflecting Meta's confidence in future growth and push into the metaverse.

While some would dismiss this as an over-hyped extension of multi-player gaming (and right now, perhaps be correct), we are optimistic about the metaverse opportunity longer term due to its huge disruptive potential which, along with AI, is huge. Following its recent earnings, Facebook rebranded itself Meta Platforms to reflect its growing focus on this area with existing brands (Facebook, Instagram, WhatsApp etc) positioned under a parent company. We like the stock longer term, but remain cautious here (IDFA headwinds, regulatory risks and a multi-year AR/VR investment cycle) despite the undemanding headline valuation.

So, what is the metaverse? Facebook would call it 'the next evolution of social technology' more generally, though it is perceived as a collection of persistent online worlds where people interact via digital avatars. While that sounds futuristic, it is happening today in forms mostly within games platforms like Roblox (a holding) or Minecraft (owned by Microsoft, a holding). While it is early days, this is an exciting trend to which we believe investors will want some exposure to and we are already seeing other Fund holdings, such as NVIDIA, Advanced Micro Devices, Arista Networks, Adobe and many other management teams, talk much more about their involvement and the stocks are garnering greater attention as a result. Some see this as the next evolution of digital connectivity (ie what follows the screen-accessed internet), and a natural progression as the growth of our 'digital lives' outpaces the growth of our 'physical lives'. The global digital economy makes up around 17% of global GDP today, so there is ample room for further penetration.

## Fund Activity

We entered the year positioned in a more balanced way across our eight core themes, reflecting our desire to position for a strong economic rebound (adding more pro-cyclical growth exposure) and tempering our exposure to some of the high growth/highest multiple names for a strong economic recovery (characterised by rising bond yields), anticipating that robust fundamentals for our sector (strong revenue growth) may be partially offset by some multiple compression. As our confidence in the recovery grew, we exited a number of stay/work-at-home beneficiaries such as Ocado, Just Eat Takeaway, TakeTwo and DoorDash while significantly reducing our position size in others facing tough year-on-year growth comparisons such as Amazon, Netflix, Activision Blizzard, HelloFresh and Zalando.

Following strong first quarter earnings results and company outlooks, we moved the portfolio to a more acute barbell shape. We witnessed muted share price reactions to many fundamentally strong technology earnings reports and as many as 75% of technology companies traded down post-earnings, the worst of all GICS sectors. We continued to add to cyclical stocks with secular tailwinds and strong balance sheets, including Marvell Technology, Seagate Technology and Western Digital, and started adding back modestly to ultra-high-growth names which have sold off indiscriminately despite strong results and company outlooks, including DocuSign, Twilio, ROBLOX and CrowdStrike.

While strong headline results and guidance was a common theme, some WFH and other pandemic winners gave disappointing user growth or engagement commentary with the economy reopening. We sold our positions in Netflix and Spotify and reduced Pinterest. As market breadth narrowed into the back half of the year there was a compression in software and other high-growth multiples which continued into 2022. Mega-cap stocks continued to hold up well, which was a headwind for relative performance. The semiconductor sector performed well based on still-strong demand and we added to our exposure here, ending the year as our largest sectoral overweight at +4.1% from +1.1% at the end of 2020. We reduced our internet and direct marketing retail (e-commerce) exposure versus our benchmark during the period to +1.7% from +3.8% at the start of the year, along with our relative data processing (payments) exposure to +0.6% from +3.9% as these segments struggled with tough comps. We remained underweight software during the year finishing at -4% from -4.1% at the start.

The shape of the portfolio narrowed somewhat during the year as we moved from 85 total positions at the end of 2020 to 70 at the end of 2021, and the top-10 holdings increased from 37.3% to 41.1% of the Fund over the same period.

## Investment Manager's Report *continued*

For the financial year ended 31 December 2021

### Global Technology Fund *continued*

#### Fund Activity *continued*

While we have increased our positions in some of the largest index constituents, these remain large underweights versus our benchmark. Incorporating our delta-adjusted call exposures in Apple, Microsoft and Alphabet, Microsoft has increased to 7.9% from 5.7% at the end of 2020 and Alphabet has increased to 8.3% from 4.6%. Our Apple weighting has reduced to 6.4% from 7% over the same period. Several names are no longer in our top-10 holdings, including Samsung which is now 1.8% (versus 3.9% at the end of 2020), Tencent 1% (2.5%), and PayPal now 0.4% (2%). These have been replaced by NVIDIA at 3.3% (versus 1.5% at the end of 2020), Marvell 2.4% (0%) and Seagate 2% (0%).

From a geographical perspective, our exposure has moved modestly away from Asia and Europe in favour of the US, reflecting the reduction in our Chinese internet exposure and increased weights in some of the largest US technology companies described above. The US accounts for 77.8% of the Fund (69.6% at end 2020), Asia Pacific 9.3% (13%), Europe 7.7% (9.4%), and Japan 3.4% (6.1%).

#### Market Outlook

Rapid vaccination/booster campaigns in developed countries appear for now to have broken the link between COVID-19 case numbers and hospitalizations and deaths. However, the Omicron variant has proved a sobering reminder of the inherent unpredictability of macroeconomic and market conditions, and a reminder of the need for a highly liquid and well-diversified portfolio.

The tensions between more macroeconomic growth, where we assume the fiscal impulse moderates and financial conditions tighten somewhat during the reopening, and perhaps easing inflationary fears – as supply further recovers, demand normalises – remain. A stronger economy will increase inflationary pressure and should, within reason, be positive for equities. Meanwhile, a slower recovery will reduce the likelihood of materially higher bond yields and could support growth/risk assets.

At the end of the year and early into 2022, high-growth software companies came under intense pressure, seeing multiple compression of >25% as a rapid rebound in the 10-year US Treasury yield back towards 2021 highs (1.7%) and a 'bear steepening' in the yield curve raised concerns about the tightening of financial conditions and the susceptibility of high multiple stocks to a reduction in the Fed's balance sheet.

While valuations for growth companies are normalising and the fundamental outlook for our sector remains encouraging, one large uncertainty remains – the impact of Omicron on countries such as China who continue to pursue a zero COVID-19 strategy. It feels like there is a limit to how long these countries can hold back the tidal wave of Omicron. Either way, continued headwinds to economic growth will remain either in the form of waves of tight restrictions or the impact of the virus itself. This also has potential to create further supply-chain disruption and market volatility if the situation becomes more acute.

Encouragingly, Goldman Sachs' Effective Lockdown Index (ELI) has indicated that new COVID-19 variants have seen policy responses and impacted mobility, but by less each time and the impact on GDP growth has become less pronounced. The fiscal impulse is waning in the US but remains supportive in Europe and potentially in China.

Labour market tightness has been widely reported given the 'Great Resignation' currently underway, and 4.5 million Americans quit their jobs in November, the highest in the two decades of tracking. Job openings remain near record levels. Attracting and retaining skilled staff has come up at many of our recent company meetings. Competition for talent has long been a feature of the technology landscape and runs all the way up to the largest companies. We expect many of our holdings to continue to be able to compete effectively in a tight labour market, and the wider shortages and wage inflation to act as a meaningful driver for the adoption of automation and artificial intelligence (AI) in every industry.

We remain constructive on the fundamental outlook for the technology sector and continue to expect the portfolio to deliver strong growth as the necessity of digital transformation continues to drive IT spending, cloud adoption and the increasing integration of AI into the world. Morgan Stanley's 3Q21 CIO survey indicated that 45% of CIOs expect IT spend to increase as a percentage of revenues in their organisations over the next three years (versus 5% who are expecting a decline). A December 2021 survey by McKinsey found 56% of respondents reported AI adoption in at least one corporate function and 27% reported at least 5% of EBIT attributable to AI. We also continue to believe the pandemic spurred even laggards to adopt the cloud and digitally transform in order to support vast numbers of remote workers and customers alike.

Structural drivers for the sector remain strong: annual software spending has expanded to 3% of US GDP from 2.25% in 2018; our conversations with many company management teams indicate a strong demand environment; and R&D as a percentage of US capex has reached 20% from a low to mid-teens level over the past 20 years, while software capex has reached a new high of 16.9% of total US capex from 10–11% pre-GFC and just 7% in the early 1990s.



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It is also worth noting from a long-term structural perspective that many of the most acute pressures in the economy and society today can be best alleviated, if not totally solved, by the application of more technology rather than less: labour shortages call for a higher degree of automation, online skills training, the ability to work from anywhere and deeper online labour markets; climate change requires creative and ambitious technological solutions, products and services delivered with greater energy efficiency and ever more data to understand the world we wish to preserve; an aging population requires remote health provision, personalised medicine and greater connectivity. This ties into the deeper integration of ESG into our investment process and the planned application for Article 8 status under the SFDR (Sustainable Finance Disclosure Regulation) in Q1 2022.

All these things will benefit from ongoing advances up and down the technological stack, but most significantly from the adoption and proliferation of AI. The pandemic has demonstrated the extraordinary power of innovative technology at scale, with everything from mRNA-based vaccines invented and deployed within a year to a cloud infrastructure and technology-supported economy that did not break down.

The Fed's recent more hawkish pivot has driven a sharp growth to value rotation that has little to do with technology fundamentals. We do not believe valuation excesses have fully unwound yet, but good progress has been made. Significant corrections in many stock prices are beginning to create more attractive investment opportunities. Fourth quarter earnings season is just getting under way and we expect solid results, albeit probably tempered by conservative guidance given the uncertainties. As we progress through earnings, as long as the tone from our meetings and calls with companies remains positive as we expect, we intend to use any further weakness to begin to move back to a more growth-centric and fully invested position.

### Technology Team

Polar Capital LLP

January 2022

## Healthcare Blue Chip Fund

### Fund Performance

The Fund returned 22.3% (Class I US Dollar Accumulation Shares) versus 17.5% for the MSCI AC World Daily Total Return Net Health Care Index (in dollar terms) during 2021.

Geographically, the biggest drivers of performance were Europe, Asia Pacific ex-Japan and Japan. Stock selection was key to driving the performance in Europe, whereas allocation was the key driver behind the Asia Pacific and Japan performance, with the Fund underweight versus the benchmark in both regions. The US and Canada detracted from performance with stock selection being the challenge. In terms of subsectors, life sciences tools and services, healthcare equipment, biotechnology and healthcare supplies were positive contributors, with stock selection the overwhelming driver. On the negative side, healthcare services and facilities were the biggest drags on performance, with selection the primary issue. On a market-cap basis, the large caps (>\$10bn) were the biggest contributors, although the mid-caps (>\$1bn to \$10bn) were also positive. Cash and 'others' detracted from performance during the reporting period. The Fund comprises a concentrated portfolio, with an active share of 73.5% and 34 positions at the end of 2021.

In terms of individual holdings, the most significant contributors to relative attribution were Biohaven Pharmaceutical Holding, Sartorius and Medtronic.

Biohaven Pharmaceutical Holding performed strongly thanks to approval by the FDA of its drug Nurtec ODT for migraine prevention. The approval was based on the results of a Phase III study that revealed Nurtec ODT reduced migraine days by 30% after just one week of every-other-day treatment. Further, after three months of treatment, approximately half the patients experienced at least a 50% reduction in moderate-to-severe migraine days. The company executed excellently after the approval, announcing impressive sets of revenues for Nurtec ODT during the second and third quarters of 2021, which boosted the already robust momentum of the shares.

Sartorius, a life sciences tools and services company which manufactures capital equipment and consumables for the biopharma industry, benefitted from the general strength of its subsector. However, management also executed superbly throughout the financial year, leading analysts to upgrade financial estimates with the shares following suit. It is worth noting that Sartorius, along with a number of life sciences peers, benefitted from the COVID-19 pandemic through the supply of capital equipment needed for the manufacture of vaccines.

Medtronic performed strongly during the first half of 2021, with the relatively new management team delivering not just operationally, but also with a simplified message to the financial community. Several pipeline setbacks towards the end of the year, however, derailed that momentum with the Fund benefitting from having exited the position.

The most significant detractors to relative performance were Pfizer, Amedisys and Encompass Health.

The Fund's lack of exposure to Pfizer negatively impacted relative performance. Pfizer's strong performance in 2021 was primarily driven by its significant contribution to the pandemic. First, in partnership with BioNTech, they were the first company to receive US FDA approval for their mRNA-based vaccine Comirnaty. Expected to generate sales of approximately \$36bn in 2021, the vaccine had a materially positive impact on the company's financial health. Further, in November 2021 Pfizer disclosed positive data for its oral antiviral Paxlovid. Paxlovid was found to reduce the risk of hospitalisation or death by 89% compared to a placebo in non-hospitalised, high-risk adults with COVID-19. The positive update put more upward pressure on Pfizer's share price.

Amedisys operates home health facilities and hospices. Unfortunately, the company announced in their 2Q21 results that they were facing near-term challenges due to the high level of staff turnover in its hospice business and to wage inflation for nurses and carers. Although the issues can be attributed to the pandemic, investors felt the growth prospect and trajectory for 2022 might also be impacted, causing the stock to materially underperform the overall healthcare sector.

Encompass Health operates in-patient rehabilitation hospitals, out-patient and rehabilitation satellites and hospice and home health agencies. The disappointing performance is a combination of similar challenges faced by Amedisys, but also frustration that the strategic repositioning of the hospice and home health business is being delayed. As a reminder, in December 2020, Encompass Health announced it was exploring strategic alternatives for its home health and hospice business.

### Market Review

With the exception of September and the latter half of November, global stock markets enjoyed positive momentum throughout most of 2021, perhaps not too surprising given we entered the year with effective COVID-19 vaccines, considerable fiscal and monetary stimulus and a CPI reading below 1.5%. Importantly, and focusing on the US, the key driver behind the impressive performance appeared to be earnings growth as opposed to multiple expansion. With regards to the more challenging periods mentioned above, September was impacted by COVID-19 Delta variant-fuelled growth concerns, inflation worries and a Fed update that was perceived to be relatively hawkish versus consensus expectations. Those same concerns were elevated in November, with the appearance of a new, heavily mutated COVID-19 variant, Omicron, and a hawkish update from the Chair of the Federal Reserve. Both were catalysts for a sharp market sell-off towards the month-end. Thankfully, December witnessed a robust recovery with a more optimistic stance towards Omicron, one of the key drivers. Early data, and subsequent real-world evidence, point to Omicron leading to milder disease compared to the Delta variant (67–73% lower risk of severe disease). Further, it appears that Omicron is more likely to impact the nose and throat as opposed to the lungs, as seen with Delta, which could help explain the reduced number of hospital admissions.



Switching gears to healthcare, which modestly underperformed the broader market in the year, the best performing subsectors were life sciences tools and services, managed care and facilities. The life sciences tools and services industry was not only involved in developing and distributing COVID-19 testing kits, but also in the successful development and manufacture of the much-needed vaccines. Both were key contributors of positive top-line performance for the industry. The managed care industry enjoyed a strong year of performance, especially in the fourth quarter. The main drivers were cancelled elective procedures (reducing medical costs), rising interest rates (as insurance companies, managed care companies have large investment portfolios that benefit from rising rates) and comfort on consensus expectations for 2022 earnings. The positive performance for healthcare facilities reflects strong operational performance despite the challenges of the pandemic. The most noticeable underperformer in 2021 was the biotechnology sector which struggled for a number of reasons. On the macro side, the prospect of higher real yields and reduced terminal values impacted the sector but there were also a number of clinical and regulatory setbacks that adversely impacted sentiment.

## Fund Activity

While stock-picking is central to the team's process, allocation was also an important factor in driving 2021's performance, especially when one reflects on subsector and regional attribution. COVID-19 was also a key component behind some of the allocation decisions, as we tried to assess the key opportunities and risks. As we entered 2021, life sciences tools and services was the Fund's biggest relative overweight versus the benchmark, taking a view that not only would COVID-19 provide a tailwind for the industry but that base businesses would eventually recover. By the end of the reporting period, life sciences tools and services was the second biggest relative underweight with valuations having become very stretched. As of 31 December 2021, healthcare facilities was the biggest relative overweight having been a modest overweight entering 2021. As we navigate through the Omicron wave, and hopefully move into a more endemic phase, then logic dictates that patients will start to re-engage with healthcare systems globally. In that scenario, addressing the ever-growing backlog of patients will become an important investment consideration, not just for deferred elective procedures, but also treating those who might have missed important diagnoses during the pandemic.

Another noticeable shift in positioning sits within healthcare supplies where the Fund has moved to an overweight versus an underweight stance at the beginning of the reporting period. This stance reflects our view on exciting new innovations and recoveries in the ophthalmology and dental arenas. On the ophthalmology side, a key new market which should see dramatic growth globally over many years is the treatment of myopia. Myopia is a relatively new focus for relevant companies with new contact lens products being launched.

The Fund's biggest relative underweight continues to be pharmaceuticals, reflecting our view on their anaemic growth profile, mature margins and patent expirations. We would note, however, that greater exposure to these stocks could be justified in a more defensive market as we enter the latter stages of the economic cycle.

## Market Outlook

COVID-19 aside, there are few similarities between early 2022 and early 2021. Early 2022 brings with it more uncertainty given Omicron's high transmissibility, a failed attempt to pass Biden's 'Build Back Better' package and inflation north of 6%. Further, tighter monetary policy and a hawkish update from the Fed will likely put upwards pressure on interest rates, an observation that brings two challenges for the healthcare sector. First, a rising rate environment could encourage a switch out of growth sectors like healthcare into more value-oriented areas of the market. Second, rising rates put pressure on highly rated growth stocks and those that carry high terminal values, both of which are relevant for healthcare subsectors such as medical technology, medical devices and biotechnology.

On a more positive note, most Omicron updates offer cause for cautious optimism. The scientific community continues to be vigilant, but the early signs appear to be encouraging, not just the reduced burden on healthcare systems, but the hope that the daily cases peak-to-trough could be rapid (this was approximately four weeks in South Africa) and we start to move away from a pandemic and towards an endemic.

If Omicron does indeed turn out to be less harmful to its host and cases quickly move from peak to trough, the next big decision could well be how healthcare systems deal with an ever-increasing backlog of patients waiting for medical intervention, having postponed procedures in 2020 and 2021. We anticipate a reversal of this in 2022, with companies that have previously been held back delivering better than expected growth and potentially positive earnings revisions as utilisation rates return to pre-COVID-19 levels.

The other consideration for the healthcare sector in 2022 is the US mid-term elections in November. If the Republicans gain control of the House of Representatives, which feels like a distinct possibility, then we may well be faced with legislative gridlock. Legislative gridlock, and the status quo, would be perceived as a positive for the healthcare sector, especially the bio-pharmaceuticals industry, given the reduced likelihood of draconian drug pricing changes.



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## Healthcare Blue Chip Fund *continued*

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### Healthcare outlook

The impact of the COVID-19 pandemic on healthcare will be felt for many years, even if the virus becomes endemic. On the labour side, it has driven a sea change in what employees want and expect from their jobs, which is having a real impact on healthcare. A recently published survey highlighted that 18% of US healthcare workers quit their jobs during the pandemic, with 79% of healthcare professionals saying the national employee shortage has affected them and their place of work. Not only are positions being left vacant, but providers are also seeing a significant spike in wages. This is likely to remain a challenge for many organisations for the next 12–18 months.

The disruption in healthcare delivery that started several years ago has been another area that has seen an acceleration driven by the pandemic. The shift of care to lower cost settings and away from the large in-patient hospitals is a must if healthcare systems are to become more efficient. Obviously, with hospitals being at the centre of managing patients affected by COVID-19, care has naturally moved towards other providers such as ambulatory care, outpatient and home healthcare who have experienced a significant boost in demand for their products and services.

Backlogs have increased dramatically due to the pressure of the pandemic on healthcare systems. The most visible is on the elective procedure side, such as hips and knees, with the UK an example of the large increase in a backlog which will take years to clear. The 'invisible' backlog is the impact of the lack of screening and testing for diseases such as cancer during the past 18 months which, sadly, will likely cause an increase of more serious and later-stage disease in the months and years ahead. Both these dynamics will lead to high levels of demand for healthcare services for many years to come.

In summary, despite the macro and sector-specific challenges, we continue to be optimistic about the near and medium-term opportunity set that healthcare offers. The industry's fundamentals are in rude health, with many subsectors with even stronger foundations now than before the pandemic. The sector also continues to feel under-owned and underappreciated, with allocations to the sector near decade lows and ETF outflows underpinning that view. Last, but not least, relative and absolute valuations in the US are attractive and supportive, respectively. As we look forward into the next financial year, we remain confident that the diverse and creative nature of the healthcare industry will yield a multitude of compelling investments that we hope will generate attractive returns.

### Healthcare Team

Polar Capital LLP

January 2022



## Healthcare Discovery Fund

### Fund Performance

The Fund (Class I US Dollar Accumulation Shares) delivered 2.8% compared to the MSCI World Small Healthcare Net TR Index of -6.8% (in dollar terms). While we were pleased to come in ahead of the index, the weak absolute performance is not lost on us relative to broader market returns on offer and that of our large-cap healthcare brethren. This was due to a combination of factors at both a market and sector level: the former becoming less supportive over the year as inflation was deemed less 'transitional' than previously believed, and the latter, at least down the market cap scale, from an IPO window that had remained open long past its prime. We did well to be defensively positioned from a market, sector and company maturity perspective though the frequent market rotation did its level best to undermine confidence. A case in point is we could have added to performance by selling what worked over one month and investing that what had lagged into the next – easy to say in hindsight, difficult to do in practice. Last, but certainly not least, we received a number of bids for portfolio holdings, the majority at a significant premium to our investment and where we had meaningful active exposure.

### Market Review

As frequently cited in our reports over the year, the index figures belied the rotation tussle going on beneath the surface. Much of this comes down to the unforged territory of a pandemic-led recession and the lack of clarity along the subsequent road to recovery, bouncing frequently from one economic 'wall of worry' to the next and then frequently to the opposite extreme.

After the past 18 months, it is fair to say that a bipolar equity market should not be all that surprising as we saw economic stresses unique to the pandemic. Poor vaccine distribution, the global supply chain, the 'Great Resignation' – mostly among the US workforce – all conspired against a smoother transition toward normalcy. We were certainly too optimistic that as the global economy came back online, there would be increasingly less top-down market influence and more to company fundamentals as the year progressed. Instead, the market seemed stuck in forecast mode, constantly analysing the evolving economic and FOMC tea leaves, seeking to position itself relative to the prevailing monetary policy stance of the moment. All this resulted in more rather than less rotation indigestion over the year.

A rising interest rate environment that would support a more cyclically geared investment position is generally not ideal for the more defensive attributes of the healthcare sector. There are cyclical elements of the healthcare investment universe, healthcare services and in turn medical equipment companies, which have historically outperformed in such a market backdrop. Timing in this instance has been somewhat challenging as healthcare staff were simply exhausted at this juncture, and rightly so. Many medically-related service companies are still very much people-driven businesses – professionals and other staff are required to keep the business of care delivery up and running. This also had a knock-on effect to medical devices and supplies – if procedures and surgeries are being deferred then it is not hard to follow the knock-on effect on supplies and equipment consumption. Fortunately, the immunity afforded from either the vaccine and/or Omicron infection should lessen the burden of demand going forward, while healthcare staffing is likely a longer-term issue of note for future investment and positioning.

Smaller healthcare investor challenges included those of the broader healthcare sector relative to more cyclical areas of the market. This is evident when comparing the performance of small-cap indices, either the MSCI World Healthcare Small Cap Net TR Index or the Russell 2000 Index, to their respective small-cap healthcare sub-indices. In addition, and as raised coming into 2021, we were concerned about the public funding window that was increasingly becoming unselective but prolific for emerging healthcare companies, particularly biopharmaceuticals, though new healthcare IT and service listings joined in as well, being very late to the party. Comparing the S&P 600 Index (small cap) to the MSCI World Small Cap Net TR Index or Russell 2000 Index gives a better picture; however, new technology issues had resulted in a notable new issue 'hangover' for their small-cap index performance relative to the more financially mature small-cap constituents of the S&P 600. Though investors may view smaller companies at large as having significantly lagged the S&P 500 Index this year, the S&P 600 Index offers a different perspective.

## Investment Manager's Report *continued*

For the financial year ended 31 December 2021

### Healthcare Discovery Fund *continued*

#### Fund Activity

We exited 2020 being cautious about the overzealous fundraising for the biotechnology sector, particularly the earlier stage nature of 'platform' and 'concept' companies that had very little to show other than the ability to consume cash. As it turns out, we were not wrong in our thinking – though perhaps a bit early – nonetheless, our underweight stance over the year performed well. Selection was also our best here, given a leg up by M&A, and while we did well on selection across the board, when taken together with allocation biotechnology was our best attribution to performance by far. In addition, their largest competitor, Medtronic, announced a significant setback with the US regulator in relation to their own next-generation insulin pump product. This is not only timely for Tandem Diabetes Care's existing business, but also their new product launches set for 2022. On the flip side, the largest subsector detractor was healthcare supplies and our only area of negative selection effect, though clearly meaningful. This was down to our most disappointing single stock performance over the period, when Haemonetics unexpectedly lost a major contract delivering a significant blow to their financial guidance, and, as a result, their shares were marked down accordingly.

The market-cap attribution reflects the defensive nature of our positioning – an overweight in mid-caps (>\$5–10bn) where allocation and selection led to the better attribution effect. Second to that was our micro-cap (less than \$1bn) allocation, where we were underweight. Along with selection, this was positive. While we could have improved contribution further having increased our large-cap exposure (>\$10bn), we were more of the mind that we run a small-cap fund despite being allowed to invest in, for example, those companies with market caps as large as the most mature benchmark member, currently up to \$10bn market cap.

We were significantly underweight small-caps (>\$1–5bn) which was a positive though our selection let us down. Our total regional attribution effect was positive, though selection for Japan detracted. Currency was slightly negative, by less than 20 basis points.

A total of seven M&A were received during the year: United Healthcare sought to acquire Change Healthcare (healthcare IT), Centene acquired Magellan Healthcare (managed care), Medtronic made an offer for IntersectENT (healthcare equipment), Baxter Inc acquired Hill-Rom Inc (healthcare supplies), private equity sought to take out Swedish Orphan Biovitrum (biotechnology), Merck and Co acquired Acceleron (biotechnology) and December brought an offer from Pfizer for Arena Pharmaceuticals (biotechnology).

#### Market Outlook

The year ahead is likely to see more of a move back to a macroeconomic environment like 2005 and 2011, when the markets had to digest what monetary policy and global growth would look like following a historic coordinated easing cycle by the global central banks. Long-term inflation break-evens suggest the Fed's current tightening bias and potential actions may be enough to prevent sustained high inflation – what some have dubbed, an 'immaculate' tightening. Whatever the longer-term outcome may be, nearer-term fear of the Fed, global growth and policy uncertainty will likely conspire to keep market enthusiasm in check as we move through a 'normal' correction following strong equity market years.

Concerning the healthcare sector, and certainly for smaller companies, valuations have continued to come in relative to the market. Even for larger healthcare companies, despite the better performance seen over the year, shares remain reasonably valued. We do not think this will go unnoticed by the more generalist investor along with the optionality of the sector bringing both defensive and cyclical qualities to a broader equity portfolio. So much of the routine healthcare consumption has been put on hold that the upcoming spring and summer may bring with them increasing volume pull-through across the spectrum of healthcare goods and services. Companies are just beginning to report their fourth quarter earnings and give an initial outlook so the market will soon have more information shortly.

In addition, we believe the pandemic has shown investors what the sector can do well and where there is significant room for improvement. In successfully developing the coronavirus vaccines, the biopharmaceutical industry produced a modern-day medical miracle which is central to prevent further health and economic destruction. Having said that, no one can deny that our care infrastructure and delivery systems could use an innovative re-think and investment. The emerging biotechnology sector has significantly de-rated and as such we find it much more interesting now at current valuations to selectively pick up quality companies that have been painted with the same negative brush as the rest.

More significant, in our view, is the pandemic has shown us a patient's post code says much more about their healthcare needs than their genetic code. The social disparities of care that were in place prior to the pandemic have subsequently been laid bare in plain view – 21st century cures are of no use for the greater good if we are not able to administer them to those who need them most. If we are unable to cover off the very basics of good health and wellbeing first, what is the point of the rest?



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While biopharmaceutical innovation will always be part of our investments, we see the poor current state of the global healthcare delivery system, as well as basic healthcare needs of patients, as the greater focus right now. The healthcare system and marketplace historically have been very much built on acute care-setting (hospital-based compared to the ability to deliver care to the patient), wherever they may be. Going forward, we should see an increasing combination of avenues for caregivers and patients such as telemedicine, ambulatory centres or patients' own homes. Further, there is a need for more efficient and artificial intelligence-driven smart systems able to lend better support to staff who can then focus on what only humans are able to do, leaving the administrative or repetitive tasks to automated and machine-learning processes. There remains a tremendous amount of paper and human back-office work that has yet to come out of the healthcare systems globally. Finally, certain common medical problems and related data decisions should further incorporate sophisticated algorithms that may be routinely applied to reserve human intervention for the more challenging and serious judgement calls – there are a few in place today, though this should continue to grow. In sum, these are a few examples of innovation to add to traditional medication and device opportunities within the healthcare universe where the Fund is currently invested and seeks to do more.

It may take time for smaller healthcare investors to find their feet again, particularly with inflation still working out which way it is going to go. Until then, quality is key as monetary policy seeks to run a tightening-biased playbook which typically leads to more challenging market conditions for longer-duration opportunities, such as emerging platform or concept companies. We have yet to see signs of inflationary expectations becoming unhinged, resulting in a wage-price spiral, though the tightness of the labour market suggests risk here has increased. With that in mind, smaller-cap investors will need to remain on the front foot in the short term, and with any luck, healthcare should finish 2022 on much firmer footing. When the sector has previously finished at the back of the pack for smaller-company investors, the following year has resulted in a double-digit recovery. We believe M&A should remain as active as in 2021, if not more so. In the interim, we will stick to our knitting – investing in high calibre management working to solve the critical healthcare challenges of today, backed by clear and precise data that in turn commands a positive price for the delivery of meaningful outcomes.

### Healthcare Team

Polar Capital LLP

January 2022

## Healthcare Opportunities Fund

### Fund Performance

The Fund returned 9% (Class I US Dollar Distribution Shares) compared to 17.5% (in dollar terms) for the MSCI AC World Daily Net Total Return Health Care Index during the year of 2021.

The sector lagged the broader market, with the prominent macroeconomic driver being increasing inflation which drove investment flows out of healthcare into other sectors. The real challenge for the Fund, with its multi-cap strategy, was the fact that large-cap healthcare outperformed small/mid-cap stocks by an astonishing 35% in 2021. With an average exposure of 60% to small/mid-cap stocks over the year, the differential versus large caps meant the strategy lagged the benchmark. The Fund was slightly behind the benchmark at the end of September, but weakness in October, and more notably November in small and mid-cap healthcare stocks, caused the Fund to significantly underperform.

From a market-cap perspective, allocation was negative, whereas stock selection was highly positive. The significant underweight in large caps and overweight in small and mid-caps were the real driver of underperformance over the year. Geography-wise, investments in India and zero exposure to China were significant positives, while US performance was a significant drag due to most of the small and mid-cap investments being in companies based there. On a subsector basis, allocation was most positive for the overweight in healthcare facilities and most negative for the underweight in managed care. From a stock selection perspective, the life sciences tools and services was the most positive subsector, while biotechnology was the most negative, with more detail below on the two stocks that caused this underperformance.

The most positive contributors in the Fund were Cytokinetics, Uniphar and Surgery Partners. Cytokinetics is a US-based biotechnology company focused on cardiovascular disease which was rewarded for its pipeline progression. Uniphar, a healthcare services company based in Ireland, delivered better than expected growth and continued to acquire companies throughout the year. Surgery Partners is a US facilities company operating ambulatory surgical centres that continued to generate strong growth from the trend of procedures shifting to the outpatient setting, which accelerated due to the pandemic.

The most negative contributors were Medley, ChemoCentryx and Immunovant. Medley de-rated despite strong revenue growth as the company continues to invest ahead of expanding margins in the short term. ChemoCentryx, a US-based biotechnology company, underperformed after negative regulatory news flow from the FDA in the US. Immunovant, another US-based biotechnology business, unfortunately had to halt the clinical trial for its lead development candidate due to a surprising side-effect causing the stock to pull back dramatically.

### Market Review

Markets began 2021 with more speculative stocks moving aggressively higher, following the strength seen from the lows of March 2020 into year end. However, these stocks peaked in January and February and began a significant decline into the end of the year.

The rebound from the lows of the market in March 2020 through to February 2021 typified performance during the early stages of an economic cycle, supported this time by significant monetary and fiscal stimulus to offset the impact of COVID-19. From the second quarter of 2021 onwards, the cycle moved into its mid-stage, with investors focused on buying higher quality large-cap stocks and selling small caps, mid-caps, investments in unprofitable companies and expensive stocks. The Delta wave of COVID-19 over the summer caused markets to become much more defensive through to mid-August when there was a small rebound in underperformers through to early September. Trends then continued with higher quality stocks outperforming into the year end.

In November, investors in small and mid-cap companies suffered from a significant decline in these stocks, with volatility spiking aggressively through to early December. While more speculative areas of the market had been derating since the highs for these stocks seen early in the year, other small and mid-cap stocks had performed in a satisfactory manner until November. There was a collapse on a broad basis with extreme selling, with suggestion that some investors were being forced to sell down positions. Following the collapse in small and mid-cap stocks in November, December saw a rebound with the seasonal Santa rally in the back half of the month.

In healthcare, large-cap stocks performed well considering the macro-environment; however, small and mid-cap stocks finished the year more than 35% behind large-cap healthcare stocks, an astonishing number, highlighting just what a challenge 2021 was for investors.

### Fund Activity

The first quarter of 2021 started well with an offer from a corporate for Oxford Immunotec, which had been a long-term holding for the Fund. However, a surprise negative side-effect for the lead drug development candidate Immunovant caused the stock to move aggressively lower. The position was sold due to doubts over the future of the program. Also, profits were taken in Horizon Therapeutics after a strong run, and the position in Roche Holding was sold due to building concerns over potential pricing policy changes in the US. New positions were built in Kyowa Hakko Kirin over the potential for their drug candidate to treat atopic dermatitis, and Max Healthcare, a hospital operator based in India.

In the second quarter, the Fund took part in a number of financings, including the IPOs of Treace Medical, Privia, Polypeptide and Krishna Institute of Medical Sciences. The Fund also participated in a financing for Angle, based in the UK. Positions sold included Haemonetics and Chemocentryx. Haemonetics surprised investors with the loss of their main customer causing the stock to derate significantly.



The position was sold as the fundamental buy thesis was broken following this news. Chemocentryx was sold after risks over regulatory action increased dramatically.

In the third quarter, new positions added to the Fund included Bristol-Myers Squibb, AngioDynamics, UCB, Genmab and Iveric. The exposure to Max Healthcare was increased following a secondary offering. We sold positions in ArgenX, Align and Atricure following significant outperformance. The position in Johnson & Johnson was reduced.

During the last quarter of 2021, the Fund took part in an IPO for Skan Group and Surgery Partners. Stocks added to during the extreme volatility at year end included Medley and Ship Healthcare. Other new positions included Xenon Pharmaceuticals, following positive epilepsy data from their development candidate in a mid-stage clinical trial, and United Therapeutics, based on its strong growth potential. The position in Revance was also increased following a disappointing regulatory update and purchase of shares in the company by the CEO. The position in Johnson & Johnson was sold out of the Fund alongside the holding in Teleflex, following a disappointing reimbursement update for the latter company.

## Market Outlook

The healthcare sector looks attractive in many ways and thus supports a positive outlook for 2022. First, healthcare stocks are trading at a significant discount historically. Second, fundamentals are robust despite the challenges of the pandemic and demand should accelerate if the situation with COVID-19 improves. Third, positioning in healthcare by US mutual funds is historically light and ETF flows are negative, both suggestive of a contrarian buy signal. Last, healthcare remains the most fragmented industry and M&A is expected to continue. It is worth noting that activity was slow between pharmaceuticals and biotechnology in 2021, potentially suggesting a rebound for 2022.

The key challenge is the macroeconomic outlook. Increasing inflation drives flows out of sectors like healthcare into areas such as financials and energy, in part driven by elevated economic activity but also increasing interest rates. Until inflation trends moderate, as in the rate of change, healthcare will likely be a laggard. There is rationale for inflation to slow in 2022, in part driven by an improved outlook for the pandemic which would improve supply chains, manufacturing and shifts in employment trends. Challenges on all these increased inflation in 2021, ultimately driven by the impact of COVID-19. We are hopeful that infections will drop significantly in 2022, thus allowing a return to normal life. With this, over the year inflation should slow, thus reducing the need for higher interest rates and causing funds to shift back to areas like healthcare.

One of the most significant effects of COVID-19 on healthcare has been the build-up in backlogs of procedures for patients across the world. We are seeing a significant backlog build in elective surgeries and activity levels in certain areas of healthcare, including oncology and dermatology, are still well below pre-COVID-19 levels as measured by patient visits and diagnostic testing. We are seeing anecdotal evidence of patients turning up at healthcare providers with much more serious illness at a later stage than would have been the case pre-pandemic. Hopefully, if COVID-19 infections fall away in 2022, there will be a significant pick-up in healthcare utilisation as patients receive better care than has been available through the pandemic.

### Healthcare Team

Polar Capital LLP

January 2022

## Investment Manager's Report *continued*

For the financial year ended 31 December 2021

### Income Opportunities Fund

#### Fund Performance

The Fund's unit price rose 22.4% (Class B2 I GBP Accumulation Shares) over the year while in comparison our benchmark index, the STOXX Financials Index, rose by 21.6% (in sterling terms).

#### Market Review

The 12 months covered by this report were excellent for financials in both absolute terms and relative to wider equity markets. The news in November 2020 of the efficacy of Pfizer's coronavirus vaccine, in collaboration with BioNTech, as well as those being developed by others, provided the catalyst for sentiment to turn much more positive on the sector.

As a result, a quicker rollout of vaccines than had been previously expected led to a belief that economies would open up more quickly. Coupled with continued positive economic data underpinned by governments and central banks' fiscal and monetary stimulus, financials, in particular bank stocks, were seen as key beneficiaries of the recovery.

A combination of lower political risk with the UK and the EU reaching an agreement on Brexit, the election of Jo Biden as US President leading to an expectation of further fiscal stimulus and Janet Yellen, former Governor of the Federal Reserve, being appointed as US Treasury Secretary helped underpin the positive sentiment. Pent-up demand from the huge fiscal and monetary stimulus, rising commodity prices and supply-side issues led to rising inflation expectations.

Government bond yields consequently rose over the year, with yield curves initially steepening as central banks indicated they would keep monetary policy loose for the foreseeable future despite concerns around inflation pressures. As concerns rose around the impact of COVID-19 variants on economic growth, bond yields did give up some of their rise, with yield curves flattening in the second half of the year before bond yields started to tick higher again on more hawkish commentary from central banks.

#### Sector review

Banks led the sector over the first six months of the year before handing the baton to the diversified financials subsector on the back of strong results that significantly exceeded analyst expectations due to lower provisions for loan losses as well as continued strong investment banking and trading income. This resulted in positive earnings revisions, and the increased investor interest due to the sector's sensitivity to rising bond yields against the background of rising inflation expectations provided a strong tailwind to share prices.

US banks led the rally in bank shares, followed by those in Canada and the Eurozone, reflecting the stronger economic tailwinds in the US from a faster rollout of vaccines than nearly all other major economies, more significant fiscal stimulus and a sharper rise in government bond yields than most other countries. Conversely, Japanese and emerging market banks, having performed much more strongly over the initial stages of the pandemic and recovery, in part reflecting Asian countries' more robust handling of it from a health perspective, lagged the rally in bank shares.

Diversified financials, which include asset managers, consumer finance companies, custody banks and stock exchanges, performed extremely strongly. Alternative asset managers led the sector on the back of continued strong inflows and buoyant financial markets. Also, traditional asset managers, which have struggled in recent years due to weaker investment performance and pressure on fees as flows have shifted increasingly to passive funds or alternative assets, saw a sharp turnaround in flows which led to a strong rally in their share prices.

Insurance stocks lagged the sector materially, despite decent results and evidence of a continued increase in insurance rates. This performance reflected the lower sensitivity of the sector, except for life assurance companies, to economic cycles and therefore seen as less attractive at this point in the economic cycle as investors shifted their financials weighting towards more cyclical stocks such as banks. However, concern around the impact of rising inflation on reserves, and the potential for climate change to increase the frequency and severity of losses, also hit sentiment.

Business development companies and investment companies where the underlying assets are loans or bonds also produced strong returns, reflecting the improvement in outlook for underlying borrowers and a rerating in their share prices relative to book value. Fixed income securities of financial companies eked out only modest returns due to the headwind of rising government bond yields and low yields on offer at the start of the year following a strong performance in 2020.

#### Fund Activity

At the beginning of the period, the opportunity was taken to increase the Fund's exposure to banks to take advantage of the cyclical rally in equity markets, but over the following months, a number of holdings were sold while profits were taken on others as share prices hit price targets and exposure to bank shares reduced to below where it started the year. The Fund's exposure to fixed income securities was also reduced materially as prices rose and yields fell sharply to less attractive levels as well as a number of holdings being called by their issuers, resulting in the level of cash in the Fund rising to 15.2% by the year-end.



Among others, new holdings were purchased in East West Bancorp, a US bank, Skandinaviska Enskilda Banken, a Swedish bank, Shinhan Financial, a Korean bank, XPS Pensions, a UK pensions consultancy, and Schroders, a UK wealth and asset management firm. Holdings in KasikornBank, a Thai bank, KBC Groep, a Belgian bank, Bank of America, PNC Financial Services and First Republic, all US banks, were sold. The Fund's holding in JP Morgan was also reduced. New holdings were purchased in a Tier 2 bond issued by Provident Financial as well as Singapore government bonds and US Treasury inflation-linked bonds.

## Market Outlook

On 5 December 2006, 15 years ago, HSBC Holdings gave the first hint of trouble to the market on its US mortgage business in what would morph into the biggest financial crisis since the 1930s. Two months later, in February, the conservative lender warned on profits, raising provisions by \$2bn, as sub-prime borrowers in the US were hit by much higher interest costs on their adjustable-rate mortgages as initial teaser rates fell away. The seriousness of the situation was not appreciated, with the bank's shares falling by around a mere 1.5% that day in December and by even less on the February announcement. US bank share prices were similarly unaffected.

HSBC was widely criticised at the time for its 2002 acquisition of Household Finance, a US sub-prime lender that turned out to be the driver of its woes. However, the strength of its balance sheet meant the bank weathered the global financial crisis well, so well in fact that anyone who had bought its shares on that day in 2006, after taking into account dividends, would not have lost any money, assuming the shares had been held to the end of 2009. By comparison, the average US or European bank's share price was still down by over 50%, with many much worse.

At that time the 'smart' money on Wall Street was also packaging up and selling, to unsuspecting German bank treasury departments and Norwegian municipalities, sub-prime mortgages and an alphabet soup of structured products. Either way it was too late for regulators to have acted even if they had seen what was coming. For example, the Bank of England had reduced staffing in its financial stability department in 2004 so it was not surprising it did not see what was coming. In a May 2007 report, it stated: 'The UK financial system remains highly resilient'.

Moving on to today, the resilience of the banking sector during the pandemic highlights the steps regulators have taken since the global financial crisis that have made a significant difference. Today, banks are more like HSBC in that they have strong balance sheets, plenty of liquidity and are more cautious in their lending appetite. Consequently, in 2020 they were able to facilitate government-guaranteed lending programs such as the Coronavirus Business Interruption Loan Scheme ('CBILS') in the UK and Paycheck Protection Program ('PPP') loans in the US and are well positioned to benefit from the continuing recovery of economies.

Furthermore, we expect monetary policy to remain centre stage, as central banks continue to react to rising inflationary pressures. According to analysis by Bank of America Merrill Lynch, December saw 15 interest rate hikes, taking the total to 44 for the fourth quarter, close to the largest ever quarterly amount. The sector is a net beneficiary of rising interest rates, with banks the biggest beneficiaries, and this continues to result in a strong tailwind for the sector. Estimates for the sector assume fewer interest rate rises than that suggested by the Fed dot plot, for example, suggesting further material upside to earnings, all things being equal.

Reassuringly, US household deposits are by some calculations over \$3trn more than they would otherwise have been if not for the pandemic. More importantly, as a consequence of the fall in interest rates and sharp fall in the levels of household debt since 2007, debt service ratios are at 40+ year lows. Equally, corporate cash levels over the past year hit levels not seen for 70+ years. Thanks in part to government and central bank largesse, consumers and corporates are in incredibly robust health, and that means defaults should not be rising in any meaningful way in the short term.

Therefore, looking forwards, we remain constructive on the outlook for the sector as we believe the tailwinds remain very positive for the foreseeable future. The sector has also shown a degree of diversification benefits from higher growth sectors such as technology which have come under pressure from rising bond yields. While valuations for the sector have recovered to their pre-pandemic levels, those of wider equity markets have increased further, highlighting the relative value of financial stocks at this point in the cycle, notwithstanding any short-term impact on activity from COVID-19 variants.

## Financials Team

Polar Capital LLP

January 2022

## Investment Manager's Report *continued*

For the financial year ended 31 December 2021

### Japan Value Fund

#### Fund Performance

The Fund increased by 15.2% (Class S Japanese Yen Distribution Shares) versus a 12.7% (in Japanese Yen terms) increase in the TOPIX Total Return Index over the year.

The Fund modestly outperformed the benchmark having been heavily impacted by the pandemic in the previous year. Relative outperformance was driven by a combination of sector allocation and stock selection. Stylistically, while the Fund benefited from its value bias, it also faced a headwind from its high level of exposure to out-of-favour small and mid-caps. The TOPIX Value Index outperformed the TOPIX Growth Index by 9.5% while the TOPIX Small Index underperformed the TOPIX Core 30 Index by 7.2%. Since the start of the pandemic, both the value and small-cap indices are notably lagging their respective growth and large-cap counterparts.

The value style tailwind was only evident across the first half of the year, with value significantly outperforming as valuations had fallen to extremely depressed levels prior to the positive news on vaccines in late 2020. However, from the start of June onwards, growth once again became the dominant factor in the market with value giving up approximately half its earlier gains. The Fund also faced stylistic headwinds from its small-cap exposure over the course of the year, with the majority of underperformance coming in the final quarter.

The largest contributors to relative performance were Secom Joshinetsu and Inpex Corporation. The largest contributor, Secom Joshinetsu, provides security services and is a listed subsidiary of its parent, Secom. During the period, Secom submitted a tender offer to buy out Secom Joshinetsu minority shareholders at a 65% premium. In general, listed subsidiaries have been a key part of our portfolio strategy given the ongoing corporate governance reform in Japan which is increasingly making it harder for corporates to maintain these structures. The Secom Joshinetsu takeout was one of two tender offers for portfolio holdings from their parent company during the period. The other, Toppan Forms, was acquired by its parent Toppan Printing during the final quarter of the year. The second largest contributor, Inpex Corp, is a Japanese oil and gas producer. The shares outperformed as they correlated with the rise in the oil price following the global economic rebound and partial normalisation.

The largest detractors to relative performance were Cosel and Alps Alpine. Cosel, a diversified electronics manufacturer, has materially underperformed its peers due to greater sensitivity to semiconductor supply shortages globally. The share price underperformed as investors focussed on clearer short-term winners within the electronics industry. Alps Alpine, an electronics manufacturer in the smartphone and auto industries, saw its share price come under pressure as the business continued to invest into auto electrification while their smartphone business was at a cyclical low. The prospects for Alps Alpine's new automotive business remain encouraging in the long term, however investors have been unwilling to apply value to the growth prospects that should start to contribute from the second half of next year.

#### Market Review

Although 2021 has been a strong year for equities in general, it has also been a volatile year for investors with market leadership heavily rotating throughout the year. Over the first half of 2021, global equities trended higher as vaccination campaigns began to roll out. Investors had much to digest as these vaccination campaigns, in addition to the low level of cases in light of the social restrictions, significantly improved the outlook for the more economically sensitive businesses that had been adversely affected by the COVID-19 pandemic. As a result, it is of no surprise that market leadership rotated to cyclical value across the majority of global indices. However, the tailwind for value was brief and by the second half we saw growth once again become the primary market driver. The rising yields, persistent inflation concerns, and changes in central bank policy did little to cause a rotation back to value in the final quarter of the year although investor sentiment to value was improving as the year came to a close.

In Japan, the vaccination campaign lagged its peers, and we believe this had a material impact on market leadership. The domestic economy has therefore not enjoyed as strong an economic rebound as many of its western peers. As a result, leadership of the Japanese market was largely determined by exposure to global trade with companies exposed to the quicker overseas re-opening performing strongly. The ongoing yen sensitivity also had a marked impact on equity returns in the second half. In such an environment, it was primarily the cyclical and financial areas of the market that performed strongly. Stocks more highly geared to domestic consumption continued to underperform for the majority of the year. This was highly evident with small-cap companies where stocks, which are typically more exposed to the domestic economy, materially underperformed their larger counterparts.

#### Fund Activity

Portfolio strategy remained consistent during 2021 and, as always, we purchased shares where we believe there is a mismatch between the quality of the underlying business and the share price performance. In the first half of the year, we saw exposure to both the auto and medical equipment industries increase as continued short-term issues in both sectors led to a number of investment opportunities. In the second half, the Fund found various opportunities in technology, both software and hardware, by focusing on areas that were not fully participating in the short-term reopening trade and therefore were selling off despite excellent longer-term outlooks.

Portfolio sales over the period included many names that had reached our target valuations. In addition, we conducted a review into longer-term holdings that had not yet seen the investment case come to fruition. Although we retain our conviction in some of these long-term holdings, we sold down a number of names in favour of new holdings which we believe offer a superior risk/ return profile.



Significant new purchases over the second half of the year (please reference the Polar Capital Fund Interim Report 2021 for a discussion of significant first-half purchases) included:

**Mitsubishi Research Institute (MRI):** a new holding was taken in MRI following a research meeting with the company. Management are keen to leverage existing relationships in their consulting/think-tank proposition to further expand their IT service given the large potential growth opportunity from an acceleration in digital transformation in Japan. The business is highly cash generative in nature and offers significant optionality from the use of their existing cash pile. A recent secondary offering, due to the unwinding of cross-held shares by other Mitsubishi group companies, presented an opportunity to initiate a holding at an attractive valuation.

**Ines:** following the meeting with MRI, we conducted further research on related companies and ultimately decided to initiate a holding in their equity method affiliate, Ines. Ines offers cheap exposure to IT spending and the digital transformation at a local government level in Japan. Its large net cash position relative to market capitalisation provides capital allocation optionality with the company announcing plans to buy back up to 10% of their shares outstanding at the first quarter results announcement. We are also interested in the potential for the company to become a takeover target with the most likely suitor being MRI, given the potential synergies.

**Shimamura:** a new holding was taken in Shimamura following a research meeting with the company. They operate a bricks-and-mortar retail business which has done surprisingly well during the pandemic. The combination of the lockdown and the shift to a remote working model is leading to increased footfall in suburban shopping arcades at the expense of city centre locations. The shift in consumer behaviour is positive for Shimamura and our view is that a hybrid working model going forward will continue to support this trend. In addition, a new president has recently evolved its capital management policies and we expect an increase in allocation towards shareholder returns in the future.

**Bank of Kyoto:** we elected to return to Bank of Kyoto, a regional bank with substantial equity cross-shareholdings, having sold the shares in 2020. Bank of Kyoto's share price has significantly lagged the performance of the TOPIX, Japanese banks and, more importantly, its collection of cross-shareholdings biased to the technology sector, since our decision to sell. This means the discount on the underlying stub trade has reached extreme levels once again, hence our decision to re-enter the shares.

**SoftBank Group:** a new position was initiated in SoftBank Group following a period of share price weakness due to concerns regulatory changes in China would negatively impact the value of their substantial Chinese investment holdings. Although short term visibility is poor with regards developments in China, we believe the current 50% discount to reported NAV provides a significant margin of safety. The most likely near-term catalyst for a turnaround in the share price is the restart of a large-scale share buyback programme aimed at narrowing the discount to NAV given the founder and leading shareholder's sensitivity to the share price level.

**Toyo Tire & Rubber:** we invested in Toyo Tire, a tyre manufacturer with significant exposure to the US where the business is well placed to enjoy industry growth. Demand for extra large diameter tyres, in which the company specialises, is quickly outstripping supply growth. Industry prices have been moving higher and, although Toyo Tire is yet to follow, gives it significant room to increase prices in the second half. The business trades on an attractive forward P/E multiple and in the long term will benefit from increasing mileage, penetration of larger-sized tyres and potential synergies following its recent tie up with Mitsubishi Corp.

**Mabuchi Motor:** we elected to return to Mabuchi Motor, a company manufacturing small and mid-sized motors for the auto sector, having sold the shares in April 2020. The business came under significant pressure in 2021 given the semiconductor shortage and its impact on the auto sector. Over the long term, the company stands to benefit significantly from the electrification of autos in addition to increasing penetration of advanced driver-assistance systems (ADAS). A weakness in its share price provided us with an opportunity to gain exposure to a high-quality parts manufacturer that stands to benefit from both a short-term recovery in auto volumes and a longer-term driver with electric vehicle and ADAS tailwinds.

**Optex:** a new position was taken in Optex, a sensor manufacturer, following two research meetings conducted with the company in 2021. The company have been expanding their factory automation capabilities through a series of sensibly priced, small-scale acquisitions over the past five years. The share price derated significantly during the initial phase of the pandemic given high operational gearing but has failed to recover in line with the sharp rebound in profitability this year. We believe the current valuation does not fully reflect the company's growth potential and were encouraged to see management undertake a new buyback programme at the recent earnings release given the low share price.



## Investment Manager's Report continued

For the financial year ended 31 December 2021

### Japan Value Fund continued

Lifedrink: The Fund participated in the initial public offering of Lifedrink. The company is a manufacturer of bottled mineral water and commands a 16% market share in the industry which they have successfully increased in recent years by monopolising the lower-priced segment of the market. Going forward, we expect the aggressive pricing strategy to continue to deliver results. In addition, we expect the overall market to grow as Japan's consumption of mineral water, which is approximately a quarter of the level seen in the west, continues to increase. Valuations are extremely attractive on forward-looking measures.

#### Outlook and strategy

Although the emergence of the Omicron variant has clouded the short-term economic outlook it is clear that initial data on the severity of the disease is better than it has been for previous variants. If we assume that governments continue to tolerate higher case levels, then the year ahead will likely be more favourable to global business.

In Japan, COVID-19 case numbers fell back to very low levels and the positive economic impact from initial reopening is starting to emerge. Looking forward to 2022, a combination of the pent-up demand linked to reopening and the government's large fiscal stimulus plan, we believe, is likely to support a period of significantly above-trend growth which should be a tailwind to corporate profit growth at a time when the yen is trading at a favourable level for the manufacturing sector.

Portfolio strategy was little changed in 2021 but at the margin the Fund has been increasing exposure into the anticipated post-pandemic recovery. The Fund has targeted names where we expect an almost full recovery in the short or medium term, while avoiding names where we believe there has been a more structural and longer-term impact. Although the recovery rally has been evident in many global markets, we have yet to see the same recovery in Japan with only large-cap exporters fully participating in the global reopening trade. We would expect this effect to filter through to the domestic economy and a wider selection of smaller and mid-sized companies in 2022 where the Fund is well positioned to benefit.

Longer term, the Fund remains highly geared to the wider corporate governance reform that continues at pace in Japan. It has been encouraging to see both Secom Joshinetsu and Toppan Forms being acquired at a significant premium by their respective parents. The portfolio has now enjoyed seven corporate transactions related to listed subsidiaries under the current value strategy initiated in mid-2016 and typically retains approximately 10 names accounting for close to 20% of the portfolio in this theme.

There have been a number of interesting corporate governance developments over the past year. First, the upcoming restructuring of the TOPIX Index is forcing many companies to adopt structural changes in order to be considered for the new Prime Index and we are seeing more companies willing to engage with investors as a result. In addition, as of the 2022 AGM season, proxy advisers will call for institutional investors to vote against the management of corporates with excessive cross-shareholders irrespective of their reasoning. Finally, any corporates listed on the Prime Index who have controlling shareholders need to either appoint a majority independent board or establish an independent special committee to discuss any issues where a conflict exists for minority shareholders. The upcoming changes, and further pressures that will almost certainly be faced by corporates, remains the largest catalyst in unlocking the deep value opportunity inherent in the Fund.

#### Japan Team

Polar Capital LLP

January 2022



## North American Fund

### Fund Performance

The Fund returned 23.6% (Class I US Dollar Distribution Shares) over 2021, compared with 26.4% for the MSCI North America Net Total Return Index (in dollar terms).

We are pleased with the absolute performance of the Fund, particularly the operational performance of its holdings which for the most part have been strong and better than we would have expected at the beginning of 2021. This recent operational performance has continued the trend of strong and, we believe, superior business compounding (measured by growth in earnings per share plus dividend yield) of the holdings since launch just over 10 years ago.

A prime example of this strong operational performance is Alphabet, the Fund's largest holding and biggest contributor to relative performance in 2021, which, despite its size, will have approximately doubled its earnings per share in 2021 versus 2019 (prior to the pandemic).

Good operational performance was not restricted to technology businesses, nor was it restricted to the world's largest companies. Other notable positive operational and stock-price performances over the year include Canadian Natural Resources, which is seeing attractive cash-flow growth given its high quality, low decline-rate asset base and higher commodity prices, and Affiliated Managers Group, the asset manager holding company, which not only benefited from the recovery in asset prices but also started to see an improvement in organic inflows and the benefits of deploying its significant cash flow into acquisitions and buybacks.

These two had been disappointing performers earlier in the Fund's ownership. In such instances, we evaluate whether it is the long-term potential of the business or simply the valuation applied to the long-term potential that has changed. In both instances, we felt the stocks had been punitively devalued versus their potential so we stuck with them. It is pleasing to see this patience has been rewarded. We continue to believe they are still attractively valued despite the recent strong share-price performance.

Also notable were the performances of two long-standing healthcare holdings, Anthem, a health benefits company, and Icon, a provider of contract clinical research to the biopharma industry, which both continue to exhibit appealing free cash-flow compounding.

The Fund got off to a good start to the year, helped to some degree by exposure to those companies most hit by the pandemic experiencing a recovery, as well as its small and mid-cap bias. However, the same characteristics turned out to be headwinds for relative performance after the first quarter. This was partially driven by the elongation of the pandemic with the advent first of the Delta and then of the Omicron variants which hurt businesses with recovery potential, particularly in the fourth quarter. Such businesses include US Foods Holding, the food distributor to restaurants; Medtronic, a producer of medical devices often used in elective surgery; Uber, the ride-hailing platform; and Booking Holdings, the hotel booking platform. With the pandemic on the cusp of becoming endemic, we think the buoyant outlook for such businesses is currently not reflected in their share prices.

Aside from the above-mentioned stocks, other notable weak stock performers over the year included T-Mobile, the wireless telecoms operator; LiveRamp Holdings, an online advertising technology provider; and Shift Technologies, an online used car retailer.

T-Mobile suffered due to a pick-up in competitive activity in the industry. This is a concern to us. However, we still think the industry is stable and largely rational while the company offers the best value combination of superior spectrum at the lowest cost. The combination of industry-leading growth, ramping synergies from its acquisition of Sprint and future capital return could see the shares on a teens-free cash flow yield 2–3 years out. LiveRamp Holdings and Shift Technologies are examples of two small positions in the portfolio which we believed had above average operational risk as well as attractively skewed upside given their high growth potential and reasonable entry valuations. Both businesses saw good operational progress. However, LiveRamp delivered growth that was perhaps a little lower than some investors had hoped for, while concern about the impact that lower used car prices will have on Shift's profitability (at the same time as the business will require further capital to sustain its rapid growth) overwhelmed otherwise remarkable operating results.

Overall, we are encouraged to see that some of the acute stylistic headwinds the Fund has faced in recent years were less strong in 2021 and may in fact have peaked in 2020 when the Fund's relative performance troughed. More importantly, we believe the outlook for the businesses held in the portfolio is bright and we expect them to continue to compound business value at a double-digit rate, in excess of the rate of the performance benchmark.

## Investment Manager's Report *continued*

For the financial year ended 31 December 2021

### North American Fund *continued*

#### Market Review

2021 marked the third year in a row of exceptionally strong equity market returns. Despite the setback in war against COVID-19 caused by the arrival of the Delta and Omicron variants, increasing vaccination rates, prior infections and continued scientific progress meant the virus wrought a less severe toll on public health systems in 2021 than it did in 2020. Nonetheless, 2021 can hardly be described as a 'normal' year. The first quarter was spent in lockdowns in most countries around the world and ongoing Covid-related shutdowns, or a plain lack of investment in certain areas, led to notable supply-chain imbalances in the global economy.

Meanwhile, the sheer force of monetary and fiscal policy in response to the pandemic and, perhaps more importantly, an apparent mind set change at the Federal Reserve and other central banks towards a tolerance of higher inflation, resulted in monetary policy remaining very easy throughout 2021. Loose monetary policy and the tailwinds fiscal stimulus was a partial contributor to the robust demand for goods and services throughout the year – though some areas of demand in the economy remain under-normalised due to the pandemic. The inevitable inflation that loose monetary policy, tight supply and strong demand caused has started to look more persistent, with the US economy beginning to witness greater pressure on wages towards the end of the year. Wage inflation has historically been less transitory than the inflation we saw last year in items such as used car prices and certain industrial commodities.

This is perhaps one reason why the valuation multiples of the longest duration, highest valued companies in the market started compressing from extreme levels later in the year. We have been highlighting for some time that equity market positioning reflects the status quo environment of disinflation from the past half decade as well as a concern that extreme valuations in parts of the market may not be sustainable. Given the starting point, this unwinding process may have further to run.

While the valuations of the highest valued stocks in the market compressed significantly towards the end of the year, for the year as a whole the S&P 500 also saw some modest multiple compression. This reflects the remarkably strong rebound in corporate earnings that we have seen in the past 18 months. It looks likely that earnings growth will be around 50% in 2021. Clearly, such a result is flattered by the easy comparison from 2020, but it is remarkable that S&P earnings in 2021 are likely to be 20% higher than they were in 2019 – a reflection of the stimulus put in place in the aftermath of the pandemic as well as the impressive productivity and global market-share gains generated by many companies.

The rate of economic recovery and the associated operating leverage seen at many companies will of course inevitably slow down. However, we still see attractive and broader growth prospects for a larger cohort of businesses, especially ones that were able to adapt and innovate during the downturn, than we have seen for the vast majority of the past decade. We remain optimistic about the prospects for the portfolio's value creation potential in the near, medium and long term.

#### Fund Activity

After elevated turnover in 2020, activity was more muted than last year with the number of complete sales of a position or purchases of a new position falling back to their historic average. New stocks added to the portfolio hail from a variety of different industries and included Zuora, a software business; MKS Instruments, a manufacturer of critical components to a variety of industries; Signature Bank, a commercial bank; Service Corp International, a provider of funeral services; LPL Financial Services, a provider of processing and services to financial advisers and Littelfuse, a manufacturer of fuses and other electronic components. Nearly all the new additions would not be considered large-cap stocks, reflecting what we consider to be a key attraction of the US stock market – its depth and breadth. Indeed, the portfolio continues to exhibit a small or mid-cap bias compared to the most commonly used benchmarks. This skew has not been helpful for relative performance in recent years, given spectacular returns from a number of the largest American businesses which have contributed disproportionately to the returns of the most commonly used indices. However, we think the most sensible investment approach is one that takes advantage of the best investment opportunities across the market cap spectrum and expect this approach to reassert itself as a positive contributor to performance in the future.

For a more detailed write up of the rationale of some of the key buys and sells, please see our most recent investment update for Q4 2021.

#### Market Outlook

A new calendar year inevitably brings with it prophecies of what the next 12 months might hold as well as a list of investment risks that lie on the horizon. While we are fully aware of the holistic environment in which the businesses held in the portfolio operate, we have found that over time it is rarely the case that the most commonly cited near-term macro risks dictate the longer-term path of most businesses' fundamentals.



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Overall, there is nothing to suggest corporate America will not continue to grow and prosper in the near, mid or long term. We expect American businesses will continue to expand their share of global profits as they have done over the past decade. This is happening more and more in industries that were once considered localised and where that localisation is being disrupted due to technological change. One prominent and perhaps more significant concern for both fundamentals as well as valuations is the trend of higher inflation in goods, services and wages. A tight labour market and ongoing supply chain issues, as well as companies' intentions to increase prices and wages, suggest to us that inflation is unlikely to go away in the near term. Whether it persists for longer is too difficult to forecast.

The equity market has, in many respects, been pricing in a continuation of the previous environment of low inflation and interest rates. Any sustained period of higher inflation could result in a somewhat different interest rate and investing environment to what we have been used to in recent years. As a result, valuation could reassert itself as playing a more important role, more so than it has done in recent years. We believe our process, which focuses on long-term value creation with an overlay of valuation discipline, is well placed to take advantage of the evolving investment opportunity set.

While there are parts of the equity market that look overextended from a valuation perspective, there remain plenty of opportunities to invest in well-run businesses demonstrating strong compounding potential at attractive valuations. The wide selection of such companies is an ongoing clear competitive strength of the American market and one we look to take advantage of with our multi-cap approach. We continue to find attractively valued opportunities from a variety of industries, including businesses with appealing secular growth prospects, those with solid cashflow compounding characteristics as well as companies with strong recovery potential.

In summary, we believe the outlook for the businesses held in the portfolio is very bright. We expect the underlying businesses held in the portfolio should continue to compound at a double-digit rate and in excess of the rate of the performance benchmark. We expect the valuation discipline inherent in our process will naturally reassert itself as an asset in the future and complement the underlying business compounding of the portfolio.

### North American Team

Polar Capital LLP

January 2022



## Investment Manager's Report *continued*

For the financial year ended 31 December 2021

### Smart Energy Fund

#### Fund Performance

Launched at the beginning of October, the Fund returned 6.4% (Class I US Dollar Accumulation Shares) in its first three months, slightly underperforming the broader MSCI AC World Index TR Net, which returned 6.7% during the same period (in dollar terms).

The strongest positive performance contribution was delivered by our Energy Efficiency cluster, followed by the Energy Conversion and Storage and Energy Transmission and Distribution clusters. Clean Power Generation delivered an absolute negative performance contribution.

At an individual stock level, ON Semiconductor, Marvell Technology, Xilinx and Lattice Semiconductor were the strongest positive contributors. The strongest negative contributors were NIO, Renova, Apple\* and Alstom.

#### Market Review

In the last quarter of the year, the stock markets continued to be strongly impacted by the coronavirus pandemic, causing supply disruptions which drove up inflation in the middle of increasingly tight labour markets. Consequently, the comments from the US Fed became increasingly hawkish, with Fed Chair Jerome Powell retiring the word 'transitory' for inflation and announcing a faster bond tapering before increasing interest rates again during 2022.

The corporate earnings season delivered strong results, with most companies able to beat earnings estimates amid improving margins.

The clean energy sector remained in focus with investors, with the COP26 climate summit in Glasgow creating substantial media coverage. More countries announced commitments on net-zero emissions, and a common agreement was found to phase down coal as well as 'inefficient fossil-fuel subsidies'. To the surprise of many, a compromise was also found to develop a framework for a global carbon market, which has the potential to reduce emission-reduction costs significantly. At the same time, the news flows of new deals being announced, notably around green hydrogen infrastructure, gave additional support. Renewable power generation is seen as improving the resilience of a country's energy sector in times of rising energy commodity prices.

#### Fund Activity

In October 2021, we successfully launched the Fund, with investments spread broadly over the four investment clusters mentioned above. Care was taken to start with a concentrated portfolio while maintaining geographical and thematic diversification.

Investments in the energy efficiency cluster had the greatest share, spread over four sub-clusters of big data, transportation, industrial processes and buildings. Given the solid business perspectives, companies addressing the energy consumption of big data like Marvell, Xilinx and Lattice Semiconductor had a decent weight in the portfolio. Inside the transportation sector, focus was put on Chinese electric vehicle (EV) manufacturers XPeng and Nio, and on the train systems developers Alstom and Stadler Rail. Companies addressing the energy efficiencies of industrial processes, such as Schneider Electric, were also represented with a solid weight in the portfolio. This is equally true for the building efficiency sector, where hardware improvements in HVACs (heating, ventilation and air-conditioning), lighting and controls are delivering strong efficiency gains and an improved user experience. Investments in this sub-cluster included Johnson Controls, Azbil and Resideo Technologies.

The exposure to semiconductor power management companies increased during the quarter as they are considered to particularly profit from the strong electrification trends in the global energy sector. Energy-efficient power conversion devices are becoming omnipresent across the clean energy value chains, with new strong growth drivers being the electrification of the transportation sector and battery management systems as well as the energy efficiency of big data. Notably, the positions in ON Semiconductor, Power Integrations, Rohm and Navitas Semiconductor were reinforced during the quarter.

Investments in hydrogen were maintained in the high single-digit percentage range and included pure play companies like Plug Power, ITM Power and NEL ASA, but also legacy hydrogen infrastructure equipment providers Linde and Air Liquide.

Towards the end of the year, exposure to clean power generation was reduced through selling the renewable power producers Neoen, Encavis and Boralex, as the sector continued to be negatively impacted by supply-chain delays and rising costs. The position in the poly-silicon supplier Wacker Chemie was sold.

\* not held



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## Market Outlook

Inflationary pressures caused by supply-chain bottlenecks, tight labour markets and higher energy costs are likely to persist at least into the first half of 2022. All this is likely to push the Fed to take a more aggressive stance, advancing interest rate increases.

On a positive note, the less virulent Omicron variant may signal the beginning of the end of the pandemic, making more extensive lockdowns increasingly unlikely. The Fund's management expects current tight supply chains to gradually normalise going into 2022, thereby lessening inflationary pressure. All this would be supportive for the markets.

We remain constructive on the underlying themes as reflected by the Fund's investment strategy. Driven by favourable governmental frameworks and better economics, the deployment of clean energy solutions will further gain momentum.

Concerning the deployment of clean power generation, we expect another record of new installations for 2022, driven by solar deployments, as falling input raw material costs will improve the economics again, notably towards the second half of the year.

2022 should also see record investments in energy storage as it offers a strong complement to distributed generation, especially in solar PV (photovoltaics). Similarly, the building efficiency sector is likely to remain very strong.

In line with the overall strong underlying electrification trend, we expect the key technology enablers in power semiconductors to continue to see strong demand. The current tense supply situation is not likely to abate soon, and this will allow companies to continue to expand their top and bottom line.

As in the past, the Fund will continue to invest across the clean energy value chain, focusing on segments with strong structural growth drivers like clean power production, smart grid and storage solutions, the buildout of a green hydrogen infrastructure, power electronic components, electric vehicles, building efficiencies and the energy efficiency of big data.

## Financials Team

Polar Capital LLP

January 2022



## Investment Manager's Report continued

For the financial year ended 31 December 2021

### Smart Mobility Fund

#### Fund Performance

Launched at the beginning of October, the Fund returned 5.7% (Class I US Dollar Accumulation Shares) in its first three months, slightly underperforming the broader MSCI AC World Index TR Net, which returned 6.7% during the same period (in dollar terms).

At the outset, investments were spread broadly over four thematic investment clusters. All four contributed positively, with the strongest positive performance contribution coming from the EV (electric vehicles) Technologies cluster, followed by the Mobility Infrastructure, EV Manufacturing and Autonomous Driving clusters.

At an individual stock level, ON Semiconductor, Xpeng, Plug Power and Denso were the strongest positive contributors. The strongest negative contributors were NIO, Umicore, Apple\* and Uber Technologies.

#### Market Review

In the last quarter of the year, the stock markets continued to be strongly impacted by the coronavirus pandemic, causing supply disruptions which drove up inflation in the middle of increasingly tight labour markets. Consequently, the comments from the US Fed became increasingly hawkish, with Fed Chair Jerome Powell retiring the word 'transitory' for inflation and announcing a faster bond tapering before increasing interest rates again during 2022.

The corporate earnings season delivered strong results, with most companies able to beat earnings estimates amid improving margins.

The news flow for the smart mobility sector during the quarter was supportive, notably around strong EV sales numbers worldwide, and company partnerships announced that targeted the buildout of green hydrogen infrastructure. In addition, the COP26 Climate Change Conference in Glasgow confirmed the strong global support to decarbonise the transportation sector as more countries announced commitments on net-zero emissions.

#### Fund Activity

In October 2021, we successfully launched the Fund, with investments spread broadly over the four investment clusters mentioned above. Care was taken to start with a concentrated portfolio while maintaining geographical and thematic diversification.

EV Technologies had the strongest cluster weight in the portfolio. A particular focus was put on companies supplying the electric powertrain such as ON Semiconductor, Infineon Technologies, Rohm and Power Integrations, as they benefited from significant revenue opportunities for on-board chargers, battery management systems and, notably, traction inverters. Investments in the battery value chain included lithium mining companies Livent, Albemarle and Sociedad Química y Minera de Chile (SQM), as well as battery cells producers such as Panasonic and GS Yuasa.

The Mobility Infrastructure cluster represented the second strongest weight of the portfolio. Investments were spread over the smart grid and charging sub-cluster with holdings like ABB and Schneider Electric, the green hydrogen and sustainable fuels sub-cluster through Linde, Air Liquide, NEL ASA and ITM Power, as well as the public transport and vehicle sharing sub-cluster through Alstom, Stadler Rail as well as Uber Technologies.

The exposure to EV manufacturers was more limited and included Chinese car OEMs XPeng, NIO and BYD, some tier-one OEM suppliers like the Japanese suppliers Denso and Nidec, and South Korean suppliers Hyundai Mobis and Mando.

Finally, investments in Autonomous Driving included the sensor and micro-controller companies Renesas Electronics and NXP Semiconductor, the autonomous driving solutions company APTIV, as well as connectivity players Visteon and U-blox Holding.

#### Market Outlook

Inflationary pressures caused by supply-chain bottlenecks, tight labour markets and higher energy costs are likely to persist at least into the first half of 2022. All this is likely to push the Fed to take a more aggressive stance, advancing interest rate increases.

On a positive note, the less virulent Omicron variant may signal the beginning of the end of the pandemic, making more extensive lockdowns increasingly unlikely. The Fund's management expects current tight supply chains to gradually normalise going into 2022, thereby lessening inflationary pressure. All this would be supportive for the markets.

Following an already successful 2021, we expect the strong growth of electric vehicles to continue. With global auto production capacity recovering as a result of lessening-supply chain disruptions, we expect to see sales growth for EVs vehicles of at least 60% in 2022, which would give them a market share of 12% worldwide. The global penetration will thereby continue to be driven by Europe and China, but we have seen a recent acceleration in US EV developments.

In the area of autonomous driving, 2022 will mark a major milestone with 'level 3' cars on public roads after authorities granted system approval for the first time in December 2021. Level 3 autonomy will conditionally allow the driver to focus on other activities such as processing emails, online shopping and web browsing. Furthermore, in 2022 we expect to witness various fully automated robo-taxi projects worldwide to make further progress towards a public-facing commercial setting.

\* not held



Overall, we remain very constructive on the Fund given the strong fundamentals of the smart mobility sector, with the entire transportation sector having engaged in an unprecedented transformation towards electrification. We will continue to invest across the smart mobility value chain, seeking exposure to market segments including EV manufacturers and suppliers, power semiconductors, batteries, hydrogen and EV charging infrastructure, sensor and data processing technologies for automated driving, shared mobility solutions or new developments in the area of driverless mobility.

**Financials Team**

Polar Capital LLP

January 2022



## Investment Manager's Report *continued*

For the financial year ended 31 December 2021

### UK Absolute Equity Fund

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Due to the ill health of the fund manager, the Fund was suspended in mid-April 2020, and money returned to investors by mid-May 2020.



## UK Value Opportunities Fund

### Fund Performance

The Fund returned 20.1% (Class I GBP Accumulation Shares) in 2021 compared to 17.8% (in GBP terms) for the FTSE All Share Total Return benchmark. Since inception, the Fund has returned 46.4% (Class I GBP Accumulation Shares) compared to 29.6% (in GBP terms) for the benchmark.

The outlook for the global and the UK economy was volatile over the year. Initially, hopes of continued rapid economic recovery from COVID-19 in the first half of the year, driven by successful vaccine rollouts and a reduction of enforced economic lockdowns gave way to concerns over inflation and supply chains and then new emerging COVID-19 variants. Broadly speaking, the first half of the year saw the 10-year Treasury and sterling strengthen while small and mid-caps outperformed large caps. All of this tends to provide beneficial stylistic tailwinds for the Fund. The second half of the year saw those tailwinds turn to headwinds and become a more challenging backdrop, especially in Q4.

The strongest performing sectors by contribution to the Fund were retail and capital goods, with the weakest performing sectors being household and personal goods and consumer durables. Looking at individual stocks, there is a clear picture of those that delivered consistent profit upgrades over the year being the Fund's best performing shares, while those shares that proved to be the most difficult from a performance perspective all had to deliver more difficult news.

The strongest performing shares by contribution were Morgan Sindall Group, Investec, Marks & Spencer Group, Watches of Switzerland Group and MW Morrison Supermarkets. Morrison was one of three shares sold and exited during the year after receiving successful takeover approaches. The other four benefitted from starting the year on modest valuations and delivered a number of strong profit upgrades over the course of 2021.

The weakest performing shares were IG Design Group, Lancashire Holdings, QinetiQ Group, Vesuvius and Mitchells & Butlers. All of these companies had to downgrade profit expectations in 2021, thanks to a combination of tougher supply chains and more difficult end markets.

### Market Review

We assess the period on our three investment criteria: valuation, durability of profits and our financial safety check.

In late 2020, we saw the re-emergence of value as a style with the announcement of the successful vaccines and their rollout. Value had a mixed 2021, initially outperforming before growth started to perform better in the summer months. Within the Fund we can clearly see that cheaper shares outperformed over the year as whole. If we can navigate through the Omicron scare with only minor economic restrictions, then the outlook for value looks set fair as we should see an acceleration again in economic data over the course of the first half of 2022. The valuation of the UK market remains highly attractive in the context of other global markets, and the Fund remains at a healthy discount to the UK market as a whole.

The durability of companies' profits was easier to forecast than in 2020, though in many cases they were still subject to volatile changes in expectations. While businesses often experienced large variations in top-line sales, depending on the impact of lockdowns, most companies in the portfolio coped admirably when dealing with the huge challenges that 2021 presented. Companies were faced with having to guide the market with an unknown future while coping with inflation, supply-chain disruption and, in some cases, extreme shortages of basic inputs, including labour. We have commented previously that the COVID 19 crisis has exaggerated and sped up change across many sectors and companies and we feel particularly excited to see a number of businesses well placed to keep taking substantial market share.

The premise of our financial safety check is that businesses generating decent positive retained cash with a robust balance sheet are best placed to weather storms and seize opportunities whenever they present themselves. The past two years have perhaps shown more than ever its benefit to our process. Many of the Fund's companies have been able to accelerate capital spending plans and were able to come strongly back onto the dividend list. When analysing those we believe are taking the greatest market share within their sectors, it is clear they start from the basis of a strong financing position.

## Investment Manager's Report continued

For the financial year ended 31 December 2021

### UK Value Opportunities Fund continued

#### Fund Activity

The portfolio benefitted from three shares being taken over at acceptable valuations that were above or approaching our target price. MW Morrison Supermarkets (see above), Stock Spirits Group and Ultra Electronics Holdings. Additionally, our holdings in Watches of Switzerland Group, Marlowe, Johnson Service Group, Pennon Group, Prudential, Discoverie Group and On the Beach Group were all sold when the shares reached our estimation of fair value. As a value fund, we will always seek to exit a holding at fair value (or better) and recycle capital into cheaper areas of the portfolio. Many of these businesses are investments that have been great friends to the Fund and we will happily revisit them if valuations come back towards more reasonable levels. We continually monitor all holdings for adherence to our three investment criteria – valuation, durability of profits and our financial safety check – and if any one of those criteria are challenged then we exit the holding. Over the course of the year our analysis changed surrounding the durability of the profit streams for Polymetal International, Barratt Developments, Ashmore Group and James Fisher & Sons. While they were difficult decisions to take, on average it has been the right decision to keep the portfolio focused on those shares in which we have higher conviction.

One advantage of the sizeable discount the UK market is trading at, is there is no shortage of great value shares to choose from. Indeed, the new holdings that have come into the Fund are a mix of market cap, sector as well as both internationally and domestically-focused shares. Over the course of the year, new holdings were added on valuation grounds in AstraZeneca, Beazley, Taylor Wimpey, Atalaya Mining, Dunelm Group, WPP and Tesco. Additionally, we used capital-raising events to acquire holdings at attractive prices in Rathbone Brothers, Kier Group and SigmaRoc.

We still have a healthy pipeline of possible shares to consider for the fund into 2022.

#### Market Outlook

There are three clear risks the market will have to continue to grapple with at the start of 2022. First, continued supply-chain disruption and bottlenecks will keep inflationary pressures high and leave the profit outlook for business more challenging. In particular, while China continues to follow an unrealistic policy of zero COVID-19, its economy will be subject to significant shutdowns which will impact global GDP and maintain supply-chain disruption. Second, tightening monetary policy. Third, we are faced with continuing ongoing variants of COVID-19.

The valuation of the UK market and the Fund remains highly attractive and it is a source of frustration but also opportunity that the UK valuation discount did not close in 2021. The UK remains on a material valuation discount to the rest of the world even when sector-adjusted, despite the most dramatic downside risks of a new relationship with the EU failing to materialise and an advanced vaccine program. As long as the UK remains out of favour, it is a particularly good place to go bargain hunting, in our view, and the Fund itself remains at a significant discount to the market, creating a double discount.

There was a significant amount of M&A in 2021 and, if the UK valuation discount continues, this level of elevated takeover activity is likely to continue. There is little good news priced into large parts of the UK stock market and certain domestic shares stand at incredibly attractive valuations. Should the vaccination booster program prove successful, we believe the UK market and domestic shares should be well placed to outperform.

In assessing our outlook for return on invested capital, it's already clear that the significant vaccination effort in the UK and the rollout of the booster program is thankfully insulating the healthcare system from the worst-case outcomes. We are starting to see tentative signs that supply-chain disruptions for freight and input commodities is easing. However the labour market both in the UK and around the world remains tight. While this is a challenge, it is becoming increasingly clear that 'winning' businesses are navigating these challenges better than weaker impaired businesses. We have seen some of our holdings take five years' worth of market share in five months. We continue to think this is a hugely exciting investment opportunity.

The balance sheet position of UK companies and UK consumers remains extremely healthy which bodes well for the outlook for corporate capex spend and consumption over the course of 2022. There will be plenty of challenges ahead, but we feel the valuation of both the UK and the Fund remains highly attractive and we strongly believe that should be the basis for generating meaningful returns.

#### UK Value Team

Polar Capital LLP

January 2022



## Report of the Directors

For the financial year ended 31 December 2021

The Directors of Polar Capital Funds plc (the 'Company') have pleasure in submitting their Annual Report and Audited Financial Statements for the financial year ended 31 December 2021 to the Shareholders.

### Directors Responsibilities Statement

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with the Companies Act 2014 (including amendments made by the Companies (Accounting) Act 2017, hereinafter 'Companies Act 2014') and the applicable regulations.

Irish company law requires the Directors to prepare financial statements for each financial year. Under the law, the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union ('IFRS').

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 assets, liabilities and financial position of the Company as at the financial year end date and of the profit or loss of the Company for the financial year and otherwise comply with the Companies Act 2014.

In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; 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 ensuring that the Company keeps or causes to be kept adequate accounting records which: correctly explain and record the transactions of the Company; enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy; enable the financial statements and Directors' report to comply with the Companies Act 2014 and with the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (the 'UCITS Regulations') and Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the 'Central Bank UCITS Regulations') and the Listing Rules of Euronext Dublin; and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In this regard, Bridge Fund Management Limited (the 'Manager') has been appointed as the Company's UCITS management company, with overall responsibility for the administration of the Company and the management of its investments. The Manager has in turn appointed Polar Capital LLP (the 'Investment Manager') as investment manager of the Company's sub-funds and Northern Trust International Fund Administration Services (Ireland) Limited (the 'Administrator') for the purpose of, among others, maintaining adequate accounting records. Northern Trust Fiduciary Services (Ireland) Limited (the 'Depositary') has been appointed for the purpose of safeguarding the assets of the Company.

### Basis of Presentation

The format and certain wording in the Financial Statements has been adapted from those contained in the Companies Act 2014 and IFRS so that, in the opinion of the Directors, they more appropriately reflect the nature of the Company's business as an investment fund.

### Directors' Statement on adequate accounting records

The Directors believe that they have complied with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to adequate accounting records by employing personnel with appropriate expertise and by providing adequate resources to the finance function. The accounting records of the Company are maintained by the Administrator at Georges Court, 54–62 Townsend Street, Dublin 2, Ireland.

### Business Review and Future Developments

The Company is an open-ended investment company with variable capital and segregated liability between its sub-funds (the 'Funds'), organised under the laws of Ireland. The Company was incorporated on 28 September 2001.

During the financial year ended 31 December 2021:

- Asian Opportunities Fund terminated on 1 March 2021.
- Emerging Markets Income Fund merged with the Emerging Markets Stars Fund on 8 June 2021.
- Barbara Healy was appointed as Director 11 June 2020 and resigned on 16 February 2021.
- Karen Nolan was appointed as Director on 16 February 2021.
- Smart Energy Fund launched on 30 September 2021.
- Smart Mobility Fund launched on 30 September 2021.

The Company will continue to act as an investment vehicle as set out in its Prospectus.

A detailed review of the Company's activities for the financial year ended 31 December 2021 is included in the Investment Manager's Report.



## Risk Management Objectives and Policies

The principal risks and uncertainties faced by the Company are the investment risks associated with the portfolio of investments held for the account of each Fund and the operational risks associated with their management and administration. A more detailed analysis of some of the risks facing the Company is included in Note 10 of the Notes to the Financial Statements.

## Directors' Interests in Shares of the Company

Other than as disclosed in Note 8 to the Financial Statements, there were no contracts or agreements of any significance in relation to the business of the Company in which the Directors had any interest, as defined in the Companies Act 2014, at any time during the financial year.

## Transactions with Connected Persons

Regulation 43(1) of the Central Bank UCITS Regulations requires that any transaction carried out with the Company by a management company or depositary to the Company, their respective delegates, and associated or group companies ('connected persons') must be carried out as if negotiated at arm's length. Transactions must be in the best interests of the shareholders.

The Directors are satisfied that there are arrangements (evidenced by written procedures) in place, to ensure that this obligation is applied to all transactions with connected persons, and are satisfied that transactions with connected persons entered into during the year complied with this obligation.

## Distributions

Distributions declared for the financial year are as set out in Note 13.

## Corporate Governance Statement

The Company is subject to corporate governance practices imposed by:

- (i) The Memorandum and Articles of Association of the Company;
- (ii) The Companies Act 2014;
- (iii) The UCITS Regulations;
- (iv) The Euronext Dublin Code of Listing Requirements and Procedures.

Copies of the above are all available for inspection at the Company's registered office at Georges Court, 54–62 Townsend Street, Dublin 2.

The Company has adopted the Corporate Governance Code for Collective Investment Schemes and Management Companies (the 'Code') issued by Irish Funds. The Company is organised in such a way to meet all the provisions of the Code and there are no exceptions to be noted.

The Directors are responsible for establishing and maintaining adequate internal control and risk management systems in relation to the financial reporting process of the Company. Such systems are designed to manage, rather than eliminate, the risk of error or fraud in achieving the Company's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Company has procedures in place to ensure all relevant accounting records are properly maintained and are readily available, including production of annual and half-yearly financial statements. The annual and half-yearly financial statements of the Company are required to be approved by the Directors of the Company and filed with the Central Bank of Ireland and Euronext Dublin.

The accounting information provided in the annual financial statements is required to be audited by an independent auditor who reports annually to the Shareholders of the Company on the audit process and their findings. The auditor's report on the financial statements, including any qualifications, is reproduced in full in the annual report of the Company.

The business of the Company is managed by the Directors, who are responsible for the Company's overall direction and strategy, including review of investment management performance, administration of the Company's funds and compliance with the Company's regulatory requirements. Custody of the Company's assets is overseen by the Depositary, which is independent of the Company.

The Board meets at least four times a financial year to review the operations of the Company, to address matters of strategic importance and to receive reports from the Manager, Administrator, the Depositary and the Investment Manager. However, a Director may call a meeting of Directors at any time.

Questions arising at any meeting of the Directors are generally decided by consensus, but majority voting can be used if necessary to reach a decision. If there are an equal number of votes for or against a resolution the Chairman of the meeting can effectively decide the matter by exercising a second or casting vote.

The minimum required number of Directors is two, which is also the minimum number of Directors required for a meeting to take place. Currently there are six non-executive Directors, five of whom are independent of the Investment Manager. The Directors are listed on page 434.



## Diversity Statement

The Board of Directors strives to ensure that its membership reflects diversity in the broadest sense (capturing a combination of skills, experience, age, educational and professional backgrounds). The Board has established a nominations committee the remit of which is to monitor the composition of the board, satisfy itself with regard to succession planning and ensure it adheres to the Code and applicable legislation with regard to diversity.

The Company believes that there is a strong business case for boardroom diversity, which helps to promote good governance and challenge 'group think' mentality. A diverse board should also help to ensure that the board continues to remain objective in its decision making and to exercise good judgement on behalf of the Shareholders. When appointing members to the board, the Company will consider whether the candidates have the knowledge, qualifications and skills necessary to safeguard proper and prudent management of the institution.

The Company has no employees. It is the opinion of the Board that the current Directors represent an appropriate mix of skills, knowledge and experience commensurate with governing a UCITS investment company of this scale, while meeting regulatory requirements as to the composition of the board and the experience and qualifications of its members.

The convening and conduct of Shareholders' meetings are governed by company law and the Memorandum and Articles of Association. Shareholders together holding 5 per cent or more in aggregate of the shares of the Company in issue may at any time request that the Directors convene a meeting of Shareholders to consider any matters that may be proposed by the Shareholders requesting the meeting.

A meeting of Shareholders held in accordance with the provisions of the Memorandum and Articles of Association may by a 75% majority of those voting approve a change to the Memorandum and Articles of Association or a proposal to wind up the Company. A simple majority vote is required for most other proposals, including proposals to determine that the Directors shall retire, or to terminate any of its Funds, and any material change in the investment objective and policies or the investment restrictions set out in the Prospectus issued by the Company.

Twenty one days' notice at least of every meeting shall be given to Shareholders in the manner provided in the Memorandum and Articles of Association. At any meeting any matter put to a vote shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman or by one or more Shareholders present in person or by proxy and holding or representing one-twentieth of the number of shares for the time being in issue. Unless a poll is so demanded, a declaration by the Chairman that a resolution has been carried or carried unanimously or by a particular majority or lost shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

If a poll is duly demanded, it shall be taken in such manner as the Chairman may direct and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

## Results

The results of operations for the financial year are set out in the Statement of Comprehensive Income.

## Significant Events during the financial year

Events which were significant during the financial year are detailed in Note 17.

## Subsequent Events

Significant events since the financial year end date are set out above and detailed in Note 18.

## UCITS Remuneration Report

The Company has established a remuneration policy in accordance with the Central Bank UCITS Regulations and the Guidelines on Sound Remuneration Policies issued by the European Securities and Markets Authority under the UCITS Directive (the 'ESMA Guidelines'). A copy of this policy is available on [www.polarcapital.co.uk](http://www.polarcapital.co.uk).



## Directors Compliance Statement made in accordance with Section 225 of the Companies Act 2014

The Directors acknowledge that they are responsible for securing compliance by the Company with its Relevant Obligations as defined with the Companies Act 2014 (hereinafter called the 'Relevant Obligations').

The Directors confirm that they have drawn up and adopted a Compliance Policy Statement setting out the Company's policies that, in the Directors' opinion, are appropriate to the Company in respect of its compliance with its Relevant Obligations.

The Directors further confirm the Company has put into place appropriate arrangements or structures that are, in the Directors' opinion, designed to secure material compliance with its Relevant Obligations including reliance on the advice of persons employed by the Company and external legal and tax advisers as considered appropriate from time to time and that they have reviewed the effectiveness of these arrangements or structures during the financial year to which this Report relates.

## Brexit and Associated Risks

The decision by the United Kingdom ('UK') to leave the European Union ('EU') has led to political instability and economic uncertainty, volatility in the financial markets of the UK and more broadly across Europe and a decline in the value of Sterling. The terms of withdrawal appear now to have been largely settled, but there remains a number of uncertainties in connection with the UK's relationship with the EU which may continue for a time to affect economies in the UK, the EU and the rest of Europe and create volatility in the securities and foreign exchange markets in which many of the Sub-Funds invest.

## Audit Committee

During the financial year ended 31 December 2021 the Company did not have an audit committee in place. The Board has decided not to establish an audit committee as this was deemed most appropriate to the Company's structure as a UCITS fund and the nature, scale and complexity of the Company's operations at this time.

## Statement on Relevant Audit Information

So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware. The Directors have taken all the steps that should have been taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

## Independent Auditor

Deloitte LLP, Chartered Accountants and Statutory Audit Firm, was appointed as the auditors of the Company on 22 October 2014. In accordance with Section 383 (2) of the Companies Act 2014, the auditors have indicated their willingness to continue in office.

On behalf of the Board

**David Hammond**

Directors

**Karen Nolan**

31 March 2022



## Report of the Depositary to the Shareholders

For the financial year ended 31 December 2021

We, Northern Trust Fiduciary Services (Ireland) Limited, appointed Depositary to Polar Capital Funds plc ('the Fund') provide this report solely in favour of the shareholders of the Fund for the year ended 31 December 2021 ('the Annual Accounting Period'). This report is provided in accordance with the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (SI No 352 of 2011), as amended, which implemented Directive 2009/65/EU into Irish Law ('the Regulations'). We do not, in the provision of this report, accept nor assume responsibility for any other purpose or person to whom this report is shown.

In accordance with our Depositary obligation as provided for under the Regulations, we have enquired into the conduct of the Fund for the Accounting Period and we hereby report thereon to the shareholders of the Fund as follows;

We are of the opinion that the Fund has been managed during the Annual Accounting Period, in all material respects:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the Fund by the constitutional documents and by the Regulations; and
- (ii) otherwise in accordance with the provisions of the constitutional document and the Regulations.

For and on behalf of

**Northern Trust Fiduciary Services (Ireland) Limited**

Georges Court  
54–62 Townsend Street  
Dublin 2

31 March 2022

# Independent Auditor's Report

to the Shareholders of Polar Capital Funds plc

## Report on the audit of the financial statements

### Opinion on the financial statements of Polar Capital Funds Plc (the 'company')

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2021 and of the profit for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014 and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 and Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (as amended).

The financial statements we have audited comprise:

- the Statement of Financial Position;
- the Statement of Comprehensive Income;
- the Statement of Changes in Net Assets to Holders of Redeemable Participating Shares;
- the Statement of Cash Flows; and
- the related notes 1 to 19, including a summary of significant accounting policies as set out in note 2.

The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and International Financial Reporting Standards (IFRS) as adopted by the European Union ('the relevant financial reporting framework').

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Summary of our audit approach

|  |   |
|--|---|
| <b>Key audit matters</b>                   | <p>The key audit matters that we identified in the current year were:</p> <ul style="list-style-type: none"> <li>• Valuation of Financial Assets and Liabilities at Fair Value Through Profit or Loss;</li> <li>• Existence of Financial Assets and Liabilities at Fair Value Through Profit or Loss; and</li> <li>• Accuracy of Performance Fees</li> </ul> <p>Within this report, any new key audit matters are identified with  and any key audit matters which are the same as the prior year identified with .</p> |
| <b>Materiality</b>                         | The materiality that we used in the current year was 1% of the average net assets for each sub-fund.  |
| <b>Scoping</b>                             | Our audit is a risk based approach taking into account the structure of the company, types of investments, the involvement of the third parties service providers, the accounting processes and controls in place and the industry in which the company operates.   |
| <b>Significant changes in our approach</b> | There have been no significant changes in our approach from our prior year audit.   |



## Conclusions relating to going concern

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.

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

- Reviewed and assessed the liquidity position of each sub-fund.
- Assessment of overall market performance and assessment of current year performance and year-end position of the company.
- Obtaining and challenging the directors assessment of going concern including key assumptions.
- Evaluating the adequacy of the relevant disclosures made in the financial statements.

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.

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

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current financial year and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, 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 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.

### Valuation of Financial Assets and Liabilities at Fair Value Through Profit or Loss

|   |  |
|---|--|
| <b>Key audit matter description</b>                                 | <p>The valuation of financial assets and liabilities at fair value through profit or loss is considered a key audit matter as they represents a significant balance on the Statement of Financial Position.</p> <p>There is a risk that financial assets and liabilities at fair value through profit or loss are valued incorrectly, inappropriate valuation methodology applied and the use of inappropriate assumptions could result in the valuation being materially misstated.</p> <p>Refer also to note 2 and 10 in the financial statements.</p>   |
| <b>How the scope of our audit responded to the key audit matter</b> | <p>We have performed the following audit procedures to address the key audit matter:</p> <p>We obtained an understanding and evaluated the key controls that have been implemented over the valuation process for financial assets and liabilities at fair value through profit or loss.</p> <p>We obtained the Northern Trust International Fund Administration Services (Ireland) Limited (the 'Administrator') SOC 1 Report and identified the key controls in place over the valuation process and reviewed those key controls for any exceptions.</p> <p>We compared the prices of equities, warrants, contracts for difference, bonds, futures, swaps and forward foreign exchange contracts in the investment portfolio at year end to prices published by independent pricing sources.</p> |



**Independent Auditor’s Report** continued  
to the Shareholders of Polar Capital Funds plc

**Existence of Financial Assets and Liabilities at Fair Value Through Profit or Loss**

|   |  |
|---|--|
| <b>Key audit matter description</b>                                 | <p>The existence of financial assets and liabilities at fair value through profit or loss is considered a key audit matter as they represents a significant balance on the Statement of Financial Position.</p> <p>There is a risk that financial assets and liabilities at fair value through profit or loss do not exist.</p> <p>Refer also to note 2 and 10 in the financial statements.</p>  |
| <b>How the scope of our audit responded to the key audit matter</b> | <p>We have performed the following audit procedures to address the key audit matter:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding and evaluated the key controls that have been implemented over the reconciliation process for existence from the Administrator to the depositary and counterparties.</li> <li>• We obtained the Administrator’s SOC 1 Report and identified the key controls in place over the reconciliation process and reviewed those key controls for any exceptions.</li> <li>• We obtained independent confirmations from the depositary and counterparties at the financial year-end and agreed the amounts held to the investment portfolio.</li> </ul> <p>We tested a sample of reconciling trades to ensure that they have been recorded in the correct period including a review of a sample of unsettled trades</p> |

**Accuracy of Performance Fees**

|   |   |
|---|---|
| <b>Key audit matter description</b>                                 | <p>The performance fee crystallises on an annual basis. The accuracy of performance fees are considered a key audit matter because the performance fee is a related party transaction and a significant expense in the Statement of Comprehensive Income.</p> <p>There is a risk that performance fee is not calculated correctly in accordance with the prospectus and input used in the calculation is incorrect.</p> <p>Refer also to note 3 in the financial statements.</p>  |
| <b>How the scope of our audit responded to the key audit matter</b> | <p>We have performed the following audit procedures to address the key audit matter:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding and assessed the design of the key controls over the calculation and approval of the performance fees.</li> <li>• We reviewed the prospectus of the company to understand the calculation methodology.</li> <li>• We reviewed the inputs used in the performance fee calculation to ensure compliance with the prospectus.</li> <li>• We recalculated performance fees in accordance with the prospectus and compared to recorded performance fee to ensure accuracy.</li> </ul> |



Our audit procedures relating to these matters were designed in the context of our audit of the financial statements as a whole, and not to express an opinion on individual accounts or disclosures. Our opinion on the financial statements is not modified with respect to any of the risks described above, and we do not express an opinion on these individual matters.

### **Our application of materiality**

We define materiality as the magnitude of misstatement that makes it probable that the economic decisions of a reasonably knowledgeable person, relying on the financial statements, would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

As the company is set up as an umbrella fund with segregated liabilities between sub-funds, we determined materiality on a sub-fund basis to be 1% of average net assets. We have considered the average net assets to be the critical component for determining materiality because the main objective of the sub funds is to provide investors with a total return. We have considered quantitative and qualitative factors such as understanding the company and its environment, history of misstatements, complexity of the company and reliability of control environment.

We agreed with the directors that we would report to them any audit differences in excess of 5% of materiality, as well as differences below that threshold which, in our view, warranted reporting on qualitative grounds. We also report to the Board of Directors on disclosure matters that we identified when assessing the overall presentation of the financial statements.

### **An overview of the scope of our audit**

Our audit is a risk based approach taking into account the structure of the company, types of investments, the involvement of the third party service providers, the accounting processes and controls in place and the industry in which the company operates. The company is incorporated as an open-ended investment company with variable capital and is organised under the laws of Ireland as a public limited company pursuant to the Irish Companies Act 2014. The company is authorised by the Central Bank of Ireland (the "Central Bank") as a UCITS (Undertaking for Collective Investment in Transferable Securities) pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (as amended). The company is organised as an umbrella fund with segregated liability between sub funds. The redeemable participating shares of the sub funds are listed on the Irish Stock Exchange (the "ISE"). At 31 December 2021, the company had twenty active sub funds. We assess the risks of each sub-fund separately. We have conducted our audit based on the books and records maintained by the administrator, Northern Trust International Fund Administration Services (Ireland) Limited, Georges Court, 54–62 Townsend Street, Dublin 2, Ireland.

### **Other information**

The other information comprises the information included in the Annual Report and Audited Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report and Audited Financial Statements.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.



## Independent Auditor's Report continued

to the Shareholders of Polar Capital Funds plc

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### Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, and for such internal control as the directors 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.

### Auditor's 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 auditor's 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 (Ireland) 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.

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity (or where relevant, the group) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

For listed entities and public interest entities, the auditor also provides those charged with governance with a statement that the auditor has complied with relevant ethical requirements regarding independence, including the Ethical Standard for Auditors (Ireland), and communicates with them all relationships and other matters that may reasonably be thought to bear on the auditor's independence, and where applicable, related safeguards.

Where the auditor is required to report on key audit matters, from the matters communicated with those charged with governance, the auditor determines those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. The auditor describes these matters in the auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, the auditor determines that a matter should not be communicated in the auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



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## Report on other legal and regulatory requirements

### Opinion on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements and the directors' report has been prepared in accordance with the Companies Act 2014.

### Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

### Use of our report

This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Christian MacManus

For and on behalf of Deloitte Ireland LLP  
Chartered Accountants and Statutory Audit Firm  
Deloitte & Touche House, Earlsfort Terrace, Dublin 2

7 April 2022


**Portfolio Statements**  
 As at 31 December 2021

## Asian Stars Fund

| Holdings                                     | Financial assets at fair value through profit or loss | Fair Value<br>US\$ | % of<br>Net Assets |
|--|---|--------------------|--------------------|
| <b>Equities: 99.43% (2020: 99.46%)</b>       |   |                    |                    |
| <b>Australia: 1.71% (2020: Nil)</b>          |   |                    |                    |
| 140,848                                      | OZ Minerals   | 2,889,828          | 1.71               |
| <b>Total Australia</b>                       |   | <b>2,889,828</b>   | <b>1.71</b>        |
| <b>Bermuda: 0.59% (2020: 1.25%)</b>          |   |                    |                    |
| 1,186,000                                    | Alibaba Health Information Technology                 | 1,002,493          | 0.59               |
| <b>Total Bermuda</b>                         |   | <b>1,002,493</b>   | <b>0.59</b>        |
| <b>Cayman Islands: 21.58% (2020: 33.05%)</b> |   |                    |                    |
| 439,812                                      | Alibaba   | 6,707,495          | 3.97               |
| 25,113                                       | Bilibili ADR  | 1,155,102          | 0.68               |
| 253,000                                      | JD Health International                               | 1,994,132          | 1.18               |
| 126,248                                      | JD.Com Inc  | 4,436,970          | 2.63               |
| 360,500                                      | Longfor   | 1,697,004          | 1.01               |
| 142,400                                      | Meituan   | 4,116,948          | 2.44               |
| 23,063                                       | Sea ADR   | 5,159,424          | 3.05               |
| 190,900                                      | Tencent   | 11,185,193         | 6.62               |
| <b>Total Cayman Islands</b>                  |   | <b>36,452,268</b>  | <b>21.58</b>       |
| <b>Hong Kong: 2.89% (2020: 3.06%)</b>        |   |                    |                    |
| 484,600                                      | AIA   | 4,885,594          | 2.89               |
| <b>Total Hong Kong</b>                       |   | <b>4,885,594</b>   | <b>2.89</b>        |
| <b>India: 19.24% (2020: 14.11%)</b>          |   |                    |                    |
| 35,392                                       | Apollo Hospitals                                      | 2,386,933          | 1.41               |
| 34,758                                       | Coforge   | 2,754,221          | 1.63               |
| 26,999                                       | Dixon Technologies                                    | 2,001,090          | 1.18               |
| 101,416                                      | Housing Development Finance                           | 3,528,689          | 2.09               |
| 530,941                                      | ICICI Bank  | 5,286,508          | 3.13               |
| 225,395                                      | ICICI Prudential Life Insurance                       | 1,700,416          | 1.01               |
| 18,553                                       | Info Edge   | 1,391,856          | 0.82               |
| 344,676                                      | Phoenix Mills   | 4,568,824          | 2.70               |
| 483,098                                      | Prestige Estates Projects                             | 3,085,340          | 1.83               |
| 182,184                                      | Reliance Industries                                   | 5,803,932          | 3.44               |
| <b>Total India</b>                           |   | <b>32,507,809</b>  | <b>19.24</b>       |



| Holdings | Financial assets at fair value through profit or loss  | Fair Value<br>US\$ | % of<br>Net Assets |
|----------|--|--------------------|--------------------|
|          | <b>Equities: 99.43% (2020: 99.46%)</b> continued       |                    |                    |
|          | <b>Japan: 1.60% (2020: Nil)</b>                        |                    |                    |
| 4,700    | Tokyo Electron   | 2,705,189          | 1.60               |
|          | <b>Total Japan</b>                                     | <b>2,705,189</b>   | <b>1.60</b>        |
|          | <b>People's Republic of China: 5.83% (2020: 4.57%)</b> |                    |                    |
| 141,900  | Glodon   | 1,427,692          | 0.85               |
| 340,500  | Ping An Insurance                                      | 2,452,327          | 1.45               |
| 218,900  | Shenzhen Inovance Technology                           | 2,361,444          | 1.40               |
| 96,100   | Sungrow Power Supply                                   | 2,203,376          | 1.30               |
| 367,500  | Venus MedTech (HangZhou) Inc                           | 1,395,277          | 0.83               |
|          | <b>Total People's Republic of China</b>                | <b>9,840,116</b>   | <b>5.83</b>        |
|          | <b>Republic of South Korea: 20.01% (2020: 22.73%)</b>  |                    |                    |
| 6,132    | Ecopro BM  | 2,583,307          | 1.53               |
| 40,954   | ITM Semiconductor                                      | 1,467,626          | 0.87               |
| 143,698  | Koh Young Technology                                   | 2,864,894          | 1.69               |
| 14,730   | NAVER  | 4,690,057          | 2.78               |
| 200,318  | Samsung Electronics                                    | 13,194,447         | 7.81               |
| 3,590    | Samsung SDI  | 1,978,086          | 1.17               |
| 124,077  | Seoul Viosys   | 1,382,982          | 0.82               |
| 51,229   | SK Hynix   | 5,645,425          | 3.34               |
|          | <b>Total Republic of South Korea</b>                   | <b>33,806,824</b>  | <b>20.01</b>       |
|          | <b>Singapore: 3.46% (2020: 1.08%)</b>                  |                    |                    |
| 71,713   | CLSA Global Market                                     | 1,964,151          | 1.16               |
| 43,980   | OPT Machine Vision Tech                                | 1,947,145          | 1.15               |
| 242,392  | Zhejiang Heda Technology                               | 1,932,032          | 1.15               |
|          | <b>Total Singapore</b>                                 | <b>5,843,328</b>   | <b>3.46</b>        |
|          | <b>Taiwan: 19.32% (2020: 15.77%)</b>                   |                    |                    |
| 105,000  | Andes Technology                                       | 2,034,192          | 1.20               |
| 376,000  | Chroma ATE   | 2,718,040          | 1.61               |
| 49,000   | eMemory Technology                                     | 3,878,628          | 2.30               |
| 370,000  | LandMark Optoelectronics                               | 2,627,860          | 1.56               |
| 134,000  | MediaTek   | 5,763,545          | 3.41               |
| 702,000  | Taiwan Semiconductor Manufacturing                     | 15,604,511         | 9.24               |
|          | <b>Total Taiwan</b>                                    | <b>32,626,776</b>  | <b>19.32</b>       |

## Asian Stars Fund continued

| Holdings   | Financial assets at fair value through profit or loss | Fair Value<br>US\$         | % of<br>Net Assets         |
|--|---|----------------------------|----------------------------|
| <b>Equities: 99.43% (2020: 99.46%) continued</b>                             |   |                            |                            |
| <b>Vietnam: 3.20% (2020: 3.84%)</b>  |   |                            |                            |
| 583,120  | Vietnam Technological & Commercial Joint Stock Bank   | 1,279,333                  | 0.76                       |
| 1,414,200  | Vincom Retail   | 1,867,811                  | 1.11                       |
| 625,812  | Vinhomes  | 2,251,715                  | 1.33                       |
| <b>Total Vietnam</b>   |   | <b>5,398,859</b>           | <b>3.20</b>                |
| <b>Total Equities</b>  |   | <b>167,959,084</b>         | <b>99.43</b>               |
| <b>Total Transferable Securities</b>   |   | <b>167,959,084</b>         | <b>99.43</b>               |
|  |   | <b>Fair Value<br/>US\$</b> | <b>% of<br/>Net Assets</b> |
| <b>Total Value of Investments (Cost: US\$ 171,665,582)</b>                   |   | <b>167,959,084</b>         | <b>99.43</b>               |
| Cash at Bank   |   | 2,707,513                  | 1.60                       |
| Other Net Liabilities  |   | (1,743,383)                | (1.03)                     |
| <b>Net Assets Attributable to Holders of Redeemable Participating Shares</b> |   | <b>168,923,214</b>         | <b>100.00</b>              |

All securities are transferable securities and are admitted to an official stock exchange or dealt on a regulated market at the financial year end.

| Analysis of total assets  | 31 December 2021<br>% of Total Assets | 31 December 2020<br>% of Total Assets |
|---|---------------------------------------|---------------------------------------|
| Transferable securities admitted to official stock exchange listing | 98.22                                 | 98.06                                 |
| Other assets  | 1.78                                  | 1.94                                  |
|   | 100.00                                | 100.00                                |

The % of Net Assets has been rounded to Nil if the amount is less than 0.01%.



## Automation & Artificial Intelligence Fund

| Holdings                               | Financial assets at fair value through profit or loss | Fair Value<br>US\$ | % of<br>Net Assets |
|--|---|--------------------|--------------------|
| <b>Equities: 97.99% (2020: 96.73%)</b> |   |                    |                    |
| Cayman Islands: Nil (2020: 2.62%)      |   |                    |                    |
| France: 3.13% (2020: 2.39%)            |   |                    |                    |
| 122,855                                | Schneider Electric                                    | 24,094,511         | 3.13               |
| <b>Total France</b>                    |   | <b>24,094,511</b>  | <b>3.13</b>        |
| Germany: 3.55% (2020: 3.22%)           |   |                    |                    |
| 83,753                                 | Covestro  | 5,162,220          | 0.67               |
| 88,391                                 | Duerr AG  | 4,032,792          | 0.52               |
| 256,774                                | Infineon Technologies                                 | 11,902,060         | 1.55               |
| 83,226                                 | Siemens Healthineers                                  | 6,229,509          | 0.81               |
| <b>Total Germany</b>                   |   | <b>27,326,581</b>  | <b>3.55</b>        |
| Ireland: 1.63% (2020: Nil)             |   |                    |                    |
| 110,958                                | Seagate Technology                                    | 12,536,035         | 1.63               |
| <b>Total Ireland</b>                   |   | <b>12,536,035</b>  | <b>1.63</b>        |
| Italy: 0.75% (2020: 0.63%)             |   |                    |                    |
| 405,341                                | Brembo  | 5,775,752          | 0.75               |
| <b>Total Italy</b>                     |   | <b>5,775,752</b>   | <b>0.75</b>        |
| Japan: 16.70% (2020: 19.94%)           |   |                    |                    |
| 79,700                                 | Daifuku   | 6,505,840          | 0.85               |
| 46,700                                 | FANUC   | 9,887,074          | 1.29               |
| 155,650                                | Fuji Machine Manufacturing                            | 3,489,977          | 0.45               |
| 129,300                                | Hamamatsu Photonics                                   | 8,241,605          | 1.07               |
| 95,450                                 | Harmonic Drive Systems                                | 4,028,370          | 0.52               |
| 106,800                                | Hoya  | 15,868,595         | 2.06               |
| 25,200                                 | Keyence   | 15,817,429         | 2.06               |
| 237,300                                | Shima Seiki Manufacturing                             | 4,069,884          | 0.53               |
| 100,200                                | Shin-Etsu Chemical                                    | 17,333,021         | 2.26               |
| 38,700                                 | Sysmex Corp   | 5,225,869          | 0.68               |
| 214,400                                | TDK   | 8,359,654          | 1.09               |
| 33,924                                 | Tokyo Electron  | 19,525,706         | 2.54               |
| 82,800                                 | Toyota Industries                                     | 6,607,894          | 0.86               |
| 105,700                                | Zuken   | 3,396,205          | 0.44               |
| <b>Total Japan</b>                     |   | <b>128,357,123</b> | <b>16.70</b>       |

## Automation &amp; Artificial Intelligence Fund continued

| Holdings  | Financial assets at fair value through profit or loss | Fair Value<br>US\$ | % of<br>Net Assets |
|-----------|---|--------------------|--------------------|
|           | <b>Equities: 97.99% (2020: 96.73%)</b> continued      |                    |                    |
|           | Jersey: 0.71% (2020: (0.54%))                         |                    |                    |
| 1,766,624 | Man Group plc   | 5,441,236          | 0.71               |
|           | <b>Total Jersey</b>                                   | <b>5,441,236</b>   | <b>0.71</b>        |
|           | Luxembourg: Nil (2020: 1.25%)                         |                    |                    |
|           | Netherlands: 2.22% (2020: 3.58%)                      |                    |                    |
| 16,554    | ASML  | 13,303,777         | 1.73               |
| 79,859    | Corbion   | 3,763,401          | 0.49               |
|           | <b>Total Netherlands</b>                              | <b>17,067,178</b>  | <b>2.22</b>        |
|           | People's Republic of China: 2.03% (2020: 1.84%)       |                    |                    |
| 455,500   | BYD Company   | 15,576,145         | 2.03               |
|           | <b>Total People's Republic of China</b>               | <b>15,576,145</b>  | <b>2.03</b>        |
|           | Republic of South Korea: 1.12% (2020: 1.44%)          |                    |                    |
| 13,250    | NAVER   | 4,218,822          | 0.55               |
| 26,594    | Samsung Electro-Mechanics                             | 4,418,351          | 0.57               |
|           | <b>Total Republic of South Korea</b>                  | <b>8,637,173</b>   | <b>1.12</b>        |
|           | Sweden: 5.68% (2020: 3.18%)                           |                    |                    |
| 273,074   | Atlas Copco   | 18,874,811         | 2.45               |
| 625,763   | Epiroc AB   | 15,841,314         | 2.06               |
| 321,162   | Sandvik AB  | 8,960,334          | 1.17               |
|           | <b>Total Sweden</b>                                   | <b>43,676,459</b>  | <b>5.68</b>        |
|           | Switzerland: 0.96% (2020: 1.63%)                      |                    |                    |
| 1,406     | Givaudan  | 7,394,559          | 0.96               |
|           | <b>Total Switzerland</b>                              | <b>7,394,559</b>   | <b>0.96</b>        |
|           | Taiwan: 6.57% (2020: 5.62%)                           |                    |                    |
| 244,000   | eMemory Technology                                    | 19,313,984         | 2.51               |
| 252,000   | MediaTek  | 10,838,906         | 1.41               |
| 914,000   | Taiwan Semiconductor Manufacturing                    | 20,316,984         | 2.65               |
|           | <b>Total Taiwan</b>                                   | <b>50,469,874</b>  | <b>6.57</b>        |
|           | United Kingdom: 2.21% (2020: 2.48%)                   |                    |                    |
| 370,819   | RELX  | 12,064,185         | 1.57               |
| 76,193    | Renishaw  | 4,932,942          | 0.64               |
|           | <b>Total United Kingdom</b>                           | <b>16,997,127</b>  | <b>2.21</b>        |



| Holdings   | Financial assets at fair value through profit or loss | Fair Value<br>US\$ | % of<br>Net Assets |
|--|---|--------------------|--------------------|
| <b>Equities: 97.99% (2020: 96.73%)</b> continued |   |                    |                    |
| <b>United States: 50.73% (2020: 47.44%)</b>      |   |                    |                    |
| 23,469   | 10x Genomics  | 3,495,942          | 0.45               |
| 137,156  | Advanced Micro Devices                                | 19,736,748         | 2.57               |
| 37,572   | Airbnb Inc.   | 6,255,362          | 0.81               |
| 10,780   | Alphabet  | 31,230,091         | 4.06               |
| 8,373  | Amazon.com  | 27,918,429         | 3.63               |
| 75,208   | Analog Devices  | 13,219,310         | 1.72               |
| 10,387   | Ansys Inc   | 4,166,433          | 0.54               |
| 21,990   | Block Inc   | 3,551,605          | 0.46               |
| 86,380   | Cognex  | 6,716,909          | 0.87               |
| 21,152   | DexCom Inc  | 11,357,566         | 1.48               |
| 47,276   | Dolby Laboratories                                    | 4,501,621          | 0.59               |
| 165,812  | Emerson Electric                                      | 15,415,542         | 2.01               |
| 23,442   | Guardant Health                                       | 2,344,669          | 0.31               |
| 22,077   | Intuitive Surgical                                    | 7,932,266          | 1.03               |
| 31,632   | KLA Corp  | 13,605,240         | 1.77               |
| 17,405   | Littelfuse  | 5,477,005          | 0.71               |
| 13,544   | Masimo Corporation                                    | 3,965,412          | 0.52               |
| 27,274   | Mastercard  | 9,800,094          | 1.27               |
| 4,399  | MercadoLibre  | 5,931,612          | 0.77               |
| 12,228   | Meta Platforms  | 4,112,888          | 0.53               |
| 171,482  | Micron Technology                                     | 15,973,548         | 2.08               |
| 107,996  | Microsoft   | 36,321,215         | 4.72               |
| 18,216   | Netflix   | 10,974,047         | 1.43               |
| 120,194  | NVIDIA  | 35,350,257         | 4.60               |
| 10,300   | PayPal  | 1,942,374          | 0.25               |
| 67,058   | Qualcomm  | 12,262,896         | 1.60               |
| 55,142   | Rockwell Automation                                   | 19,236,287         | 2.50               |
| 226,452  | Snap  | 10,650,038         | 1.39               |
| 23,558   | Thermo Fisher Scientific                              | 15,718,840         | 2.04               |
| 45,501   | UnitedHealth Group Inc                                | 22,847,872         | 2.97               |
| 41,279   | Unity Software Inc                                    | 5,902,484          | 0.77               |
| 14,046   | Upstart   | 2,125,160          | 0.28               |
| <b>Total United States</b>                       |   | <b>390,039,762</b> | <b>50.73</b>       |
| <b>Total Equities</b>                            |   | <b>753,389,515</b> | <b>97.99</b>       |
| <b>Total Transferable Securities</b>             |   | <b>753,389,515</b> | <b>97.99</b>       |

## Automation & Artificial Intelligence Fund continued

### Financial assets at fair value through profit or loss

#### Open Forward Currency Contracts: Nil (2020: Nil)

| Currency Sold  | Currency Bought | Currency Rate | Maturity Date | Unrealised Gain US | % of Net Assets |
|--|-----------------|---------------|---------------|--------------------|-----------------|
| USD 100,879  | GBP 75,253      | 1.3405        | 04/01/2022    | 1,047              | –               |
| USD 29,055   | EUR 25,684      | 1.1313        | 04/01/2022    | 152                | –               |
| USD 6,901  | GBP 5,148       | 1.3405        | 04/01/2022    | 72                 | –               |
| USD 586  | GBP 437         | 1.3401        | 04/01/2022    | 6                  | –               |
| USD 327  | EUR 289         | 1.1311        | 04/01/2022    | 2                  | –               |
| USD 1  | GBP 1           | 1.3333        | 04/01/2022    | –                  | –               |
| <b>Total unrealised gain on forward foreign currency contracts</b> |                 |               |               | 1,279              | 0.00            |
| <b>Total Financial Assets at fair value through profit or loss</b> |                 |               |               | 753,390,794        | 97.99           |

|  | Fair Value US\$ | % of Net Assets |
|--|-----------------|-----------------|
| <b>Total Value of Investments (Cost: US\$ 506,863,383)</b>                   | 753,390,794     | 97.99           |
| Cash at Bank   | 17,264,656      | 2.25            |
| Other Net Liabilities  | (1,826,143)     | (0.24)          |
| <b>Net Assets Attributable to Holders of Redeemable Participating Shares</b> | 768,829,307     | 100.00          |

All securities are transferable and are admitted to an official stock exchange or dealt on a regulated market at year end.

| Analysis of total assets  | 31 December 2021<br>% of Total Assets | 31 December 2020<br>% of Total Assets |
|---|---------------------------------------|---------------------------------------|
| Transferable securities admitted to official stock exchange listing | 96.91                                 | 92.83                                 |
| Other assets  | 3.09                                  | 7.17                                  |
|   | 100.00                                | 100.00                                |

The % of Net Assets has been rounded to Nil if the amount is less than 0.01%.



## Biotechnology Fund

| Holdings   | Financial assets at fair value through profit or loss           | Fair Value<br>US\$ | % of<br>Net Assets |
|------------|---|--------------------|--------------------|
|            | <b>Equities: 99.67% (2020: 92.76%)</b>                          |                    |                    |
|            | <b>Diagnostic Equipment: 0.06% (2020: 1.57%)</b>                |                    |                    |
| 1,500,000  | Verici Dx   | 1,076,788          | 0.06               |
|            | <b>Total Diagnostic Equipment</b>                               | <b>1,076,788</b>   | <b>0.06</b>        |
|            | <b>Diagnostic Kits: 1.01% (2020: 1.20%)</b>                     |                    |                    |
| 30,000,000 | C4X Discovery   | 17,269,239         | 1.01               |
|            | <b>Total Diagnostic Kits</b>                                    | <b>17,269,239</b>  | <b>1.01</b>        |
|            | <b>Diversified Operations: 2.17% (2020: 3.26%)</b>              |                    |                    |
| 13,190,948 | Synairgen   | 37,162,280         | 2.17               |
|            | <b>Total Diversified Operations</b>                             | <b>37,162,280</b>  | <b>2.17</b>        |
|            | <b>Medical Labs &amp; Testing Services: 3.52% (2020: 2.95%)</b> |                    |                    |
| 1,250,000  | Evotec  | 60,413,757         | 3.52               |
|            | <b>Total Medical Labs &amp; Testing Services</b>                | <b>60,413,757</b>  | <b>3.52</b>        |
|            | <b>Medical Products: 3.63% (2020: 2.13%)</b>                    |                    |                    |
| 1,050,000  | NanoString Technologies   | 44,341,500         | 2.59               |
| 2,118,100  | Renalytix   | 17,786,937         | 1.04               |
|            | <b>Total Medical Products</b>                                   | <b>62,128,437</b>  | <b>3.63</b>        |
|            | <b>Medical-Biomedical/Gene: 66.46% (2020: 71.82%)</b>           |                    |                    |
| 1,500,000  | Adicet Bio  | 26,235,000         | 1.53               |
| 1,000,000  | Akoya Biosciences   | 15,310,000         | 0.89               |
| 375,000    | Alnylam Pharmaceuticals   | 63,592,500         | 3.71               |
| 1,500,000  | Arcutis Biotherapeutics   | 31,110,000         | 1.82               |
| 150,000    | Argenx  | 53,783,880         | 3.14               |
| 675,000    | Bavarian Nordic   | 27,742,059         | 1.62               |
| 2,000,000  | BELLUS Health   | 16,100,000         | 0.94               |
| 150,000    | Biogen  | 35,988,000         | 2.10               |
| 525,000    | Biohaven Pharmaceutical   | 72,350,250         | 4.22               |
| 125,000    | BioMarin Pharmaceutical   | 11,043,750         | 0.64               |
| 250,000    | Blueprint Medicines   | 26,777,500         | 1.56               |
| 750,000    | Calliditas Therapeutics   | 9,344,091          | 0.55               |
| 1,000,000  | CellDex Therapeutics  | 38,640,000         | 2.25               |
| 750,000    | Cerevel Therapeutics  | 24,315,000         | 1.42               |
| 20,000,000 | Diurnal   | 15,440,731         | 0.90               |
| 3,750,000  | Exelixis  | 68,550,000         | 4.00               |
| 150,000    | Genmab  | 60,318,795         | 3.52               |
| 750,000    | Global Blood Therapeutics                                       | 21,952,500         | 1.28               |

## Biotechnology Fund continued

| Holdings  | Financial assets at fair value through profit or loss | Fair Value<br>US\$   | % of<br>Net Assets |
|---|---|----------------------|--------------------|
| <b>Equities: 99.67% (2020: 92.76%) continued</b>                |   |                      |                    |
| <b>Medical-Biomedical/Gene: 66.46% (2020: 71.82%) continued</b> |   |                      |                    |
| 906,133   | Heidelberg Pharma AG                                  | 4,899,811            | 0.29               |
| 425,000   | Incyte  | 31,195,000           | 1.82               |
| 5,000,000   | Infinity Pharmaceuticals                              | 11,250,000           | 0.66               |
| 1,750,000   | Insmed  | 47,670,000           | 2.78               |
| 1,000,000   | Inventiva SA  | 13,350,730           | 0.78               |
| 170,000   | Regeneron Pharmaceuticals                             | 107,358,400          | 6.26               |
| 425,000   | Seagen  | 65,705,000           | 3.83               |
| 150,000   | United Therapeutics                                   | 32,412,000           | 1.89               |
| 2,000,000   | Valneva   | 55,722,806           | 3.25               |
| 375,000   | Vertex Pharmaceuticals                                | 82,350,000           | 4.81               |
| 1,000,000   | Xenon Pharmaceuticals                                 | 31,240,000           | 1.82               |
| 1,000,000   | Y-mAbs Therapeutics                                   | 16,210,000           | 0.95               |
| 250,000   | Zentalis Pharmaceuticals                              | 21,015,000           | 1.23               |
| <b>Total Medical-Biomedical/Gene</b>                            |   | <b>1,138,972,803</b> | <b>66.46</b>       |
| <b>Medical-Drugs: 22.82% (2020: 9.83%)</b>                      |   |                      |                    |
| 1,000,000   | AstraZeneca   | 117,539,181          | 6.86               |
| 750,000   | Bristol-Myers Squibb                                  | 46,762,500           | 2.73               |
| 750,000   | Cytokinetics  | 34,185,000           | 1.99               |
| 500,000   | Fulcrum Therapeutics                                  | 8,845,000            | 0.52               |
| 550,000   | Horizon Therapeutics                                  | 59,268,000           | 3.46               |
| 350,000   | Jazz Pharma Plc                                       | 44,590,000           | 2.60               |
| 325,000   | Morphic Holding                                       | 15,398,500           | 0.90               |
| 6,117,911   | Summit Therapeutics                                   | 16,457,181           | 0.96               |
| 500,000   | Supernus Pharmaceuticals                              | 14,580,000           | 0.85               |
| 250,000   | UCB   | 28,529,508           | 1.66               |
| 225,000   | Zealand Pharma  | 4,991,782            | 0.29               |
| <b>Total Medical-Drugs</b>                                      |   | <b>391,146,652</b>   | <b>22.82</b>       |
| <b>Total Equities</b>   |   | <b>1,708,169,956</b> | <b>99.67</b>       |
| <b>Warrants: 0.22% (2020: Nil)</b>                              |   |                      |                    |
| 19,000,000  | Wts. C4X Discovery 31-Dec-2040                        | 3,731,510            | 0.22               |
| <b>Total Warrants</b>   |   | <b>3,731,510</b>     | <b>0.22</b>        |
| <b>Total Transferable Securities</b>                            |   | <b>1,711,901,466</b> | <b>99.89</b>       |



## Financial assets at fair value through profit or loss

## Open Forward Currency Contracts: 0.21% (2020: 0.02%)

| Currency Sold  | Currency Bought | Currency Rate | Maturity Date | Unrealised Gain<br>US\$ | % of<br>Net Assets |
|--|-----------------|---------------|---------------|-------------------------|--------------------|
| USD 142,273,318  | GBP 107,601,606 | 1.3222        | 31/01/2022    | 3,460,363               | 0.20               |
| USD 7,497,800  | GBP 5,669,718   | 1.3224        | 31/01/2022    | 181,165                 | 0.01               |
| USD 233,554  | GBP 174,211     | 1.3406        | 05/01/2022    | 2,406                   | –                  |
| USD 103,505  | GBP 77,548      | 1.3347        | 04/01/2022    | 1,530                   | –                  |
| USD 209,727  | EUR 185,205     | 1.1324        | 04/01/2022    | 888                     | –                  |
| USD 157,496  | EUR 139,213     | 1.1313        | 05/01/2022    | 816                     | –                  |
| USD 222,361  | GBP 164,758     | 1.3496        | 31/01/2022    | 784                     | –                  |
| USD 23,850   | GBP 17,790      | 1.3406        | 05/01/2022    | 246                     | –                  |
| USD 11,736   | GBP 8,792       | 1.3348        | 04/01/2022    | 173                     | –                  |
| USD 11,542   | GBP 8,647       | 1.3347        | 04/01/2022    | 171                     | –                  |
| USD 13,409   | GBP 10,000      | 1.3409        | 31/01/2022    | 135                     | –                  |
| USD 28,729   | EUR 25,370      | 1.1324        | 04/01/2022    | 122                     | –                  |
| USD 2,906  | GBP 2,198       | 1.3221        | 31/01/2022    | 71                      | –                  |
| USD 10,689   | GBP 7,920       | 1.3496        | 31/01/2022    | 38                      | –                  |
| USD 942  | GBP 712         | 1.3233        | 31/01/2022    | 22                      | –                  |
| USD 4,113  | EUR 3,635       | 1.1313        | 05/01/2022    | 21                      | –                  |
| USD 1,502  | GBP 1,121       | 1.3402        | 05/01/2022    | 16                      | –                  |
| USD 1,968  | EUR 1,740       | 1.1313        | 05/01/2022    | 10                      | –                  |
| USD 1,029  | GBP 768         | 1.3409        | 05/01/2022    | 10                      | –                  |
| USD 616  | GBP 462         | 1.3348        | 31/01/2022    | 9                       | –                  |
| USD 1,071  | EUR 946         | 1.1324        | 04/01/2022    | 4                       | –                  |
| USD 206  | GBP 153         | 1.3411        | 04/01/2022    | 2                       | –                  |
| USD 134  | GBP 101         | 1.3348        | 04/01/2022    | 2                       | –                  |
| USD 161  | GBP 120         | 1.3402        | 05/01/2022    | 2                       | –                  |
| USD 145  | EUR 128         | 1.1324        | 04/01/2022    | 1                       | –                  |
| USD 5  | GBP 3           | 1.3217        | 31/01/2022    | –                       | –                  |
| USD 51   | EUR 45          | 1.1314        | 05/01/2022    | –                       | –                  |
| USD –  | GBP –           | 1.0000        | 04/01/2022    | –                       | –                  |
| USD 11   | GBP 8           | 1.3414        | 05/01/2022    | –                       | –                  |
| <b>Total unrealised gain on forward foreign currency contracts</b> |                 |               |               | 3,649,007               | 0.21               |
| <b>Total Financial Assets at fair value through profit or loss</b> |                 |               |               | 1,715,550,473           | 100.10             |

## Biotechnology Fund continued

### Financial liabilities at fair value through profit or loss

#### Open Forward Currency Contracts: Nil (2020: Nil)

| Currency Sold   | Currency Bought | Currency Rate | Maturity Date | Unrealised Loss US\$ | % of Net Assets |
|---|-----------------|---------------|---------------|----------------------|-----------------|
| EUR 265,161   | USD 299,969     | 1.1313        | 04/01/2022    | (1,572)              | –               |
| EUR 126,903   | USD 143,561     | 1.1313        | 04/01/2022    | (753)                | –               |
| GBP 52,361  | USD 70,192      | 1.3405        | 04/01/2022    | (729)                | –               |
| GBP 15,000  | USD 20,108      | 1.3405        | 04/01/2022    | (209)                | –               |
| GBP 8,792   | USD 11,736      | 1.3348        | 31/01/2022    | (172)                | –               |
| GBP 10,000  | USD 13,408      | 1.3408        | 04/01/2022    | (136)                | –               |
| GBP 1,421   | USD 1,878       | 1.3221        | 31/01/2022    | (46)                 | –               |
| EUR 2,726   | USD 3,083       | 1.1311        | 04/01/2022    | (17)                 | –               |
| GBP 432   | USD 571         | 1.3234        | 31/01/2022    | (13)                 | –               |
| GBP 768   | USD 1,029       | 1.3409        | 31/01/2022    | (10)                 | –               |
| GBP 1,302   | USD 1,757       | 1.3496        | 31/01/2022    | (6)                  | –               |
| GBP 101   | USD 134         | 1.3348        | 31/01/2022    | (2)                  | –               |
| GBP 5   | USD 6           | 1.3262        | 31/01/2022    | –                    | –               |
| GBP 4   | USD 5           | 1.3223        | 31/01/2022    | –                    | –               |
| GBP 8   | USD 11          | 1.3414        | 31/01/2022    | –                    | –               |
| EUR 7   | USD 7           | 1.1318        | 04/01/2022    | –                    | –               |
| <b>Total unrealised loss on forward foreign currency contracts</b>      |                 |               |               | (3,665)              | –               |
| <b>Total Financial Liabilities at fair value through profit or loss</b> |                 |               |               | (3,665)              | –               |

|  | Fair Value US\$ | % of Net Assets |
|--|-----------------|-----------------|
| <b>Total Value of Investments (Cost: US\$ 1,623,369,783)</b>                 | 1,715,546,808   | 100.10          |
| Cash at Bank   | 10,138,766      | 0.59            |
| Other Net Liabilities  | (11,781,475)    | (0.69)          |
| <b>Net Assets Attributable to Holders of Redeemable Participating Shares</b> | 1,713,904,099   | 100.00          |

All securities are transferable and are admitted to an official stock exchange or dealt on a regulated market at year end.

| Analysis of total assets  | 31 December 2021<br>% of Total Assets | 31 December 2020<br>% of Total Assets |
|---|---------------------------------------|---------------------------------------|
| Transferable securities admitted to official stock exchange listing | 98.82                                 | 91.20                                 |
| OTC Financial derivative instruments                                | 0.21                                  | 0.02                                  |
| Other assets  | 0.97                                  | 8.78                                  |
|   | 100.00                                | 100.00                                |

The % of Net Assets has been rounded to Nil if the amount is less than 0.01%.



## China Stars Fund

| Holdings   | Financial assets at fair value through profit or loss | Fair Value<br>US\$ | % of<br>Net Assets |
|--|---|--------------------|--------------------|
| <b>Equities: 95.21% (2020: 95.21%)</b>               |   |                    |                    |
| <b>Communications: 27.70% (2020: 29.17%)</b>         |   |                    |                    |
| 7,905  | 51job ADR   | 386,792            | 1.94               |
| 6,345  | Alibaba ADR   | 753,723            | 3.77               |
| 42,200   | Alibaba Group   | 643,585            | 3.22               |
| 6,945  | iQIYI ADR   | 31,669             | 0.16               |
| 8,160  | JD.com Inc  | 571,771            | 2.86               |
| 7,656  | Kuaishou Technology                                   | 70,753             | 0.36               |
| 22,000   | Meituan Dianping Class B                              | 636,045            | 3.18               |
| 3,000  | NetEase   | 60,606             | 0.30               |
| 84,282   | Phoenix New Media ADR                                 | 72,651             | 0.36               |
| 3,908  | Prosus  | 326,780            | 1.64               |
| 33,800   | Tencent   | 1,980,406          | 9.91               |
| <b>Total Communications</b>                          |   | <b>5,534,781</b>   | <b>27.70</b>       |
| <b>Consumer Discretionary: 1.25% (2020: Nil)</b>     |   |                    |                    |
| 7,100  | JD.com Inc Class A                                    | 249,529            | 1.25               |
| <b>Total Consumer Discretionary</b>                  |   | <b>249,529</b>     | <b>1.25</b>        |
| <b>Consumer, Cyclical: 13.68% (2020: 12.47%)</b>     |   |                    |                    |
| 22,500   | BYD   | 769,403            | 3.85               |
| 104,000  | China Meidong Auto                                    | 536,254            | 2.68               |
| 74,600   | Gree Electric Appliances of Zhuhai                    | 434,411            | 2.17               |
| 54,800   | Haier Smart Home                                      | 231,605            | 1.16               |
| 15,700   | Mango Excellent Media Co Ltd                          | 141,272            | 0.71               |
| 42,500   | Midea   | 493,301            | 2.47               |
| 62,400   | Samsonite International                               | 126,780            | 0.64               |
| <b>Total Consumer, Cyclical</b>                      |   | <b>2,733,026</b>   | <b>13.68</b>       |
| <b>Consumer, Non-cyclical: 16.12% (2020: 18.13%)</b> |   |                    |                    |
| 18,600   | Centre Testing International                          | 78,594             | 0.39               |
| 64,776   | China Building Material Test & Certification          | 196,598            | 0.98               |
| 809,292  | China Foods   | 316,604            | 1.58               |
| 124,576  | China Resources Sanjiu Medical & Pharmaceutical       | 670,774            | 3.36               |
| 9,410  | Foshan Haitian Flavouring & Food                      | 155,540            | 0.78               |
| 40,786   | Jiangsu Hengrui Medicine                              | 325,246            | 1.63               |
| 440,000  | Manpower Greater China                                | 506,805            | 2.54               |
| 125,001  | Microport Cardioflow Medtech                          | 62,049             | 0.31               |
| 56,500   | Venus MedTech (HangZhou) Inc                          | 214,512            | 1.07               |
| 26,800   | Yunnan Baiyao   | 441,044            | 2.21               |
| 335,500  | Zhou Hei Ya International Holdings Co Ltd             | 253,035            | 1.27               |
| <b>Total Consumer, Non-cyclical</b>                  |   | <b>3,220,801</b>   | <b>16.12</b>       |

## China Stars Fund continued

| Holdings   | Financial assets at fair value through profit or loss | Fair Value<br>US\$ | % of<br>Net Assets |
|--|---|--------------------|--------------------|
| <b>Equities: 95.21% (2020: 95.21%)</b> continued |   |                    |                    |
| <b>Energy: 0.46% (2020: Nil)</b>                 |   |                    |                    |
| 1,000  | Contemporary Amperex Technology Co Ltd                | 92,467             | 0.46               |
| <b>Total Energy</b>                              |   | <b>92,467</b>      | <b>0.46</b>        |
| <b>Financial: 14.05% (2020: 17.74%)</b>          |   |                    |                    |
| 150,355  | Binjiang Service Group Co Ltd                         | 422,351            | 2.12               |
| 1,409,000  | China Construction Bank                               | 975,925            | 4.89               |
| 20,700   | China Merchants Bank Class A                          | 158,561            | 0.79               |
| 18,500   | China Merchants Bank Class H                          | 143,680            | 0.72               |
| 5,200  | Hong Kong Exchanges & Clearing                        | 303,744            | 1.52               |
| 107,000  | Longfor   | 503,688            | 2.52               |
| 24,500   | Ping An Insurance Group of China Class A              | 194,218            | 0.97               |
| 14,500   | Ping An Insurance Group of China Class H              | 104,431            | 0.52               |
| <b>Total Financial</b>                           |   | <b>2,806,598</b>   | <b>14.05</b>       |
| <b>Industrial: 9.00% (2020: 5.32%)</b>           |   |                    |                    |
| 1,848,000  | China State Construction Development                  | 379,257            | 1.90               |
| 7,500  | Guangdong Kinlong Hardware Products                   | 214,171            | 1.07               |
| 41,000   | Hainan Meilan International Airport Co Ltd            | 126,477            | 0.63               |
| 24,300   | Hefei Meiya Optoelectronic Technology                 | 143,147            | 0.72               |
| 33,400   | S.F. Holding Co Ltd                                   | 361,992            | 1.81               |
| 34,650   | Shenzhen Inovance Technology                          | 373,796            | 1.87               |
| 598,000  | Xin Point   | 199,428            | 1.00               |
| <b>Total Industrial</b>                          |   | <b>1,798,268</b>   | <b>9.00</b>        |
| <b>Participatory Notes: 3.28% (2020: Nil)</b>    |   |                    |                    |
| 5,127  | CLSA Global Market                                    | 140,424            | 0.70               |
| 6,410  | CLSA OPT Machine Vision Tech                          | 283,793            | 1.42               |
| 28,923   | Zhejiang Heda Technology Co Ltd                       | 230,536            | 1.16               |
| <b>Total Participatory Notes</b>                 |   | <b>654,753</b>     | <b>3.28</b>        |
| <b>Real Estate: 1.12% (2020: Nil)</b>            |   |                    |                    |
| 11,137   | KE Holdings Inc                                       | 224,076            | 1.12               |
| <b>Total Real Estate</b>                         |   | <b>224,076</b>     | <b>1.12</b>        |



| Holdings   | Financial assets at fair value through profit or loss | Fair Value<br>US\$         | % of<br>Net Assets         |
|--|---|----------------------------|----------------------------|
| <b>Equities: 95.21% (2020: 95.21%)</b> continued                             |   |                            |                            |
| Technology: 8.55% (2020: 12.38%)   |   |                            |                            |
| 1,504  | Agora Inc   | 24,380                     | 0.12                       |
| 3,952  | Bilibili ADR  | 183,373                    | 0.92                       |
| 94,250   | Dadi Early-Childhood Education                        | 497,361                    | 2.49                       |
| 29,188   | Glodon  | 293,668                    | 1.47                       |
| 2,000  | MediaTek Inc  | 86,023                     | 0.43                       |
| 4,371  | NetEase ADR   | 444,880                    | 2.23                       |
| 8,000  | Taiwan Semiconductor Manufacturing                    | 177,829                    | 0.89                       |
| <b>Total Technology</b>  |   | <b>1,707,514</b>           | <b>8.55</b>                |
| <b>Total Equities</b>  |   | <b>19,021,813</b>          | <b>95.21</b>               |
| <b>Total Transferable Securities</b>   |   | <b>19,021,813</b>          | <b>95.21</b>               |
|  |   | <b>Fair Value<br/>US\$</b> | <b>% of<br/>Net Assets</b> |
| <b>Total Value of Investments (Cost: US\$ 20,200,184)</b>                    |   | <b>19,021,813</b>          | <b>95.21</b>               |
| Cash at Bank   |   | 986,829                    | 4.94                       |
| Margin Cash  |   | 6,461                      | 0.03                       |
| Other Net Liabilities  |   | (35,774)                   | (0.18)                     |
| <b>Net Assets Attributable to Holders of Redeemable Participating Shares</b> |   | <b>19,979,329</b>          | <b>100.00</b>              |

All securities are transferable and are admitted to an official stock exchange or dealt on a regulated market at year end.

| Analysis of total assets  | 31 December 2021<br>% of Total Assets | 31 December 2020<br>% of Total Assets |
|---|---------------------------------------|---------------------------------------|
| Transferable securities admitted to official stock exchange listing | 95.00                                 | 93.00                                 |
| Other assets  | 5.00                                  | 7.00                                  |
|   | 100.00                                | 100.00                                |

The % of Net Assets was rounded to Nil if the amount is less than 0.01.



## Portfolio Statements *continued*

As at 31 December 2021

### Emerging Markets Income Fund\*

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\* The Fund was merged with the Emerging Markets Stars Fund on 8 June 2021. There were no investments held by the Fund on the last valuation day of the reporting period.



## Emerging Markets Stars Fund

| Holdings                                     | Financial assets at fair value through profit or loss | Fair Value<br>US\$ | % of<br>Net Assets |
|--|---|--------------------|--------------------|
| <b>Equities: 98.50% (2020: 97.94%)</b>       |   |                    |                    |
| <b>Bermuda: 0.64% (2020: 1.14%)</b>          |   |                    |                    |
| 9,724,000                                    | Alibaba Health Information Technology                 | 8,219,432          | 0.64               |
| <b>Total Bermuda</b>                         |   | <b>8,219,432</b>   | <b>0.64</b>        |
| <b>Brazil: 0.89% (2020: 1.25%)</b>           |   |                    |                    |
| 2,025,100                                    | Americanas SA   | 11,481,626         | 0.89               |
| <b>Total Brazil</b>                          |   | <b>11,481,626</b>  | <b>0.89</b>        |
| <b>Canada: 3.06% (2020: 2.23%)</b>           |   |                    |                    |
| 4,821,982                                    | Ivanhoe Mines   | 39,395,839         | 3.06               |
| <b>Total Canada</b>                          |   | <b>39,395,839</b>  | <b>3.06</b>        |
| <b>Cayman Islands: 21.46% (2020: 29.90%)</b> |   |                    |                    |
| 3,119,692                                    | Alibaba Group Holdings                                | 47,577,874         | 3.69               |
| 448,963                                      | Arco Platform   | 9,378,837          | 0.73               |
| 176,105                                      | Bilibili ADR  | 8,100,157          | 0.63               |
| 1,846,250                                    | JD Health International                               | 14,552,039         | 1.13               |
| 933,626                                      | JD.Com Inc  | 32,812,170         | 2.55               |
| 2,871,000                                    | Longfor   | 13,514,834         | 1.05               |
| 1,027,700                                    | Meituan Dianping                                      | 29,711,989         | 2.30               |
| 154,494                                      | Sea ADR   | 34,561,853         | 2.68               |
| 1,472,400                                    | Tencent   | 86,270,708         | 6.70               |
| <b>Total Cayman Islands</b>                  |   | <b>276,480,461</b> | <b>21.46</b>       |
| <b>Cyprus: 0.81% (2020: Nil)</b>             |   |                    |                    |
| 124,029                                      | TCS Group GDR   | 10,458,125         | 0.81               |
| <b>Total Cyprus</b>                          |   | <b>10,458,125</b>  | <b>0.81</b>        |
| <b>Hong Kong: 1.08% (2020: 1.06%)</b>        |   |                    |                    |
| 1,387,600                                    | AIA   | 13,989,374         | 1.08               |
| <b>Total Hong Kong</b>                       |   | <b>13,989,374</b>  | <b>1.08</b>        |

## Emerging Markets Stars Fund continued

| Holdings   | Financial assets at fair value through profit or loss | Fair Value<br>US\$ | % of<br>Net Assets |
|--|---|--------------------|--------------------|
| <b>Equities: 98.50% (2020: 97.94%)</b> continued       |   |                    |                    |
| <b>India: 18.53% (2020: 12.93%)</b>                    |   |                    |                    |
| 337,788  | Apollo Hospitals                                      | 22,781,349         | 1.77               |
| 296,262  | Coforge Ltd   | 23,475,773         | 1.82               |
| 137,017  | Dixon Technologies                                    | 10,155,316         | 0.79               |
| 714,401  | Housing Development Finance                           | 24,857,016         | 1.93               |
| 4,047,716  | ICICI Bank  | 40,302,560         | 3.13               |
| 1,444,945  | ICICI Prudential Life Insurance                       | 10,900,896         | 0.85               |
| 131,069  | Info Edge   | 9,832,866          | 0.76               |
| 2,632,270  | Phoenix Mills   | 34,891,835         | 2.71               |
| 3,421,428  | Prestige Estates Projects                             | 21,851,197         | 1.69               |
| 1,244,860  | Reliance Industries – Restricted                      | 39,658,162         | 3.08               |
| <b>Total India</b>                                     |   | <b>238,706,970</b> | <b>18.53</b>       |
| <b>Luxembourg: Nil (2020: 0.78%)</b>                   |   |                    |                    |
| <b>Netherlands: 0.98% (2020: 2.71%)</b>                |   |                    |                    |
| 209,361  | Yandex  | 12,666,341         | 0.98               |
| <b>Total Netherlands</b>                               |   | <b>12,666,341</b>  | <b>0.98</b>        |
| <b>People's Republic of China: 4.66% (2020: 4.45%)</b> |   |                    |                    |
| 2,378,000  | Ping An Insurance                                     | 17,126,675         | 1.33               |
| 1,263,334  | Shenzhen Inovance Technology                          | 13,628,563         | 1.06               |
| 807,715  | Sungrow Power Supply                                  | 18,519,252         | 1.44               |
| 2,835,000  | Venus MedTech (HangZhou) Inc                          | 10,763,567         | 0.83               |
| <b>Total People's Republic of China</b>                |   | <b>60,038,057</b>  | <b>4.66</b>        |
| <b>Republic of South Korea: 18.65% (2020: 20.51%)</b>  |   |                    |                    |
| 51,566   | Ecopro BM   | 21,723,872         | 1.68               |
| 384,191  | ITM Semiconductor                                     | 13,767,854         | 1.07               |
| 865,304  | Koh Young Technology                                  | 17,251,487         | 1.34               |
| 99,012   | Naver   | 31,525,587         | 2.45               |
| 1,481,896  | Samsung Electronics                                   | 97,608,797         | 7.58               |
| 29,258   | Samsung SDI   | 16,121,127         | 1.25               |
| 866,680  | Seoul Viosys  | 9,660,156          | 0.75               |
| 296,363  | SK Hynix  | 32,659,140         | 2.53               |
| <b>Total Republic of South Korea</b>                   |   | <b>240,318,020</b> | <b>18.65</b>       |



| Holdings   | Financial assets at fair value through profit or loss | Fair Value<br>US\$   | % of<br>Net Assets |
|--|---|----------------------|--------------------|
| <b>Equities: 98.50% (2020: 97.94%)</b> continued |   |                      |                    |
| <b>Singapore: 2.05% (2020: 1.00%)</b>            |   |                      |                    |
| 545,580  | Leader Harmonious Drive Systems                       | 14,942,918           | 1.16               |
| 259,245  | OPT Machine Vision Tech                               | 11,477,663           | 0.89               |
|  | <b>Total Singapore</b>                                | <b>26,420,581</b>    | <b>2.05</b>        |
| <b>Taiwan: 18.14% (2020: 13.91%)</b>             |   |                      |                    |
| 814,000  | Andes Technology                                      | 15,769,834           | 1.22               |
| 2,344,000  | Chroma ATE  | 16,944,374           | 1.32               |
| 484,000  | eMemory Technology                                    | 38,311,346           | 2.97               |
| 2,337,000  | LandMark Optoelectronics                              | 16,598,131           | 1.29               |
| 903,000  | MediaTek  | 38,839,412           | 3.02               |
| 4,824,000  | Taiwan Semiconductor Manufacturing                    | 107,230,997          | 8.32               |
|  | <b>Total Taiwan</b>                                   | <b>233,694,094</b>   | <b>18.14</b>       |
| <b>United States: 4.03% (2020: 2.20%)</b>        |   |                      |                    |
| 36,664   | EPAM Systems  | 24,508,051           | 1.90               |
| 20,336   | MercadoLibre  | 27,421,062           | 2.13               |
|  | <b>Total United States</b>                            | <b>51,929,113</b>    | <b>4.03</b>        |
| <b>Vietnam: 2.80% (2020: 3.03%)</b>              |   |                      |                    |
| 4,824,450  | Vietnam Technological & Commercial Joint Stock Bank   | 10,584,576           | 0.82               |
| 6,742,110  | Vincom Retail   | 8,904,674            | 0.69               |
| 4,595,691  | Vinhomes  | 16,535,615           | 1.29               |
|  | <b>Total Vietnam</b>                                  | <b>36,024,865</b>    | <b>2.80</b>        |
| <b>Virgin Islands: 0.72% (2020: 0.84%)</b>       |   |                      |                    |
| 1,222,845  | Fix Price Group Ltd                                   | 9,232,480            | 0.72               |
|  | <b>Total Virgin Islands</b>                           | <b>9,232,480</b>     | <b>0.72</b>        |
|  | <b>Total Equities</b>                                 | <b>1,269,055,378</b> | <b>98.50</b>       |
|  | <b>Total Transferable Securities</b>                  | <b>1,269,055,378</b> | <b>98.50</b>       |

## Emerging Markets Stars Fund continued

### Financial assets at fair value through profit or loss

#### Open Forward Currency Contracts: Nil (2020: Nil)

| Currency Sold  | Currency Bought | Currency Rate | Maturity Date | Unrealised Gain<br>US\$ | % of<br>Net Assets |
|--|-----------------|---------------|---------------|-------------------------|--------------------|
| USD 173,865  | SEK 1,581,003   | 0.1100        | 04/01/2022    | 758                     | –                  |
| USD 1,643  | SEK 14,900      | 0.1103        | 04/01/2022    | 2                       | –                  |
| <b>Total unrealised gain on forward foreign currency contracts</b> |                 |               |               | 760                     | 0.00               |
| <b>Total Financial Assets at fair value through profit or loss</b> |                 |               |               | 1,269,056,138           | 98.50              |

|  | Fair Value<br>US\$ | % of<br>Net Assets |
|--|--------------------|--------------------|
| <b>Total Value of Investments (Cost: US\$ 1,235,581,872)</b>                 | 1,269,056,138      | 98.50              |
| Cash at Bank   | 25,601,477         | 1.99               |
| Other Net Liabilities  | (6,304,200)        | (0.49)             |
| <b>Net Assets Attributable to Holders of Redeemable Participating Shares</b> | 1,288,353,415      | 100.00             |

All securities are transferable and are admitted to an official stock exchange or dealt on a regulated market at year end.

| Analysis of total assets  | 31 December 2021<br>% of Total Assets | 31 December 2020<br>% of Total Assets |
|---|---------------------------------------|---------------------------------------|
| Transferable securities admitted to official stock exchange listing | 97.87                                 | 96.59                                 |
| Other assets  | 2.13                                  | 3.41                                  |
|   | 100.00                                | 100.00                                |

The % of Net Assets has been rounded to Nil if the amount is less than 0.01%.



## European ex UK Income Fund

| Holdings   | Financial assets at fair value through profit or loss | Fair Value<br>EUR€ | % of<br>Net Assets |
|--|---|--------------------|--------------------|
| <b>Equities: 97.44% (2020: 99.34%)</b>               |   |                    |                    |
| <b>Basic Materials: 3.21% (2020: 8.67%)</b>          |   |                    |                    |
| 114,451  | UPM-Kymmene   | 3,829,530          | 3.21               |
| <b>Total Basic Materials</b>                         |   | <b>3,829,530</b>   | <b>3.21</b>        |
| <b>Communications: 15.20% (2020: 14.63%)</b>         |   |                    |                    |
| 160,936  | Deutsche Telekom                                      | 2,623,257          | 2.20               |
| 1,407,734  | Koninklijke KPN                                       | 3,843,114          | 3.23               |
| 1,029,942  | NOS   | 3,512,102          | 2.95               |
| 460,083  | Orange  | 4,330,761          | 3.63               |
| 302,739  | Telenet   | 3,795,985          | 3.19               |
| <b>Total Communications</b>                          |   | <b>18,105,219</b>  | <b>15.20</b>       |
| <b>Consumer, Cyclical: 3.01% (2020: 4.60%)</b>       |   |                    |                    |
| 125,724  | Industria de Diseno Textil                            | 3,586,906          | 3.01               |
| <b>Total Consumer, Cyclical</b>                      |   | <b>3,586,906</b>   | <b>3.01</b>        |
| <b>Consumer, Non-cyclical: 37.00% (2020: 34.66%)</b> |   |                    |                    |
| 69,760   | Anheuser-Busch InBev                                  | 3,709,139          | 3.11               |
| 81,853   | Danone  | 4,468,355          | 3.75               |
| 41,572   | Heineken  | 4,109,808          | 3.45               |
| 42,464   | Nestle  | 5,222,758          | 4.39               |
| 78,193   | Novartis  | 6,058,268          | 5.09               |
| 16,424   | Roche   | 6,009,052          | 5.04               |
| 63,833   | Sanofi  | 5,654,327          | 4.75               |
| 76,086   | Societe BIC   | 3,600,389          | 3.02               |
| 111,455  | Unilever Plc  | 5,244,515          | 4.40               |
| <b>Total Consumer, Non-cyclical</b>                  |   | <b>44,076,611</b>  | <b>37.00</b>       |
| <b>Energy: 5.08% (2020: 1.99%)</b>                   |   |                    |                    |
| 135,733  | TotalEnergies   | 6,057,764          | 5.08               |
| <b>Total Energy</b>                                  |   | <b>6,057,764</b>   | <b>5.08</b>        |
| <b>Financial: 17.31% (2020: 16.59%)</b>              |   |                    |                    |
| 93,717   | AXA   | 2,453,980          | 2.06               |
| 16,313   | Muenchener Rueckversicherungs-Gesellschaftin Muenchen | 4,249,536          | 3.57               |
| 59,648   | Sampo Plc   | 2,628,091          | 2.21               |
| 136,578  | SCOR  | 3,747,700          | 3.14               |
| 47,605   | Swiss Re  | 4,146,877          | 3.48               |
| 156,666  | TRYG  | 3,401,857          | 2.85               |
| <b>Total Financial</b>                               |   | <b>20,628,041</b>  | <b>17.31</b>       |

## European ex UK Income Fund continued

| Holdings   | Financial assets at fair value through profit or loss | Fair Value<br>EUR€ | % of<br>Net Assets |                         |                    |
|--|---|--------------------|--------------------|-------------------------|--------------------|
| <b>Equities: 97.44% (2020: 99.34%) continued</b>                   |   |                    |                    |                         |                    |
| <b>Industrial: 13.56% (2020: 13.75%)</b>                           |   |                    |                    |                         |                    |
| 126,235  | Assa Abloy  | 3,386,361          | 2.84               |                         |                    |
| 200,354  | Cia de Distribucion Integral Logista                  | 3,512,206          | 2.95               |                         |                    |
| 53,304   | Deutsche Post   | 3,013,808          | 2.53               |                         |                    |
| 12,419   | Siemens   | 1,896,133          | 1.59               |                         |                    |
| 46,788   | Vinci   | 4,347,073          | 3.65               |                         |                    |
| <b>Total Industrial</b>  |   | <b>16,155,581</b>  | <b>13.56</b>       |                         |                    |
| <b>Utilities: 3.07% (2020: 4.45%)</b>                              |   |                    |                    |                         |                    |
| 192,003  | Red Electrica   | 3,652,857          | 3.07               |                         |                    |
| <b>Total Utilities</b>   |   | <b>3,652,857</b>   | <b>3.07</b>        |                         |                    |
| <b>Total Equities</b>  |   | <b>116,092,509</b> | <b>97.44</b>       |                         |                    |
| <b>Warrants: 0.10% (2020: 0.01%)</b>                               |   |                    |                    |                         |                    |
| 123,252  | Richemont Financi                                     | 118,951            | 0.10               |                         |                    |
| <b>Total Warrants</b>  |   | <b>118,951</b>     | <b>0.10</b>        |                         |                    |
| <b>Total Transferable Securities</b>                               |   | <b>116,211,460</b> | <b>97.54</b>       |                         |                    |
| <b>Financial assets at fair value through profit or loss</b>       |   |                    |                    |                         |                    |
| <b>Open Forward Currency Contracts: 0.02% (2020: 0.45%)</b>        |   |                    |                    |                         |                    |
| Currency Sold  | Currency Bought                                       | Currency Rate      | Maturity Date      | Unrealised Gain<br>EUR€ | % of<br>Net Assets |
| EUR 801,003  | GBP 684,586   | 1.1701             | 31/01/2022         | 13,968                  | 0.01               |
| EUR 176,187  | GBP 150,580   | 1.1701             | 31/01/2022         | 3,072                   | 0.01               |
| EUR 98,787   | GBP 84,430  | 1.1701             | 31/01/2022         | 1,723                   | –                  |
| EUR 17,075   | GBP 14,500  | 1.1776             | 31/01/2022         | 186                     | –                  |
| EUR 14,808   | GBP 12,500  | 1.1847             | 31/01/2022         | 72                      | –                  |
| EUR 14,217   | GBP 12,000  | 1.1848             | 31/01/2022         | 68                      | –                  |
| EUR 3,089  | GBP 2,640   | 1.1699             | 31/01/2022         | 54                      | –                  |
| EUR 1,571  | GBP 1,343   | 1.1701             | 31/01/2022         | 28                      | –                  |
| EUR 6,667  | GBP 5,600   | 1.1905             | 31/01/2022         | –                       | –                  |
| EUR 5,952  | GBP 5,000   | 1.1905             | 31/01/2022         | –                       | –                  |
| <b>Total unrealised gain on forward foreign currency contracts</b> |   |                    |                    | <b>19,171</b>           | <b>0.02</b>        |
| <b>Total Financial Assets at fair value through profit or loss</b> |   |                    |                    | <b>116,230,631</b>      | <b>97.56</b>       |



## Financial liabilities at fair value through profit or loss

## Open Forward Currency Contracts: Nil (2020: Nil)

| Currency Sold   | Currency Bought | Currency Rate | Maturity Date | Unrealised Loss |                 |
|---|-----------------|---------------|---------------|-----------------|-----------------|
|   |                 |               |               | EUR€            | % of Net Assets |
| EUR 87  | GBP 73          | 1.1907        | 31/01/2022    | –               | –               |
| <b>Total unrealised loss on forward foreign currency contracts</b>      |                 |               |               | –               | –               |
| <b>Total Financial Liabilities at fair value through profit or loss</b> |                 |               |               | –               | –               |

|  | Fair Value<br>EUR€ | % of<br>Net Assets |
|--|--------------------|--------------------|
| <b>Total Value of Investments (Cost: EUR€ 105,517,900)</b>                   | 116,230,631        | 97.56              |
| Cash at Bank   | (2,476,589)        | (2.08)             |
| Other Net Assets   | 5,385,461          | 4.52               |
| <b>Net Assets Attributable to Holders of Redeemable Participating Shares</b> | 119,139,503        | 100.00             |

All securities are transferable and are admitted to an official stock exchange or dealt on a regulated market at year end.

The counterparty for the forward foreign currency contracts is The Northern Trust Company.

|   | 31 December 2021<br>% of Total Assets | 31 December 2020<br>% of Total Assets |
|---|---------------------------------------|---------------------------------------|
| <b>Analysis of total assets</b>                                     |                                       |                                       |
| Transferable securities admitted to official stock exchange listing | 95.36                                 | 99.04                                 |
| OTC Financial derivative instruments                                | 0.02                                  | 0.45                                  |
| Other assets  | 4.62                                  | 0.51                                  |
|   | 100.00                                | 100.00                                |

The % of Net Assets has been rounded to Nil if the amount is less than 0.01%.

## Financial Opportunities Fund

| Holdings | Financial assets at fair value through profit or loss    | Fair Value<br>US\$ | % of<br>Net Assets |
|----------|--|--------------------|--------------------|
|          | <b>Equities: 93.73% (2020: 96.43%)</b>                   |                    |                    |
|          | <b>Banking: 2.60% (2020: Nil)</b>                        |                    |                    |
| 6,041    | Pacific Premier Bancorp                                  | 241,821            | 1.03               |
| 3,419    | Western Alliance Bancorp                                 | 368,055            | 1.57               |
|          | <b>Total Banking</b>                                     | <b>609,876</b>     | <b>2.60</b>        |
|          | <b>Banks: 53.25% (2020: 57.96%)</b>                      |                    |                    |
| 757,300  | Bank Central Asia  | 387,882            | 1.65               |
| 22,347   | Bank of America  | 994,218            | 4.23               |
| 887,000  | Bank Rakyat Indonesia Persero                            | 255,785            | 1.09               |
| 6,448    | BNP Paribas  | 445,606            | 1.90               |
| 14,098   | Citizens Financial                                       | 666,130            | 2.84               |
| 6,383    | East West Bancorp  | 502,214            | 2.14               |
| 7,851    | Enterprise Financial Services                            | 369,704            | 1.57               |
| 8,774    | Esquire Financial  | 277,434            | 1.18               |
| 1,101    | First Republic Bank                                      | 227,368            | 0.97               |
| 30,000   | Grupo Financiero Banorte                                 | 194,996            | 0.83               |
| 9,786    | HDFC Bank ADR  | 636,775            | 2.71               |
| 23,722   | ING Groep  | 330,248            | 1.41               |
| 160,278  | Intesa Sanpaolo SPA                                      | 414,478            | 1.77               |
| 71,838   | Joint Stock Commercial Bank for Foreign Trade of Vietnam | 248,391            | 1.06               |
| 7,998    | JPMorgan Chase   | 1,266,483          | 5.39               |
| 1,436    | Macquarie Group  | 214,447            | 0.91               |
| 46,259   | Nordea Bank Abp  | 564,580            | 2.40               |
| 30,000   | Oversea-Chinese Banking                                  | 253,681            | 1.08               |
| 8,000    | PacWest Bancorp  | 361,360            | 1.54               |
| 3,108    | PNC Financial Services Group                             | 623,216            | 2.65               |
| 7,529    | Shinhan Financial  | 233,074            | 0.99               |
| 1,376    | Signature Bank   | 445,095            | 1.89               |
| 14,100   | Sumitomo Mitsui Financial                                | 482,795            | 2.05               |
| 687      | SVB Financial  | 465,951            | 1.98               |
| 1,382    | TCS Group GDR  | 112,955            | 0.48               |
| 8,566    | Toronto-Dominion Bank                                    | 657,666            | 2.80               |
| 30,514   | UBS  | 549,898            | 2.34               |
| 5,909    | Webster Financial  | 329,959            | 1.40               |
|          | <b>Total Banks</b>                                       | <b>12,512,389</b>  | <b>53.25</b>       |



| Holdings | Financial assets at fair value through profit or loss        | Fair Value<br>US\$ | % of<br>Net Assets |
|----------|--|--------------------|--------------------|
|          | <b>Equities: 93.73% (2020: 96.43%)</b> continued             |                    |                    |
|          | <b>Commercial Services: 4.90% (2020: 4.17%)</b>              |                    |                    |
| 18,403   | Allfunds   | 361,969            | 1.54               |
| 2,435    | PayPal   | 459,192            | 1.95               |
| 700      | S&P Global   | 330,351            | 1.41               |
|          | <b>Total Commercial Services</b>                             | <b>1,151,512</b>   | <b>4.90</b>        |
|          | <b>Common Stock: 0.67% (2020: 1.88%)</b>                     |                    |                    |
| 194,444  | Atom Bank  | 158,019            | 0.67               |
|          | <b>Total Common Stock</b>                                    | <b>158,019</b>     | <b>0.67</b>        |
|          | <b>Diversified Financial Services: 10.34% (2020: 15.89%)</b> |                    |                    |
| 4,382    | Banca Generali   | 193,099            | 0.82               |
| 22,164   | Chailease  | 211,090            | 0.90               |
| 4,400    | Hong Kong Exchanges & Clearing                               | 257,014            | 1.09               |
| 10,966   | Housing Development Finance                                  | 381,553            | 1.62               |
| 111,998  | Manappuram Finance   | 247,995            | 1.06               |
| 1,333    | Mastercard   | 478,974            | 2.04               |
| 68,973   | Pensionbee   | 124,903            | 0.53               |
| 127,800  | Srisawad PCL   | 236,242            | 1.00               |
| 104,400  | Tisco Financial  | 300,027            | 1.28               |
|          | <b>Total Diversified Financial Services</b>                  | <b>2,430,897</b>   | <b>10.34</b>       |
|          | <b>Financial: 6.92% (2020: Nil)</b>                          |                    |                    |
| 76,751   | HSBC   | 466,396            | 1.99               |
| 96,580   | Natwest  | 295,245            | 1.26               |
| 72,015   | OSB  | 540,863            | 2.30               |
| 53,173   | Standard Chartered   | 322,938            | 1.37               |
|          | <b>Total Financial</b>                                       | <b>1,625,442</b>   | <b>6.92</b>        |
|          | <b>Financial Services: 3.11% (2020: Nil)</b>                 |                    |                    |
| 16,525   | Gresham House  | 201,441            | 0.86               |
| 4,733    | Morgan Stanley   | 464,591            | 1.98               |
| 95,923   | VEF AB   | 64,098             | 0.27               |
|          | <b>Total Financial Services</b>                              | <b>730,130</b>     | <b>3.11</b>        |
|          | <b>Insurance: Nil (2020: 1.95%)</b>                          |                    |                    |
|          | <b>Internet: 0.39% (2020: 1.08%)</b>                         |                    |                    |
| 6,000    | Alibaba Group Holdings                                       | 91,505             | 0.39               |
|          | <b>Total Internet</b>  | <b>91,505</b>      | <b>0.39</b>        |

## Financial Opportunities Fund continued

| Holdings | Financial assets at fair value through profit or loss              | Fair Value<br>US\$      | % of<br>Net Assets |               |                   |              |
|----------|--|-------------------------|--------------------|---------------|-------------------|--------------|
|          | <b>Equities: 93.73% (2020: 96.43%)</b> continued                   |                         |                    |               |                   |              |
|          | Life/Health Insurance: 1.73% (2020: 4.77%)                         |                         |                    |               |                   |              |
| 40,209   | AIA  | 405,376                 | 1.73               |               |                   |              |
|          | <b>Total Life/Health Insurance</b>                                 | <b>405,376</b>          | <b>1.73</b>        |               |                   |              |
|          | Multi-line Insurance: 3.86% (2020: 1.96%)                          |                         |                    |               |                   |              |
| 3,079    | Chubb  | 595,202                 | 2.53               |               |                   |              |
| 6,242    | Sampo Plc  | 312,755                 | 1.33               |               |                   |              |
|          | <b>Total Multi-line Insurance</b>                                  | <b>907,957</b>          | <b>3.86</b>        |               |                   |              |
|          | Private Equity: 1.45% (2020: 1.75%)                                |                         |                    |               |                   |              |
| 2,631    | Blackstone Group   | 340,425                 | 1.45               |               |                   |              |
|          | <b>Total Private Equity</b>  | <b>340,425</b>          | <b>1.45</b>        |               |                   |              |
|          | Property/Casualty Insurance: 4.29% (2020: 5.02%)                   |                         |                    |               |                   |              |
| 14,766   | Arch Capital   | 656,349                 | 2.79               |               |                   |              |
| 48,946   | Lancashire   | 351,363                 | 1.50               |               |                   |              |
|          | <b>Total Property/Casualty Insurance</b>                           | <b>1,007,712</b>        | <b>4.29</b>        |               |                   |              |
|          | Software & Tech Services: 0.22% (2020: Nil)                        |                         |                    |               |                   |              |
| 2,898    | One 97 Communications  | 52,028                  | 0.22               |               |                   |              |
|          | <b>Total Software &amp; Tech Services</b>                          | <b>52,028</b>           | <b>0.22</b>        |               |                   |              |
|          | <b>Total Equities</b>  | <b>22,023,268</b>       | <b>93.73</b>       |               |                   |              |
|          | <b>Total Transferable Securities</b>                               | <b>22,023,268</b>       | <b>93.73</b>       |               |                   |              |
|          | Financial assets at fair value through profit or loss              |                         |                    |               |                   |              |
|          | Open Forward Currency Contracts: Nil (2020: Nil)                   |                         |                    |               |                   |              |
|          |  | Unrealised Gain<br>US\$ | % of<br>Net Assets |               |                   |              |
|          | Currency Sold  | Currency Bought         | Currency Rate      | Maturity Date |                   |              |
|          | USD 10,794   | GBP 8,052               | 1.3405             | 04/01/2022    | 112               | –            |
|          | USD 25   | GBP 19                  | 1.3399             | 04/01/2022    | –                 | –            |
|          | USD 1  | GBP 1                   | 1.3367             | 04/01/2022    | –                 | –            |
|          | <b>Total unrealised gain on forward foreign currency contracts</b> |                         |                    |               | <b>112</b>        | <b>0.00</b>  |
|          | <b>Total Financial Assets at fair value through profit or loss</b> |                         |                    |               | <b>22,023,380</b> | <b>93.73</b> |



|  | Fair Value<br>US\$ | % of<br>Net Assets |
|--|--------------------|--------------------|
| <b>Total Value of Investments (Cost: US\$ 20,948,411)</b>                    | 22,023,380         | 93.73              |
| Cash at Bank   | 1,447,277          | 6.16               |
| Other Net Assets   | 26,105             | 0.11               |
| <b>Net Assets Attributable to Holders of Redeemable Participating Shares</b> | 23,496,762         | 100.00             |

All securities are transferable and are admitted to an official stock exchange or dealt on a regulated market at year end.

| <b>Analysis of total assets</b>                                     | <b>31 December 2021<br/>% of Total Assets</b> | <b>31 December 2020<br/>% of Total Assets</b> |
|---|---|---|
| Transferable securities admitted to official stock exchange listing | 93.53   | 96.12   |
| Other assets  | 6.47  | 3.88  |
|   | 100.00  | 100.00  |

The % of Net Assets has been rounded to Nil if the amount is less than 0.01%.

## Global Absolute Return Fund

| Holdings   | Financial assets at fair value through profit or loss | Fair Value<br>US\$ | % of<br>Net Assets |
|--|---|--------------------|--------------------|
| <b>Corporate Bonds: 119.83% (2020: 109.65%)</b>      |   |                    |                    |
| <b>Australia: Nil (2020: 1.86%)</b>                  |   |                    |                    |
|  |   | –                  | –                  |
| <b>Belgium: 3.21% (2020: Nil)</b>                    |   |                    |                    |
| 2,000,000  | Umicore 0.000% 23/06/2025                             | 2,256,269          | 3.21               |
|  | <b>Total Belgium</b>                                  | <b>2,256,269</b>   | <b>3.21</b>        |
| <b>Canada: 0.48% (2020: 0.89%)</b>                   |   |                    |                    |
| 250,000  | Ivanhoe Mines 2.500% 15/04/2026                       | 336,250            | 0.48               |
|  | <b>Total Canada</b>                                   | <b>336,250</b>     | <b>0.48</b>        |
| <b>Cayman Islands: Nil (2020: 6.54%)</b>             |   |                    |                    |
|  |   | –                  | –                  |
| <b>France: Nil (2020: 4.13%)</b>                     |   |                    |                    |
|  |   | –                  | –                  |
| <b>Germany: Nil (2020: 14.98%)</b>                   |   |                    |                    |
|  |   | –                  | –                  |
| <b>Israel: 3.02% (2020: 3.86%)</b>                   |   |                    |                    |
| 2,000,000  | Camtek 0.000% 01/12/2026                              | 2,125,000          | 3.02               |
|  | <b>Total Israel</b>                                   | <b>2,125,000</b>   | <b>3.02</b>        |
| <b>Japan: 3.19% (2020: 1.12%)</b>                    |   |                    |                    |
| 100,000,000  | Nippon Steel Class A 0.000% 04/10/2024                | 892,276            | 1.27               |
| 150,000,000  | Nippon Steel Class B 0.000% 05/10/2026                | 1,354,044          | 1.92               |
|  | <b>Total Japan</b>                                    | <b>2,246,320</b>   | <b>3.19</b>        |
| <b>Liberia: Nil (2020: 2.55%)</b>                    |   |                    |                    |
|  |   | –                  | –                  |
| <b>Luxembourg: 1.59% (2020: 1.75%)</b>               |   |                    |                    |
| 15,000   | ArcelorMittal 5.500% 18/05/2023                       | 1,115,400          | 1.59               |
|  | <b>Total Luxembourg</b>                               | <b>1,115,400</b>   | <b>1.59</b>        |
| <b>Netherlands: 12.53% (2020: 7.97%)</b>             |   |                    |                    |
| 1,300,000  | Basic-Fit 1.500% 17/06/2028                           | 1,601,713          | 2.28               |
| 2,000,000  | Dufry One 0.750% 30/03/2026                           | 2,088,821          | 2.97               |
| 2,000,000  | Mondelez International 0.000% 20/09/2024              | 2,378,511          | 3.38               |
| 2,000,000  | QIAGEN 0.500% 13/09/2023                              | 2,745,618          | 3.90               |
|  | <b>Total Netherlands</b>                              | <b>8,814,663</b>   | <b>12.53</b>       |
| <b>People's Republic of China: 2.13% (2020: Nil)</b> |   |                    |                    |
| 10,000,000   | China Conch Venture International 0.000% 05/09/2023   | 1,494,299          | 2.13               |
|  | <b>Total People's Republic of China</b>               | <b>1,494,299</b>   | <b>2.13</b>        |
| <b>Spain: 6.05% (2020: Nil)</b>                      |   |                    |                    |
| 1,000,000  | Cellnex Telecom 0.500% 05/07/2028                     | 1,522,688          | 2.16               |
| 2,600,000  | International Consolidated Airlines 1.125% 18/05/2028 | 2,732,630          | 3.89               |
|  | <b>Total Spain</b>                                    | <b>4,255,318</b>   | <b>6.05</b>        |



| Holdings  | Financial assets at fair value through profit or loss | Fair Value<br>US\$ | % of<br>Net Assets |
|---|---|--------------------|--------------------|
| <b>Corporate Bonds: 119.83% (2020: 109.65%)</b> continued |   |                    |                    |
| <b>United Kingdom: 10.71% (2020: 2.20%)</b>               |   |                    |                    |
| 2,000,000   | BP Capital Markets 1.000% 28/04/2023                  | 2,768,295          | 3.93               |
| 1,000,000   | Capital & Counties Properties 2.000% 30/03/2026       | 1,426,442          | 2.03               |
| 2,500,000   | JET2 1.625% 10/06/2026                                | 3,338,177          | 4.75               |
| <b>Total United Kingdom</b>                               |   | <b>7,532,914</b>   | <b>10.71</b>       |
| <b>United States: 76.92% (2020: 57.40%)</b>               |   |                    |                    |
| 1,150,000   | 2U 2.250% 01/05/2025                                  | 1,221,660          | 1.74               |
| 800,000   | 3D Systems % 15/11/2026                               | 764,000            | 1.09               |
| 3,500,000   | Array Technologies 1.000% 01/12/2028                  | 3,326,750          | 4.73               |
| 1,000,000   | Bandwidth 0.250% 01/03/2026                           | 1,063,000          | 1.51               |
| 3,500,000   | BigBear.ai 6.000% 15/12/2026                          | 3,342,500          | 4.75               |
| 1,750,000   | Chegg 0.125% 15/03/2025                               | 1,732,500          | 2.46               |
| 1,800,000   | Coinbase Global 0.500% 01/06/2026                     | 1,935,900          | 2.75               |
| 1,500,000   | Cryoport 0.750% 01/12/2026                            | 1,385,973          | 1.97               |
| 2,500,000   | CSG Systems International 4.250% 15/03/2036           | 2,654,688          | 3.78               |
| 1,500,000   | Dexcom 0.250% 15/11/2025                              | 1,787,813          | 2.54               |
| 5,000,000   | Global Blood Therapeutics 1.875% 15/12/2028           | 5,825,000          | 8.28               |
| 750,000   | Guardant Health 0.000% 15/11/2027                     | 762,450            | 1.08               |
| 1,000,000   | Live Nation Entertainment 2.500% 15/03/2023           | 1,810,000          | 2.57               |
| 3,500,000   | MGP Ingredients 1.875% 15/11/2041                     | 4,009,600          | 5.70               |
| 2,250,000   | MP Materials 0.250% 01/04/2026                        | 2,851,875          | 4.06               |
| 4,000,000   | Nutanix 0.250% 01/10/2027                             | 3,660,000          | 5.20               |
| 1,500,000   | Perficient 0.125% 15/11/2026                          | 1,426,963          | 2.03               |
| 1,000,000   | Pioneer Natural Resources 0.250% 15/05/2025           | 1,786,875          | 2.54               |
| 1,500,000   | Shift4 Payments 0.500% 01/08/2027                     | 1,324,650          | 1.88               |
| 2,500,000   | SoFi Technologies 0.000% 15/10/2026                   | 2,593,875          | 3.69               |
| 1,500,000   | Stride 1.125% 01/09/2027                              | 1,466,808          | 2.09               |
| 2,500,000   | Veritone One 1.750% 15/11/2026                        | 2,397,661          | 3.41               |
| 3,000,000   | Vertex Energy 6.250% 01/10/2027                       | 3,168,228          | 4.51               |
| 1,500,000   | Zendesk 0.625% 15/06/2025                             | 1,797,150          | 2.56               |
| <b>Total United States</b>                                |   | <b>54,095,919</b>  | <b>76.92</b>       |
| <b>Virgin Islands: Nil (2020: 4.40%)</b>                  |   | <b>–</b>           | <b>–</b>           |
| <b>Total Corporate Bonds</b>                              |   | <b>84,272,352</b>  | <b>119.83</b>      |
| <b>Total Transferable Securities</b>                      |   | <b>84,272,352</b>  | <b>119.83</b>      |

## Global Absolute Return Fund continued

| Holdings  | Financial assets at fair value through profit or loss                  | Unrealised Gain<br>US\$ | % of<br>Net Assets |               |                         |                    |
|---|--|-------------------------|--------------------|---------------|-------------------------|--------------------|
| <b>Contracts for Difference (on Equities) – Unrealised Gains: 0.48% (2020: 0.38%)</b> |  |                         |                    |               |                         |                    |
|   | Australia: Nil (2020: 0.05%)   | –                       | –                  |               |                         |                    |
|   | Cayman Islands: Nil (2020: 0.12%)                                      | –                       | –                  |               |                         |                    |
|   | Germany: Nil (2020: 0.01%)   | –                       | –                  |               |                         |                    |
|   | Liberia: Nil (2020: 0.04%)   | –                       | –                  |               |                         |                    |
|   | <b>United States: 0.48% (2020: 0.16%)</b>                              |                         |                    |               |                         |                    |
| (111,000)   | Array Technologies   | 61,050                  | 0.09               |               |                         |                    |
| (6,250)   | Bandwidth  | 17,250                  | 0.02               |               |                         |                    |
| (1,700)   | Dexcom   | 49,215                  | 0.07               |               |                         |                    |
| (92,500)  | GBL. Blood Therapeutics  | 172,975                 | 0.25               |               |                         |                    |
| (3,100)   | Guardant Health  | 3,131                   | –                  |               |                         |                    |
| 904   | Illumina   | 886                     | –                  |               |                         |                    |
| (30,752)  | MGP Ingredients  | 31,060                  | 0.04               |               |                         |                    |
| (8,412)   | Zendesk  | 3,785                   | 0.01               |               |                         |                    |
|   | <b>Total United States</b>   | <b>339,352</b>          | <b>0.48</b>        |               |                         |                    |
|   | <b>Total Contracts for Difference (on Equities) – Unrealised Gains</b> | <b>339,352</b>          | <b>0.48</b>        |               |                         |                    |
| <b>Financial assets at fair value through profit or loss</b>                          |  |                         |                    |               |                         |                    |
| <b>Open Forward Currency Contracts: 1.34% (2020: 1.88%)</b>                           |  |                         |                    |               |                         |                    |
|   | Currency Sold  | Currency Bought         | Currency Rate      | Maturity Date | Unrealised Gain<br>US\$ | % of<br>Net Assets |
|   | USD 32,266,700   | GBP 24,403,372          | 1.3222             | 31/01/2022    | 784,789                 | 1.12               |
|   | USD 5,606,475  | GBP 4,240,189           | 1.3222             | 31/01/2022    | 136,360                 | 0.20               |
|   | USD 2,299,508  | EUR 2,034,956           | 1.1300             | 31/01/2022    | 15,657                  | 0.02               |
|   | USD 243,903  | EUR 215,842             | 1.1300             | 31/01/2022    | 1,661                   | –                  |
|   | USD 3,874  | GBP 2,903               | 1.3348             | 31/01/2022    | 57                      | –                  |
|   | USD 1,542  | GBP 1,165               | 1.3234             | 31/01/2022    | 36                      | –                  |
|   | USD 1,637  | GBP 1,226               | 1.3348             | 04/01/2022    | 24                      | –                  |
|   | USD 39   | GBP 30                  | 1.3224             | 31/01/2022    | 1                       | –                  |
|   | USD 2  | GBP 2                   | 1.3333             | 31/01/2022    | –                       | –                  |
|   | USD 1  | GBP 1                   | 1.3284             | 04/01/2022    | –                       | –                  |
|   | USD 3  | GBP 3                   | 1.3242             | 31/01/2022    | –                       | –                  |
|   | <b>Total unrealised gain on forward foreign currency contracts</b>     |                         |                    |               | <b>938,585</b>          | <b>1.34</b>        |
|   | <b>Total Financial Assets at fair value through profit or loss</b>     |                         |                    |               | <b>85,550,289</b>       | <b>121.65</b>      |



| Holdings                                    | Financial liabilities at fair value through profit or loss | Fair Value<br>US\$ | % of<br>Net Assets |
|---|--|--------------------|--------------------|
| <b>Corporate Bonds: (3.26%) (2020: Nil)</b> |  |                    |                    |
| United States: (3.26%) (2020: Nil)          |  |                    |                    |
| (2,000,000)                                 | Illumina   | (2,291,250)        | (3.26)             |
|   | <b>Total United States</b>                                 | <b>(2,291,250)</b> | <b>(3.26)</b>      |
| Options: (0.66%) (2020: Nil)                |  |                    |                    |
| United States: (0.66%) (2020: Nil)          |  |                    |                    |
| 5,000,000                                   | CDX CCP 5% 20/12/2026                                      | (459,826)          | (0.66)             |
|   | <b>Total United States</b>                                 | <b>(459,826)</b>   | <b>(0.66)</b>      |
|   | <b>Total Corporate Bonds</b>                               | <b>(2,751,076)</b> | <b>(3.92)</b>      |

| Holdings   | Financial liabilities at fair value through profit or loss | Unrealised Loss<br>US\$ | % of<br>Net Assets |
|--|--|-------------------------|--------------------|
| <b>Contracts for Difference (on Equities) – Unrealised Losses: (0.92%) (2020: (8.97%))</b> |  |                         |                    |
| Belgium: (0.01%) (2020: Nil)   |  |                         |                    |
| (18,800)   | Umicore  | (6,842)                 | (0.01)             |
|  | <b>Total Belgium</b>                                       | <b>(6,842)</b>          | <b>(0.01)</b>      |
|  | Canada: Nil (2020: Nil)                                    | –                       | –                  |
|  | Cayman Islands: Nil (2020: (1.73%))                        | –                       | –                  |
|  | France: Nil (2020: (0.21%))                                | –                       | –                  |
| Germany: (0.04%) (2020: (0.51%))   |  |                         |                    |
| (42,847)   | QIAGEN   | (24,915)                | (0.04)             |
|  | <b>Total Germany</b>                                       | <b>(24,915)</b>         | <b>(0.04)</b>      |
| Hong Kong: Nil (2020: Nil)   |  |                         |                    |
| (60,000)   | China Conch Venture International                          | (770)                   | –                  |
|  | <b>Total Hong Kong</b>                                     | <b>(770)</b>            | <b>–</b>           |
|  | Israel: Nil (2020: (0.54%))                                | –                       | –                  |
|  | Japan: Nil (2020: (0.01%))                                 | –                       | –                  |
| Luxembourg: (0.13%) (2020: Nil)  |  |                         |                    |
| (24,000)   | ArcelorMittal  | (94,134)                | (0.13)             |
|  | <b>Total Luxembourg</b>                                    | <b>(94,134)</b>         | <b>(0.13)</b>      |
| Netherlands: (0.06%) (2020: (0.05%))   |  |                         |                    |
| (8,800)  | Basic-Fit  | (42,031)                | (0.06)             |
|  | <b>Total Netherlands</b>                                   | <b>(42,031)</b>         | <b>(0.06)</b>      |

**Global Absolute Return Fund** continued

| Holdings   | Financial liabilities at fair value through profit or loss | Unrealised Loss<br>US\$ | % of<br>Net Assets |
|--|--|-------------------------|--------------------|
| <b>Contracts for Difference (on Equities) – Unrealised Losses: (0.92%)<br/>(2020: (8.97%))</b> continued |  |                         |                    |
| <b>Spain: (0.06%) (2020: Nil)</b>  |  |                         |                    |
| (14,400)   | Cellnex Telecom  | (43,559)                | (0.06)             |
| <b>Total Spain</b>   |  | <b>(43,559)</b>         | <b>(0.06)</b>      |
| <b>Switzerland: Nil (2020: (0.18%))</b>  |  |                         |                    |
| <b>United Kingdom: (0.07%) (2020: Nil)</b>   |  |                         |                    |
| (23,423)   | JET2   | (35,374)                | (0.05)             |
| (46,307)   | Shaftesbury Reits  | (14,112)                | (0.02)             |
| <b>Total United Kingdom</b>  |  | <b>(49,486)</b>         | <b>(0.07)</b>      |
| <b>United States: (0.55%) (2020: (5.74%))</b>  |  |                         |                    |
| (20,734)   | Camtek   | (74,228)                | (0.11)             |
| (14,500)   | Chegg  | (4,350)                 | (0.01)             |
| (3,150)  | Coinbase Global  | (14,742)                | (0.02)             |
| (7,000)  | Cryoport   | (7,980)                 | (0.01)             |
| (30,000)   | CSG Systems International                                  | (16,200)                | (0.02)             |
| (20,700)   | Live Nation  | (113,229)               | (0.16)             |
| (21,000)   | MP Materials   | (36,120)                | (0.05)             |
| (5,500)  | Perficient   | (15,125)                | (0.02)             |
| (8,630)  | Pioneer Natural Resources                                  | (34,088)                | (0.05)             |
| (33,849)   | SoFi Technologies  | (28,433)                | (0.04)             |
| (11,304)   | Stride   | (4,748)                 | (0.01)             |
| (25,000)   | Veritone One   | (15,500)                | (0.02)             |
| (121,179)  | Vertex Energy  | (21,812)                | (0.03)             |
| <b>Total United States</b>   |  | <b>(386,555)</b>        | <b>(0.55)</b>      |
| <b>Total Contracts for Difference (on Equities) – Unrealised Losses</b>                                  |  | <b>(648,292)</b>        | <b>(0.92)</b>      |



## Financial liabilities at fair value through profit or loss

## Futures Contracts – Unrealised Losses: (0.23%) (2020: (0.09%))

| Description  | Country | Currency | No. of Contracts | Unrealised Loss US\$ | % of Net Assets |
|--|---------|----------|------------------|----------------------|-----------------|
| <b>United Kingdom: (0.20%) (2020: Nil)</b>         |         |          |                  |                      |                 |
| Future IMM GBP Mar22                               | UK      | USD      | (70)             | (139,562)            | (0.20)          |
| <b>Total United Kingdom</b>                        |         |          |                  | (139,562)            | (0.20)          |
| <b>United States: (0.03%) (2020: (0.09%))</b>      |         |          |                  |                      |                 |
| Future Euro CME Mar22                              | US      | USD      | (20)             | (22,875)             | (0.03)          |
| <b>Total United States</b>                         |         |          |                  | (22,875)             | (0.03)          |
| <b>Total Futures Contracts – Unrealised Losses</b> |         |          |                  | (162,437)            | (0.23)          |

## Open Forward Currency Contracts: Nil (2020: (0.03%))

| Currency Sold   | Currency Bought | Currency Rate | Maturity Date | Unrealised Loss US\$ | % of Net Assets |
|---|-----------------|---------------|---------------|----------------------|-----------------|
| GBP 11,407  | USD 15,081      | 1.3221        | 31/01/2022    | (368)                | –               |
| GBP 1,226   | USD 1,637       | 1.3348        | 31/01/2022    | (24)                 | –               |
| GBP 160   | USD 216         | 1.3496        | 31/01/2022    | (1)                  | –               |
| GBP 1   | USD 1           | 1.3284        | 31/01/2022    | –                    | –               |
| <b>Total unrealised loss on forward foreign currency contracts</b>      |                 |               |               | (393)                | –               |
| <b>Total Financial Liabilities at fair value through profit or loss</b> |                 |               |               | (3,562,198)          | (5.07)          |

|  | Fair Value US\$ | % of Net Assets |
|--|-----------------|-----------------|
| <b>Total Value of Investments (Cost: US\$ 45,083,116)</b>                    | 81,988,091      | 116.58          |
| Cash at Bank   | (12,015,492)    | (17.09)         |
| Margin Cash  | 711,785         | 1.01            |
| Other Net Liabilities  | (359,000)       | (0.50)          |
| <b>Net Assets Attributable to Holders of Redeemable Participating Shares</b> | 70,325,384      | 100.00          |

| Analysis of total assets  | 31 December 2021<br>% of Total Assets | 31 December 2020<br>% of Total Assets |
|---|---------------------------------------|---------------------------------------|
| Transferable securities admitted to official stock exchange listing | 93.79                                 | 92.04                                 |
| Exchange traded financial derivative instruments                    | 0.39                                  | 0.31                                  |
| OTC Financial derivative instruments                                | 1.07                                  | 1.57                                  |
| Other assets  | 4.75                                  | 6.08                                  |
|   | 100.00                                | 100.00                                |


**Portfolio Statements** continued  
 As at 31 December 2021

## Global Convertible Fund

| Holdings                                      | Financial assets at fair value through profit or loss | Fair Value<br>US\$ | % of<br>Net Assets |
|---|---|--------------------|--------------------|
| <b>Corporate Bonds: 91.19% (2020: 98.07%)</b> |   |                    |                    |
| <b>Belgium: 1.55% (2020: Nil)</b>             |   |                    |                    |
| 11,500,000                                    | Oliver Capital 0.000% 29/12/2023                      | 16,494,859         | 1.55               |
| <b>Total Belgium</b>                          |   | <b>16,494,859</b>  | <b>1.55</b>        |
| <b>Bermuda: Nil (2020: 1.94%)</b>             |   |                    |                    |
| <b>Canada: 2.59% (2020: 3.04%)</b>            |   |                    |                    |
| 12,650,000                                    | Ivanhoe Mines 2.500% 15/04/2026                       | 17,014,250         | 1.59               |
| 8,539,000                                     | SSR Mining 2.500% 01/04/2039                          | 10,647,066         | 1.00               |
| <b>Total Canada</b>                           |   | <b>27,661,316</b>  | <b>2.59</b>        |
| <b>Cayman Islands: 1.73% (2020: 0.81%)</b>    |   |                    |                    |
| 18,000,000                                    | Kingsoft 0.625% 29/04/2025                            | 2,769,391          | 0.26               |
| 16,500,000                                    | Meituan 0.000% 27/04/2027                             | 15,662,625         | 1.47               |
| <b>Total Cayman Islands</b>                   |   | <b>18,432,016</b>  | <b>1.73</b>        |
| <b>Cyprus: Nil (2020: 0.33%)</b>              |   |                    |                    |
| <b>France: 5.48% (2020: 7.38%)</b>            |   |                    |                    |
| 1,100,000                                     | Electricite de France 0.000% 14/09/2024               | 17,380,082         | 1.63               |
| 50,000  | Engie 0.000% 02/06/2024                               | 5,305,501          | 0.50               |
| 3,000,000                                     | Kering 0.000% 30/09/2022                              | 4,098,749          | 0.39               |
| 31,647  | Safran 0.875% 15/05/2027                              | 4,929,665          | 0.46               |
| 25,000  | SOITEC 0.000% 01/10/2025                              | 6,976,925          | 0.65               |
| 460,000                                       | Veolia Environnement 0.000% 01/01/2025                | 19,738,086         | 1.85               |
| <b>Total France</b>                           |   | <b>58,429,008</b>  | <b>5.48</b>        |
| <b>Germany: 2.58% (2020: 6.34%)</b>           |   |                    |                    |
| 2,000,000                                     | Delivery Hero 0.875% 15/07/2025                       | 2,206,354          | 0.21               |
| 8,000,000                                     | Deutsche Post 0.050% 30/06/2025                       | 10,878,884         | 1.02               |
| 9,800,000                                     | MorphoSys 0.625% 16/10/2025                           | 8,661,107          | 0.81               |
| 4,600,000                                     | Zalando 0.050% 06/08/2025                             | 5,721,474          | 0.54               |
| <b>Total Germany</b>                          |   | <b>27,467,819</b>  | <b>2.58</b>        |
| <b>Hong Kong: Nil (2020: 0.67%)</b>           |   |                    |                    |
| <b>India: 0.12% (2020: Nil)</b>               |   |                    |                    |
| 1,000,000                                     | Bharti Airtel 1.500% 17/02/2025                       | 1,303,500          | 0.12               |
| <b>Total India</b>                            |   | <b>1,303,500</b>   | <b>0.12</b>        |
| <b>Italy: Nil (2020: 0.49%)</b>               |   |                    |                    |



| Holdings  | Financial assets at fair value through profit or loss | Fair Value<br>US\$ | % of<br>Net Assets |
|---|---|--------------------|--------------------|
| <b>Corporate Bonds: 91.19% (2020: 98.07%)</b> continued |   |                    |                    |
| <b>Japan: 4.22% (2020: 2.22%)</b>                       |   |                    |                    |
| 500,000,000   | CyberAgent 0.000% 17/02/2023                          | 5,420,954          | 0.51               |
| 1,700,000,000   | DMG Mori 0.000% 16/07/2024                            | 15,703,834         | 1.47               |
| 1,300,000,000   | Nippon Steel Class A 0.000% 04/10/2024                | 11,599,583         | 1.09               |
| 1,200,000,000   | SBI 0.000% 25/07/2025                                 | 12,322,522         | 1.15               |
| <b>Total Japan</b>                                      |   | <b>45,046,893</b>  | <b>4.22</b>        |
| <b>Luxembourg: 0.47% (2020: 10.57%)</b>                 |   |                    |                    |
| 68,000  | ArcelorMittal 5.500% 18/05/2023                       | 5,056,480          | 0.47               |
| <b>Total Luxembourg</b>                                 |   | <b>5,056,480</b>   | <b>0.47</b>        |
| <b>Malaysia: Nil (2020: 1.54%)</b>                      |   |                    |                    |
| <b>Maritius: 0.88% (2020: Nil)</b>                      |   |                    |                    |
| 8,800,000   | HTA /Mauritius 2.875% 18/03/2027                      | 9,395,772          | 0.88               |
| <b>Total Maritius</b>                                   |   | <b>9,395,772</b>   | <b>0.88</b>        |
| <b>Netherlands: 8.66% (2020: 3.57%)</b>                 |   |                    |                    |
| 9,200,000   | Basic-Fit 1.500% 17/06/2028                           | 11,335,200         | 1.06               |
| 41,000,000  | Dufry One 0.750% 30/03/2026                           | 42,820,827         | 4.02               |
| 18,000,000  | ELM 3.250% 13/06/2024                                 | 19,967,400         | 1.87               |
| 7,000,000   | STMicroelectronics 0.000% 04/08/2025                  | 9,202,204          | 0.86               |
| 8,000,000   | Yandex 0.750% 03/03/2025                              | 9,096,400          | 0.85               |
| <b>Total Netherlands</b>                                |   | <b>92,422,031</b>  | <b>8.66</b>        |
| <b>New Zealand: Nil (2020: 0.62%)</b>                   |   |                    |                    |
| <b>Panama: Nil (2020: 0.49%)</b>                        |   |                    |                    |
| <b>People's Republic of China: 2.04% (2020: Nil)</b>    |   |                    |                    |
| 90,000,000  | China Conch Venture International 0.000% 05/09/2023   | 13,448,687         | 1.26               |
| 10,000,000  | Micorport Scientific 0.000% 11/06/2026                | 8,310,000          | 0.78               |
| <b>Total People's Republic of China</b>                 |   | <b>21,758,687</b>  | <b>2.04</b>        |
| <b>Republic of South Korea: 1.17% (2020: Nil)</b>       |   |                    |                    |
| 10,000,000  | LG Display 1.500% 22/08/2024                          | 12,505,000         | 1.17               |
| <b>Total Republic of South Korea</b>                    |   | <b>12,505,000</b>  | <b>1.17</b>        |
| <b>Singapore: Nil (2020: 2.56%)</b>                     |   |                    |                    |
| <b>Spain: 3.14% (2020: 2.21%)</b>                       |   |                    |                    |
| 5,800,000   | Cellnex Telecom 0.500% 05/07/2028                     | 8,831,587          | 0.83               |
| 23,500,000  | International Consolidated Airlines 1.125% 18/05/2028 | 24,698,774         | 2.31               |
| <b>Total Spain</b>                                      |   | <b>33,530,361</b>  | <b>3.14</b>        |


**Portfolio Statements** continued  
 As at 31 December 2021

**Global Convertible Fund** continued

| Holdings  | Financial assets at fair value through profit or loss | Fair Value<br>US\$ | % of<br>Net Assets |
|---|---|--------------------|--------------------|
| <b>Corporate Bonds: 91.19% (2020: 98.07%)</b> continued |   |                    |                    |
| <b>Switzerland: Nil (2020: 1.51%)</b>                   |   |                    |                    |
| <b>Taiwan: 3.43% (2020: Nil)</b>                        |   |                    |                    |
| 22,000,000  | Globalwafers 0.000% 01/06/2026                        | 23,649,542         | 2.22               |
| 14,000,000  | Sea 0.250% 15/09/2026                                 | 12,941,600         | 1.21               |
| <b>Total Taiwan</b>                                     |   | <b>36,591,142</b>  | <b>3.43</b>        |
| <b>United Kingdom: 5.43% (2020: 8.81%)</b>              |   |                    |                    |
| 20,000,000  | Capital & Counties Properties 2.000% 30/03/2026       | 28,528,837         | 2.68               |
| 22,000,000  | JET2 1.625% 10/06/2026                                | 29,375,963         | 2.75               |
| <b>Total United Kingdom</b>                             |   | <b>57,904,800</b>  | <b>5.43</b>        |
| <b>United States: 46.45% (2020: 41.52%)</b>             |   |                    |                    |
| 19,615,000  | Air Transport Services 1.125% 15/10/2024              | 21,919,763         | 2.05               |
| 10,000,000  | Airbnb 0.000% 15/03/2026                              | 9,810,000          | 0.92               |
| 15,000,000  | Akamai Technologies 0.375% 01/09/2027                 | 17,616,000         | 1.65               |
| 9,500,000   | Array Technologies 1.000% 01/12/2028                  | 9,029,750          | 0.85               |
| 9,000,000   | BigBear.ai 6.000% 15/12/2026                          | 8,595,000          | 0.81               |
| 14,000,000  | Bill.com 0.000% 01/04/2027                            | 14,385,000         | 1.35               |
| 6,000,000   | Blackline 0.000% 15/03/2026                           | 5,604,000          | 0.52               |
| 7,000,000   | Block 0.000% 01/05/2026                               | 7,214,249          | 0.68               |
| 15,500,000  | Cloudflare 0.000% 15/08/2026                          | 16,555,937         | 1.55               |
| 7,000,000   | Coinbase Global 0.500% 01/06/2026                     | 7,528,500          | 0.71               |
| 24,500,000  | CSG Systems International 4.250% 15/03/2036           | 26,015,937         | 2.44               |
| 3,000,000   | CyberArk Software 0.000% 15/11/2024                   | 3,795,000          | 0.36               |
| 30,895,000  | Dermira 3.000% 15/05/2022                             | 31,227,121         | 2.93               |
| 6,000,000   | Dexcom 0.250% 15/11/2025                              | 7,151,250          | 0.67               |
| 17,000,000  | DISH Network 0.000% 15/12/2025                        | 17,170,000         | 1.61               |
| 4,500,000   | Etsy 0.250% 15/06/2028                                | 5,312,700          | 0.50               |
| 2,200,000   | Fiverr International 0.000% 01/11/2025                | 2,053,700          | 0.19               |
| 13,500,000  | Ford Motor 0.000% 15/03/2026                          | 18,638,438         | 1.75               |
| 8,500,000   | Global Blood Therapeutics 1.875% 15/12/2028           | 9,902,500          | 0.93               |
| 5,000,000   | Guardant Health 0.000% 15/11/2027                     | 5,083,000          | 0.48               |
| 18,000,000  | Ionis Pharmaceuticals 0.000% 01/04/2026               | 15,919,200         | 1.49               |
| 15,000,000  | JPMorgan Chase Bank NA 0.000% 18/02/2024              | 19,768,086         | 1.85               |
| 13,500,000  | JPMorgan Chase Bank NA 0.000% 10/06/2024              | 17,834,273         | 1.67               |
| 5,500,000   | Lumentum 0.500% 15/12/2026                            | 6,868,125          | 0.64               |
| 15,000,000  | Marriott Vacations 0.000% 15/01/2026                  | 17,628,605         | 1.65               |
| 20,500,000  | MP Materials 0.250% 01/04/2026                        | 25,983,750         | 2.43               |
| 6,000,000   | NextEra Energy Partners 0.000% 15/06/2024             | 6,213,788          | 0.58               |
| 2,500,000   | Novocure 0.000% 01/11/2025                            | 2,297,000          | 0.21               |



| Holdings  | Financial assets at fair value through profit or loss | Fair Value<br>US\$   | % of<br>Net Assets |
|---|---|----------------------|--------------------|
| <b>Corporate Bonds: 91.19% (2020: 98.07%)</b> continued |   |                      |                    |
| <b>United States: 46.45% (2020: 41.52%)</b> continued   |   |                      |                    |
| 25,010,000  | Nutanix 0.250% 01/10/2027                             | 22,884,150           | 2.14               |
| 4,000,000   | ON Semiconductor 0.000% 01/05/2027                    | 5,840,000            | 0.55               |
| 3,800,000   | Palo Alto Networks 0.375% 01/06/2025                  | 7,217,720            | 0.68               |
| 4,400,000   | QIAGEN 1.000% 13/11/2024                              | 5,735,848            | 0.54               |
| 3,142,000   | Rapid7 0.250% 15/03/2027                              | 4,065,120            | 0.38               |
| 8,000,000   | RingCentral 0.000% 01/03/2025                         | 7,555,680            | 0.71               |
| 8,500,000   | Royal Caribbean Cruises 2.875% 15/11/2023             | 10,055,500           | 0.94               |
| 5,500,000   | Shift4 Payments 0.000% 15/12/2025                     | 5,826,700            | 0.55               |
| 9,941,000   | Silicon Laboratories 0.625% 15/06/2025                | 17,477,272           | 1.64               |
| 6,000,000   | Snap 0.000% 01/05/2027                                | 5,832,244            | 0.55               |
| 14,000,000  | SoFi Technologies 0.000% 15/10/2026                   | 14,525,700           | 1.36               |
| 13,453,000  | Supernus Pharmaceuticals 0.625% 01/04/2023            | 13,326,878           | 1.25               |
| 10,000,000  | Vail Resorts 0.000% 01/01/2026                        | 10,707,762           | 1.00               |
| 7,000,000   | Vertex Energy 6.250% 01/10/2027                       | 7,392,533            | 0.69               |
| <b>Total United States</b>                              |   | <b>495,563,779</b>   | <b>46.45</b>       |
| <b>Vietnam: 0.86% (2020: Nil)</b>                       |   |                      |                    |
| 9,000,000   | VinJSC 3.000% 20/04/2026                              | 9,132,750            | 0.86               |
| <b>Total Vietnam</b>                                    |   | <b>9,132,750</b>     | <b>0.86</b>        |
| <b>Virgin Islands: 0.39% (2020: 1.45%)</b>              |   |                      |                    |
| 5,000,000   | Viva Biotech Investment Management 1.000% 30/12/2025  | 4,166,535            | 0.39               |
| <b>Total Virgin Islands</b>                             |   | <b>4,166,535</b>     | <b>0.39</b>        |
| <b>Total Corporate Bonds</b>                            |   | <b>972,862,748</b>   | <b>91.19</b>       |
| <b>Equities: 25.81% (2020: 10.76%)</b>                  |   |                      |                    |
| <b>United States: 25.81% (2020: 10.76%)</b>             |   |                      |                    |
| 100,000   | 2020 Cash Mandatory Exchangeable Trust                | 104,521,000          | 9.80               |
| 12,000  | 2020 Mandatory Exchangeable Trust                     | 16,229,520           | 1.52               |
| 553,452   | Change Healthcare                                     | 38,891,072           | 3.65               |
| 1,000,000   | PG&E  | 115,680,000          | 10.84              |
| <b>Total United States</b>                              |   | <b>275,321,592</b>   | <b>25.81</b>       |
| <b>Total Equities</b>                                   |   | <b>275,321,592</b>   | <b>25.81</b>       |
| <b>Warrants: Nil (2020: Nil)</b>                        |   |                      |                    |
| <b>United Kingdom: Nil (2020: Nil)</b>                  |   |                      |                    |
| 5,345,707   | Premier Oil   | –                    | –                  |
| <b>Total Warrants</b>                                   |   | <b>–</b>             | <b>–</b>           |
| <b>Total Transferable Securities</b>                    |   | <b>1,248,184,340</b> | <b>117.00</b>      |

**Global Convertible Fund** continued

| Holdings  | Financial assets at fair value through profit or loss                  | Unrealised Gain<br>US\$ | % of<br>Net Assets  |                         |                    |
|---|--|-------------------------|---------------------|-------------------------|--------------------|
| <b>Contracts for Difference (on Equities) – Unrealised Gains: 0.51% (2020: 0.15%)</b> |  |                         |                     |                         |                    |
| Cayman Islands: Nil (2020: 0.01%)   |  |                         |                     |                         |                    |
| Germany: 0.01% (2020: 0.14%)  |  |                         |                     |                         |                    |
| (5,200)   | Delivery Hero  | 1,649                   | –                   |                         |                    |
| (28,000)  | Zalando  | 111,793                 | 0.01                |                         |                    |
|   | <b>Total Germany</b>   | <b>113,442</b>          | <b>0.01</b>         |                         |                    |
| Netherlands: 0.06% (2020: Nil)  |  |                         |                     |                         |                    |
| (70,000)  | Yandex   | 684,531                 | 0.06                |                         |                    |
|   | <b>Total Netherlands</b>   | <b>684,531</b>          | <b>0.06</b>         |                         |                    |
| United Kingdom: Nil (2020: Nil)   |  |                         |                     |                         |                    |
| (21,103)  | Shaftesbury  | 10,290                  | –                   |                         |                    |
|   | <b>Total United Kingdom</b>  | <b>10,290</b>           | <b>–</b>            |                         |                    |
| United States: 0.44% (2020: Nil)  |  |                         |                     |                         |                    |
| (251,400)   | Chewy Class A  | 2,043,882               | 0.19                |                         |                    |
| (8,242,500)   | PG&E   | 2,637,600               | 0.25                |                         |                    |
|   | <b>Total United States</b>   | <b>4,681,482</b>        | <b>0.44</b>         |                         |                    |
|   | <b>Total Contracts for Difference (on Equities) – Unrealised Gains</b> | <b>5,489,745</b>        | <b>0.51</b>         |                         |                    |
| <b>Futures Contracts – Unrealised Gains: 0.16% (2020: 0.11%)</b>                      |  |                         |                     |                         |                    |
| Description   | Country  | Currency                | No. of<br>Contracts | Unrealised Gain<br>US\$ | % of<br>Net Assets |
| United States: 0.16% (2020: 0.11%)  |  |                         |                     |                         |                    |
| Future Euro CME Mar22   | US   | USD                     | 1574                | 1,753,042               | 0.16               |
|   | <b>Total United States</b>   |                         |                     | <b>1,753,043</b>        | <b>0.16</b>        |
|   | <b>Total Futures Contracts – Unrealised Gains</b>                      |                         |                     | <b>1,753,043</b>        | <b>0.16</b>        |



## Financial assets at fair value through profit or loss

## Open Forward Currency Contracts: 0.59% (2020: 0.43%)

| Currency Sold   | Currency Bought | Currency Rate | Maturity Date | Unrealised Gain<br>US\$ | % of<br>Net Assets |
|-----------------|-----------------|---------------|---------------|-------------------------|--------------------|
| USD 71,779,570  | GBP 54,157,810  | 1.3254        | 12/01/2022    | 1,573,979               | 0.15               |
| USD 55,892,415  | GBP 42,272,892  | 1.3222        | 31/01/2022    | 1,361,231               | 0.13               |
| USD 45,316,544  | GBP 34,279,711  | 1.3220        | 24/01/2022    | 1,112,023               | 0.10               |
| USD 37,964,519  | GBP 28,713,557  | 1.3222        | 31/01/2022    | 924,606                 | 0.09               |
| EUR 22,093,887  | GBP 18,884,772  | 1.1372        | 12/01/2022    | 451,635                 | 0.04               |
| JPY 774,866,392 | GBP 5,187,821   | 0.0087        | 12/01/2022    | 297,540                 | 0.03               |
| EUR 13,372,510  | GBP 11,407,714  | 1.1372        | 24/01/2022    | 238,888                 | 0.02               |
| JPY 491,146,198 | GBP 3,266,838   | 0.0087        | 24/01/2022    | 159,033                 | 0.02               |
| USD 2,394,728   | GBP 1,811,195   | 1.3222        | 31/01/2022    | 58,322                  | 0.01               |
| USD 7,031,759   | EUR 6,222,294   | 1.1301        | 18/01/2022    | 45,503                  | –                  |
| USD 1,076,999   | GBP 814,562     | 1.3222        | 31/01/2022    | 26,230                  | –                  |
| USD 2,427,763   | GBP 1,808,605   | 1.3423        | 12/01/2022    | 21,886                  | –                  |
| JPY 76,029,864  | EUR 592,616     | 0.0087        | 18/01/2022    | 13,758                  | –                  |
| USD 1,898,023   | EUR 1,679,362   | 1.1302        | 31/01/2022    | 12,584                  | –                  |
| USD 1,055,279   | CHF 970,614     | 1.0872        | 31/01/2022    | 10,586                  | –                  |
| USD 1,169,670   | GBP 871,360     | 1.3423        | 24/01/2022    | 10,503                  | –                  |
| JPY 20,218,391  | GBP 133,477     | 0.0087        | 12/01/2022    | 5,208                   | –                  |
| USD 206,978     | GBP 156,324     | 1.3240        | 12/01/2022    | 4,754                   | –                  |
| USD 166,242     | GBP 125,485     | 1.3248        | 31/01/2022    | 3,712                   | –                  |
| USD 147,806     | GBP 111,384     | 1.3270        | 12/01/2022    | 3,057                   | –                  |
| USD 84,000      | GBP 62,932      | 1.3348        | 31/01/2022    | 1,234                   | –                  |
| USD 46,221      | GBP 34,954      | 1.3224        | 12/01/2022    | 1,122                   | –                  |
| EUR 60,822      | GBP 51,840      | 1.1372        | 12/01/2022    | 1,043                   | –                  |
| USD 42,039      | GBP 31,796      | 1.3222        | 12/01/2022    | 1,027                   | –                  |
| EUR 43,360      | GBP 37,029      | 1.1372        | 12/01/2022    | 841                     | –                  |
| JPY 2,230,019   | GBP 14,826      | 0.0087        | 12/01/2022    | 715                     | –                  |
| USD 30,611      | GBP 23,123      | 1.3239        | 12/01/2022    | 707                     | –                  |
| USD 63,565      | GBP 47,442      | 1.3398        | 31/01/2022    | 690                     | –                  |
| JPY 1,581,550   | GBP 10,523      | 0.0087        | 12/01/2022    | 518                     | –                  |
| USD 33,098      | GBP 24,797      | 1.3348        | 31/01/2022    | 486                     | –                  |
| USD 19,329      | GBP 14,590      | 1.3248        | 31/01/2022    | 432                     | –                  |
| EUR 14,344      | GBP 12,307      | 1.1372        | 12/01/2022    | 356                     | –                  |
| USD 10,615      | GBP 8,028       | 1.3222        | 12/01/2022    | 259                     | –                  |
| EUR 12,975      | GBP 11,086      | 1.1372        | 12/01/2022    | 259                     | –                  |
| USD 8,489       | GBP 6,425       | 1.3212        | 31/01/2022    | 213                     | –                  |
| USD 63,959      | GBP 47,378      | 1.3500        | 31/01/2022    | 209                     | –                  |
| USD 20,517      | GBP 15,285      | 1.3423        | 04/01/2022    | 186                     | –                  |

## Global Convertible Fund continued

### Financial assets at fair value through profit or loss

#### Open Forward Currency Contracts: 0.59% (2020: 0.43%) continued

| Currency Sold  | Currency Bought | Currency Rate | Maturity Date | Unrealised Gain<br>US\$ | % of<br>Net Assets |
|----------------|-----------------|---------------|---------------|-------------------------|--------------------|
| JPY 502,324    | GBP 3,337       | 0.0087        | 12/01/2022    | 158                     | –                  |
| USD 14,464     | GBP 10,795      | 1.3398        | 31/01/2022    | 157                     | –                  |
| JPY 454,483    | GBP 3,028       | 0.0087        | 12/01/2022    | 154                     | –                  |
| EUR 9,524      | GBP 8,102       | 1.1372        | 12/01/2022    | 143                     | –                  |
| EUR 7,767      | GBP 6,621       | 1.1372        | 18/01/2022    | 133                     | –                  |
| JPY 611,281    | GBP 4,007       | 0.0087        | 04/01/2022    | 119                     | –                  |
| JPY 333,948    | GBP 2,222       | 0.0087        | 12/01/2022    | 110                     | –                  |
| EUR 5,079      | GBP 4,344       | 1.1372        | 18/01/2022    | 107                     | –                  |
| USD 4,659      | GBP 3,518       | 1.3245        | 12/01/2022    | 105                     | –                  |
| JPY 12,347,290 | GBP 79,246      | 0.0087        | 24/01/2022    | 95                      | –                  |
| USD 3,484      | GBP 2,629       | 1.3254        | 12/01/2022    | 76                      | –                  |
| EUR 3,105      | GBP 2,653       | 1.1372        | 12/01/2022    | 62                      | –                  |
| USD 5,920      | GBP 4,410       | 1.3423        | 04/01/2022    | 54                      | –                  |
| USD 5,891      | GBP 4,389       | 1.3423        | 04/01/2022    | 53                      | –                  |
| JPY 248,208    | GBP 1,628       | 0.0087        | 04/01/2022    | 50                      | –                  |
| EUR 5,938      | GBP 5,017       | 1.1372        | 04/01/2022    | 42                      | –                  |
| JPY 115,266    | GBP 769         | 0.0087        | 12/01/2022    | 41                      | –                  |
| USD 4,291      | GBP 3,197       | 1.3422        | 31/01/2022    | 39                      | –                  |
| JPY 218,774    | GBP 1,425       | 0.0087        | 04/01/2022    | 30                      | –                  |
| USD 1,942      | GBP 1,455       | 1.3348        | 31/01/2022    | 29                      | –                  |
| EUR 1,446      | GBP 1,232       | 1.1372        | 12/01/2022    | 24                      | –                  |
| USD 982        | GBP 741         | 1.3248        | 31/01/2022    | 22                      | –                  |
| EUR 1,070      | GBP 915         | 1.1372        | 12/01/2022    | 22                      | –                  |
| USD 813        | GBP 613         | 1.3256        | 12/01/2022    | 18                      | –                  |
| JPY 51,208     | GBP 341         | 0.0087        | 12/01/2022    | 17                      | –                  |
| JPY 37,639     | GBP 252         | 0.0087        | 12/01/2022    | 15                      | –                  |
| EUR 1,706      | GBP 1,441       | 1.1372        | 04/01/2022    | 12                      | –                  |
| EUR 1,714      | GBP 1,448       | 1.1372        | 04/01/2022    | 12                      | –                  |
| JPY 62,940     | GBP 410         | 0.0087        | 04/01/2022    | 9                       | –                  |
| JPY 63,247     | GBP 412         | 0.0087        | 04/01/2022    | 9                       | –                  |
| USD 379        | GBP 286         | 1.3239        | 12/01/2022    | 9                       | –                  |
| USD 653        | CHF 601         | 1.0872        | 31/01/2022    | 7                       | –                  |



## Financial assets at fair value through profit or loss

## Open Forward Currency Contracts: 0.59% (2020: 0.43%) continued

| Currency Sold  | Currency Bought | Currency Rate | Maturity Date | Unrealised Gain<br>US\$ | % of<br>Net Assets |
|--|-----------------|---------------|---------------|-------------------------|--------------------|
| JPY 8,892  | GBP 59          | 0.0087        | 12/01/2022    | 3                       | –                  |
| USD 122  | GBP 92          | 1.3248        | 31/01/2022    | 3                       | –                  |
| EUR 238  | GBP 202         | 1.1372        | 12/01/2022    | 3                       | –                  |
| GBP 1,873  | EUR 2,233       | 1.3545        | 24/01/2022    | 3                       | –                  |
| USD 242  | GBP 180         | 1.3422        | 31/01/2022    | 2                       | –                  |
| JPY 10,520   | GBP 69          | 0.0087        | 04/01/2022    | 2                       | –                  |
| USD 86   | GBP 65          | 1.3248        | 31/01/2022    | 2                       | –                  |
| EUR 111  | GBP 95          | 1.1372        | 12/01/2022    | 2                       | –                  |
| USD 72   | GBP 54          | 1.3396        | 04/01/2022    | 1                       | –                  |
| USD 52   | GBP 39          | 1.3221        | 24/01/2022    | 1                       | –                  |
| JPY 4,212  | GBP 28          | 0.0087        | 12/01/2022    | 1                       | –                  |
| USD 82   | GBP 61          | 1.3397        | 04/01/2022    | 1                       | –                  |
| USD 91   | GBP 68          | 1.3397        | 04/01/2022    | 1                       | –                  |
| JPY 601  | GBP 4           | 0.0087        | 24/01/2022    | –                       | –                  |
| JPY 766  | GBP 5           | 0.0087        | 04/01/2022    | –                       | –                  |
| EUR 26   | GBP 22          | 1.1372        | 04/01/2022    | –                       | –                  |
| EUR 24   | GBP 20          | 1.1372        | 04/01/2022    | –                       | –                  |
| JPY 766  | GBP 5           | 0.0087        | 04/01/2022    | –                       | –                  |
| EUR 15   | GBP 13          | 1.1372        | 24/01/2022    | –                       | –                  |
| JPY 2,287  | GBP 15          | 0.0087        | 04/01/2022    | –                       | –                  |
| JPY 3,224  | GBP 21          | 0.0087        | 04/01/2022    | –                       | –                  |
| JPY 919  | GBP 6           | 0.0087        | 04/01/2022    | –                       | –                  |
| JPY 614  | GBP 4           | 0.0087        | 04/01/2022    | –                       | –                  |
| GBP 246  | EUR 293         | 1.3545        | 12/01/2022    | –                       | –                  |
| EUR 20   | GBP 17          | 1.1372        | 04/01/2022    | –                       | –                  |
| <b>Total unrealised gain on forward foreign currency contracts</b> |                 |               |               | 6,347,293               | 0.59               |
| <b>Total Financial Assets at fair value through profit or loss</b> |                 |               |               | 1,261,774,421           | 118.26             |

## Global Convertible Fund continued

| Holdings   | Financial liabilities at fair value through profit or loss | Unrealised Loss<br>US\$ | % of<br>Net Assets |
|--|--|-------------------------|--------------------|
| <b>Contracts for Difference (on Equities) – Unrealised Losses: (0.23%) (2020: (4.27%))</b> |  |                         |                    |
| France: Nil (2020: Nil)  |  |                         |                    |
| (2,430)  | LVMH Moet Hennessy Louis Vuitton                           | (5,063)                 | –                  |
| <b>Total France</b>  |  | <b>(5,063)</b>          | <b>–</b>           |
| Luxembourg: (0.04%) (2020: (2.92%))  |  |                         |                    |
| (156,000)  | ArcelorMittal  | (403,915)               | (0.04)             |
| <b>Total Luxembourg</b>  |  | <b>(403,915)</b>        | <b>(0.04)</b>      |
| Spain: Nil (2020: (0.01%))   |  |                         |                    |
| Switzerland: Nil (2020: (0.03%))   |  |                         |                    |
| United Kingdom: Nil (2020: (0.04%))  |  |                         |                    |
| United States: (0.19%) (2020: (1.27%))   |  |                         |                    |
| (1,688,679)  | Change Healthcare  | (1,046,981)             | (0.10)             |
| (693,000)  | T-Mobile US  | (1,039,500)             | (0.09)             |
| <b>Total United States</b>   |  | <b>(2,086,481)</b>      | <b>(0.19)</b>      |
| <b>Total Contracts for Difference (on Equities) – Unrealised Losses</b>                    |  | <b>(2,495,459)</b>      | <b>(0.23)</b>      |

| Holdings   | Financial liabilities at fair value through profit or loss | Fair Value<br>US\$ | % of<br>Net Assets |
|--|--|--------------------|--------------------|
| <b>Credit Default Swaps: (0.43%) (2020: Nil)</b> |  |                    |                    |
| 50,000,000                                       | CDX CCP 5% 20-Dec-2026                                     | (4,598,265)        | (0.43)             |
| <b>Total Credit Default Swaps</b>                |  | <b>(4,598,265)</b> | <b>(0.43)</b>      |
| <b>Total Credit Default Swaps</b>                |  | <b>(4,598,265)</b> | <b>(0.43)</b>      |

### Futures Contracts – Unrealised Losses: (0.09%) (2020: (0.04%))

| Description  | Country | Currency | No. of<br>Contracts | Unrealised Loss<br>US\$ | % of<br>Net Assets |
|--|---------|----------|---------------------|-------------------------|--------------------|
| United Kingdom: (0.01%) (2020: Nil)                |         |          |                     |                         |                    |
| Future IMM GBP Mar22                               | UK      | USD      | (62)                | (123,613)               | (0.01)             |
| <b>Total United Kingdom</b>                        |         |          |                     | <b>(123,613)</b>        | <b>(0.01)</b>      |
| United States: (0.08%) (2020: (0.04%))             |         |          |                     |                         |                    |
| Future Japan Yen CME Mar22                         | US      | USD      | 480                 | (765,000)               | (0.08)             |
| Future US 5year Note CBT Mar22                     | US      | USD      | (150)               | (11,994)                | –                  |
| <b>Total United States</b>                         |         |          |                     | <b>(776,994)</b>        | <b>(0.08)</b>      |
| <b>Total Futures Contracts – Unrealised Losses</b> |         |          |                     | <b>(900,607)</b>        | <b>(0.09)</b>      |



## Financial liabilities at fair value through profit or loss

## Open Forward Currency Contracts: Nil (2020: (0.01%))

| Currency Sold | Currency Bought | Currency Rate | Maturity Date | Unrealised Loss<br>US\$ | % of<br>Net Assets |
|---------------|-----------------|---------------|---------------|-------------------------|--------------------|
| GBP 496,109   | EUR 580,910     | 1.3545        | 12/01/2022    | (11,300)                | –                  |
| GBP 136,383   | EUR 159,602     | 1.3545        | 18/01/2022    | (3,188)                 | –                  |
| GBP 59,210    | USD 78,374      | 1.3237        | 12/01/2022    | (1,822)                 | –                  |
| GBP 31,761    | USD 42,077      | 1.3248        | 24/01/2022    | (941)                   | –                  |
| GBP 42,586    | USD 56,845      | 1.3348        | 12/01/2022    | (835)                   | –                  |
| GBP 50,633    | USD 67,834      | 1.3397        | 04/01/2022    | (746)                   | –                  |
| GBP 37,738    | USD 50,558      | 1.3397        | 04/01/2022    | (556)                   | –                  |
| GBP 35,861    | USD 48,044      | 1.3397        | 12/01/2022    | (527)                   | –                  |
| GBP 31,363    | USD 42,021      | 1.3398        | 31/01/2022    | (456)                   | –                  |
| GBP 19,736    | EUR 23,143      | 1.3545        | 12/01/2022    | (412)                   | –                  |
| GBP 10,014    | USD 13,230      | 1.3212        | 31/01/2022    | (333)                   | –                  |
| GBP 10,408    | USD 13,789      | 1.3248        | 12/01/2022    | (308)                   | –                  |
| GBP 5,610     | JPY 842,860     | 0.0087        | 12/01/2022    | (279)                   | –                  |
| GBP 9,299     | USD 12,326      | 1.3255        | 24/01/2022    | (269)                   | –                  |
| GBP 14,067    | EUR 16,572      | 1.3545        | 12/01/2022    | (206)                   | –                  |
| GBP 10,466    | EUR 12,292      | 1.3545        | 24/01/2022    | (192)                   | –                  |
| GBP 15,285    | USD 20,517      | 1.3423        | 12/01/2022    | (186)                   | –                  |
| GBP 6,608     | EUR 7,730       | 1.3545        | 18/01/2022    | (158)                   | –                  |
| GBP 6,937     | JPY 1,064,921   | 0.0087        | 04/01/2022    | (148)                   | –                  |
| GBP 9,172     | USD 12,288      | 1.3397        | 04/01/2022    | (135)                   | –                  |
| GBP 16,744    | EUR 19,826      | 1.3545        | 04/01/2022    | (133)                   | –                  |
| GBP 3,955     | USD 5,230       | 1.3223        | 24/01/2022    | (127)                   | –                  |
| GBP 3,001     | JPY 453,752     | 0.0087        | 24/01/2022    | (124)                   | –                  |
| GBP 4,007     | JPY 611,203     | 0.0087        | 12/01/2022    | (119)                   | –                  |
| GBP 4,809     | JPY 736,569     | 0.0087        | 04/01/2022    | (117)                   | –                  |
| GBP 12,479    | EUR 14,776      | 1.3545        | 04/01/2022    | (99)                    | –                  |
| GBP 11,765    | EUR 13,927      | 1.3545        | 12/01/2022    | (96)                    | –                  |
| GBP 4,493     | JPY 689,735     | 0.0087        | 04/01/2022    | (96)                    | –                  |
| GBP 3,584     | JPY 548,942     | 0.0087        | 04/01/2022    | (87)                    | –                  |
| GBP 3,356     | JPY 514,019     | 0.0087        | 12/01/2022    | (82)                    | –                  |
| GBP 3,612     | JPY 554,490     | 0.0087        | 04/01/2022    | (77)                    | –                  |
| GBP 6,348     | USD 8,521       | 1.3422        | 31/01/2022    | (77)                    | –                  |
| GBP 3,430     | EUR 4,030       | 1.3545        | 12/01/2022    | (63)                    | –                  |
| GBP 3,068     | EUR 3,609       | 1.3545        | 24/01/2022    | (50)                    | –                  |
| GBP 1,420     | USD 1,878       | 1.3222        | 12/01/2022    | (46)                    | –                  |
| GBP 5,017     | EUR 5,937       | 1.3545        | 12/01/2022    | (43)                    | –                  |

## Global Convertible Fund continued

### Financial liabilities at fair value through profit or loss

#### Open Forward Currency Contracts: Nil (2020: (0.01%)) continued

| Currency Sold | Currency Bought | Currency Rate | Maturity Date | Unrealised Loss<br>US\$ | % of<br>Net Assets |
|---------------|-----------------|---------------|---------------|-------------------------|--------------------|
| GBP 984       | JPY 148,796     | 0.0087        | 12/01/2022    | (41)                    | –                  |
| GBP 891       | JPY 134,247     | 0.0087        | 24/01/2022    | (41)                    | –                  |
| GBP 1,950     | USD 2,601       | 1.3337        | 12/01/2022    | (40)                    | –                  |
| GBP 2,542     | USD 3,406       | 1.3397        | 04/01/2022    | (37)                    | –                  |
| GBP 8,436     | USD 11,388      | 1.3500        | 31/01/2022    | (37)                    | –                  |
| GBP 4,422     | EUR 5,234       | 1.3545        | 18/01/2022    | (36)                    | –                  |
| GBP 1,524     | USD 2,033       | 1.3337        | 24/01/2022    | (32)                    | –                  |
| GBP 1,425     | JPY 218,742     | 0.0087        | 12/01/2022    | (31)                    | –                  |
| GBP 1,314     | EUR 1,542       | 1.3545        | 24/01/2022    | (25)                    | –                  |
| GBP 5,683     | USD 7,672       | 1.3499        | 24/01/2022    | (25)                    | –                  |
| GBP 3,033     | EUR 3,591       | 1.3545        | 04/01/2022    | (24)                    | –                  |
| GBP 872       | JPY 133,560     | 0.0087        | 04/01/2022    | (21)                    | –                  |
| GBP 377       | JPY 56,703      | 0.0087        | 24/01/2022    | (18)                    | –                  |
| GBP 406       | USD 537         | 1.3222        | 12/01/2022    | (13)                    | –                  |
| GBP 648       | EUR 764         | 1.3545        | 12/01/2022    | (9)                     | –                  |
| GBP 472       | EUR 554         | 1.3545        | 12/01/2022    | (9)                     | –                  |
| GBP 507       | EUR 597         | 1.3545        | 24/01/2022    | (7)                     | –                  |
| GBP 187       | JPY 28,350      | 0.0087        | 12/01/2022    | (7)                     | –                  |
| GBP 135       | JPY 20,307      | 0.0087        | 12/01/2022    | (7)                     | –                  |
| GBP 841       | EUR 996         | 1.3545        | 04/01/2022    | (7)                     | –                  |
| GBP 356       | USD 475         | 1.3348        | 24/01/2022    | (7)                     | –                  |
| GBP 146       | JPY 22,132      | 0.0087        | 24/01/2022    | (6)                     | –                  |
| GBP 242       | JPY 37,066      | 0.0087        | 04/01/2022    | (6)                     | –                  |
| GBP 210       | JPY 32,238      | 0.0087        | 04/01/2022    | (5)                     | –                  |
| GBP 226       | USD 303         | 1.3423        | 12/01/2022    | (3)                     | –                  |
| GBP 135       | EUR 158         | 1.3545        | 12/01/2022    | (3)                     | –                  |
| GBP 146       | USD 195         | 1.3348        | 12/01/2022    | (3)                     | –                  |
| GBP 747       | USD 1,008       | 1.3500        | 12/01/2022    | (3)                     | –                  |
| GBP 530       | JPY 82,345      | 0.0087        | 24/01/2022    | (3)                     | –                  |
| GBP 39        | JPY 5,866       | 0.0087        | 12/01/2022    | (2)                     | –                  |
| GBP 117       | EUR 138         | 1.3545        | 24/01/2022    | (2)                     | –                  |
| GBP 33        | JPY 5,033       | 0.0087        | 24/01/2022    | (1)                     | –                  |
| GBP 61        | USD 82          | 1.3397        | 12/01/2022    | (1)                     | –                  |
| GBP 74        | EUR 88          | 1.3545        | 12/01/2022    | (1)                     | –                  |



## Financial liabilities at fair value through profit or loss

## Open Forward Currency Contracts: Nil (2020: (0.01%)) continued

| Currency Sold   | Currency Bought | Currency Rate | Maturity Date | Unrealised Loss<br>US\$ | % of<br>Net Assets |
|---|-----------------|---------------|---------------|-------------------------|--------------------|
| GBP 48  | EUR 57          | 1.3545        | 12/01/2022    | (1)                     | –                  |
| GBP 5   | JPY 766         | 0.0087        | 12/01/2022    | –                       | –                  |
| GBP 21  | JPY 3,224       | 0.0087        | 12/01/2022    | –                       | –                  |
| GBP 20  | EUR 24          | 1.3545        | 12/01/2022    | –                       | –                  |
| GBP 13  | JPY 1,983       | 0.0087        | 12/01/2022    | –                       | –                  |
| GBP 70  | JPY 10,877      | 0.0087        | 12/01/2022    | –                       | –                  |
| <b>Total unrealised loss on forward foreign currency contracts</b>      |                 |               |               | (24,947)                | –                  |
| <b>Total Financial Liabilities at fair value through profit or loss</b> |                 |               |               | (8,019,278)             | (0.75)             |

|  | Fair Value<br>US\$ | % of<br>Net Assets |
|--|--------------------|--------------------|
| <b>Total Value of Investments (Cost: US\$ 1,256,364,031)</b>                 | 1,253,755,143      | 117.51             |
| Cash at Bank   | (188,288,471)      | (17.65)            |
| Other Net Liabilities  | 1,437,734          | 0.14               |
| <b>Net Assets Attributable to Holders of Redeemable Participating Shares</b> | 1,066,904,406      | 100.00             |

All securities are transferable securities and are admitted to an official stock exchange or dealt on a regulated market at the financial year end.

Counterparty for the contracts for difference is UBS AG.

The counterparty for the forward currency contracts is The Northern Trust Company.

| Analysis of total assets  | 31 December 2021<br>% of Total Assets | 31 December 2020<br>% of Total Assets |
|---|---------------------------------------|---------------------------------------|
| Transferable securities admitted to official stock exchange listing | 95.62                                 | 93.59                                 |
| Exchange traded financial derivative instruments                    | 0.55                                  | 0.23                                  |
| OTC Financial derivative instruments                                | 0.49                                  | 0.37                                  |
| Other assets  | 3.34                                  | 5.81                                  |
|   | 100.00                                | 100.00                                |

The % of Net Assets has been rounded to Nil if the amount is less than 0.01%.

## Global Insurance Fund

| Holdings   | Financial assets at fair value through profit or loss     | Fair Value<br>GBP£ | % of<br>Net Assets |
|------------|---|--------------------|--------------------|
|            | <b>Investment Funds: 1.82% (2020: 1.52%)</b>              |                    |                    |
|            | <b>Bermuda: 0.36% (2020: Nil)</b>                         |                    |                    |
| 10,000     | Lodgepine 2021  | 6,150,255          | 0.36               |
|            | <b>Total Bermuda</b>                                      | <b>6,150,255</b>   | <b>0.36</b>        |
|            | <b>United States: 1.46% (2020: 1.52%)</b>                 |                    |                    |
| 21,016     | AlphaCat Opportunities                                    | 11,662,631         | 0.68               |
| 2,384,817  | Kinesis   | 13,217,322         | 0.78               |
|            | <b>Total United States</b>                                | <b>24,879,953</b>  | <b>1.46</b>        |
|            | <b>Total Investment Funds</b>                             | <b>31,030,208</b>  | <b>1.82</b>        |
|            | <b>Equities: 98.16% (2020: 95.77%)</b>                    |                    |                    |
|            | <b>Insurance Brokers: 13.15% (2020: 10.72%)</b>           |                    |                    |
| 337,500    | Aon   | 74,893,124         | 4.40               |
| 1,060,000  | Marsh & McLennan Cos                                      | 136,032,474        | 7.99               |
| 435,000    | Ryan Specialty Group                                      | 12,958,949         | 0.76               |
|            | <b>Total Insurance Brokers</b>                            | <b>223,884,547</b> | <b>13.15</b>       |
|            | <b>Life/Health Insurance: 4.09% (2020: 4.64%)</b>         |                    |                    |
| 427,500    | Aflac   | 18,429,416         | 1.08               |
| 4,580,000  | AIA   | 34,090,743         | 2.00               |
| 1,350,000  | Prudential  | 17,205,750         | 1.01               |
|            | <b>Total Life/Health Insurance</b>                        | <b>69,725,909</b>  | <b>4.09</b>        |
|            | <b>Multi-line Insurance: 12.31% (2020: 12.85%)</b>        |                    |                    |
| 925,000    | Chubb   | 132,017,966        | 7.76               |
| 19,285,000 | Direct Line Insurance                                     | 53,805,150         | 3.16               |
| 641,000    | Sampo Plc   | 23,712,449         | 1.39               |
|            | <b>Total Multi-line Insurance</b>                         | <b>209,535,565</b> | <b>12.31</b>       |
|            | <b>Property/Casualty Insurance: 47.59% (2020: 48.27%)</b> |                    |                    |
| 163,300    | Alleghany   | 80,488,344         | 4.73               |
| 4,200,000  | Arch Capital  | 137,834,534        | 8.10               |
| 7,770,000  | Beazley   | 36,231,510         | 2.13               |
| 225,000    | Berkshire Hathaway  | 49,669,604         | 2.92               |
| 519,500    | First American Financial                                  | 30,005,155         | 1.76               |
| 4,440,000  | Hiscox  | 38,219,520         | 2.25               |



| Holdings  | Financial assets at fair value through profit or loss | Fair Value<br>GBP£   | % of<br>Net Assets |                         |                    |
|---|---|----------------------|--------------------|-------------------------|--------------------|
| <b>Property/Casualty Insurance: 47.59% (2020: 48.27%) continued</b> |   |                      |                    |                         |                    |
| 689,500   | Intact Financial                                      | 66,262,982           | 3.89               |                         |                    |
| 900,000   | James River   | 19,143,562           | 1.12               |                         |                    |
| 7,432,500   | Lancashire  | 39,392,250           | 2.31               |                         |                    |
| 100,050   | Markel  | 91,152,637           | 5.36               |                         |                    |
| 1,200,000   | ProAssurance  | 22,415,001           | 1.32               |                         |                    |
| 609,250   | Progressive Corp                                      | 46,173,360           | 2.71               |                         |                    |
| 275,000   | RLI   | 22,760,159           | 1.34               |                         |                    |
| 501,000   | Travelers Companies                                   | 57,862,175           | 3.40               |                         |                    |
| 1,188,750   | WR Berkley  | 72,310,609           | 4.25               |                         |                    |
| <b>Total Property/Casualty Insurance</b>                            |   | <b>809,921,402</b>   | <b>47.59</b>       |                         |                    |
| <b>Reinsurance: 21.02% (2020: 19.29%)</b>                           |   |                      |                    |                         |                    |
| 2,172,000   | Essent  | 73,012,036           | 4.29               |                         |                    |
| 253,250   | Everest Re  | 51,216,534           | 3.01               |                         |                    |
| 231,150   | Fairfax Financial                                     | 84,068,613           | 4.94               |                         |                    |
| 9,875,000   | Helios Underwriting                                   | 16,540,625           | 0.98               |                         |                    |
| 542,500   | Reinsurance of America                                | 43,854,199           | 2.58               |                         |                    |
| 710,000   | RenaissanceRe   | 88,762,442           | 5.22               |                         |                    |
| <b>Total Reinsurance</b>  |   | <b>357,454,449</b>   | <b>21.02</b>       |                         |                    |
| <b>Total Equities</b>   |   | <b>1,670,521,872</b> | <b>98.16</b>       |                         |                    |
| <b>Total Transferable Securities</b>                                |   | <b>1,701,552,080</b> | <b>99.98</b>       |                         |                    |
| <b>Open Forward Currency Contracts: Nil (2020: Nil)</b>             |   |                      |                    |                         |                    |
| Currency Sold   | Currency Bought                                       | Currency Rate        | Maturity Date      | Unrealised<br>Gain GBP£ | % of<br>Net Assets |
| EUR 61,559  | GBP 51,939  | 0.8437               | 04/01/2022         | 254                     | –                  |
| EUR 200   | GBP 169   | 0.8438               | 04/01/2022         | 1                       | –                  |
| GBP 1   | EUR 1   | 0.8395               | 05/01/2022         | –                       | –                  |
| <b>Total unrealised gain on forward foreign currency contracts</b>  |   |                      |                    | <b>255</b>              | <b>–</b>           |
| <b>Total Financial Assets at fair value through profit or loss</b>  |   | <b>1,701,552,335</b> | <b>99.98</b>       |                         |                    |

## Global Insurance Fund

 continued

**Financial liabilities at fair value through profit or loss**
**Open Forward Currency Contracts: (0.01%) (2020: (0.02%))**

| Currency Sold   | Currency Bought | Currency Rate | Maturity Date | Unrealised Loss GBP£ | % of Net Assets |
|---|-----------------|---------------|---------------|----------------------|-----------------|
| GBP 12,028,449  | EUR 14,073,941  | 0.8547        | 31/01/2022    | (206,158)            | (0.01)          |
| GBP 679,487   | USD 898,433     | 0.7563        | 31/01/2022    | (16,134)             | –               |
| GBP 3,038   | USD 4,055       | 0.7492        | 04/01/2022    | (44)                 | –               |
| GBP 91  | EUR 108         | 0.8438        | 05/01/2022    | (1)                  | –               |
| GBP 24  | USD 33          | 0.7456        | 04/01/2022    | –                    | –               |
| <b>Total unrealised loss on forward foreign currency contracts</b>      |                 |               |               | (222,337)            | (0.01)          |
| <b>Total Financial Liabilities at fair value through profit or loss</b> |                 |               |               | (222,337)            | (0.01)          |

|  | Fair Value GBP£ | % of Net Assets |
|--|-----------------|-----------------|
| <b>Total Value of Investments (Cost: GBP£ 1,339,920,939)</b>                 | 1,701,329,998   | 99.97           |
| Cash at Bank   | 5,787,298       | 0.34            |
| Other Net Liabilities  | (5,284,572)     | (0.31)          |
| <b>Net Assets Attributable to Holders of Redeemable Participating Shares</b> | 1,701,832,724   | 100.00          |

All securities are transferable securities and are admitted to an official stock exchange or dealt on a regulated market at the financial year end.

| Analysis of total assets  | 31 December 2021<br>% of Total Assets | 31 December 2020<br>% of Total Assets |
|---|---------------------------------------|---------------------------------------|
| Transferable securities admitted to official stock exchange listing | 98.90                                 | 96.67                                 |
| Other assets  | 1.10                                  | 3.33                                  |
|   | 100.00                                | 100.00                                |

The % of Net Assets has been rounded to Nil if the amount is less than 0.01%.



## Global Technology Fund

| Holdings  | Financial assets at fair value through profit or loss | Fair Value<br>US\$   | % of<br>Net Assets |
|-----------|---|----------------------|--------------------|
|           | <b>Equities: 95.60% (2020: 90.47%)</b>                |                      |                    |
|           | <b>Communications: 16.67% (2020: 17.30%)</b>          |                      |                    |
| 123,287   | Alphabet  | 356,742,030          | 3.93               |
| 123,651   | Alphabet  | 358,221,893          | 3.95               |
| 65,629    | Amazon.com  | 218,829,400          | 2.41               |
| 689,859   | Meta Platforms  | 232,034,074          | 2.56               |
| 93,812    | Monolithic Power Systems                              | 46,280,274           | 0.51               |
| 168,015   | Naver   | 53,496,259           | 0.59               |
| 1,613,550 | Tencent   | 94,540,954           | 1.04               |
| 1,368,603 | Uber  | 57,385,524           | 0.63               |
| 918,948   | Zendesk   | 95,837,087           | 1.05               |
|           | <b>Total Communications</b>                           | <b>1,513,367,495</b> | <b>16.67</b>       |
|           | <b>Consumer, Cyclical: 3.89% (2020: 3.42%)</b>        |                      |                    |
| 537,609   | Dolby Laboratories                                    | 51,191,129           | 0.57               |
| 1,524,075 | Lattice Semiconductor                                 | 117,445,220          | 1.29               |
| 256,502   | Match Group   | 33,922,389           | 0.37               |
| 3,201,809 | Snap  | 150,581,077          | 1.66               |
|           | <b>Total Consumer, Cyclical</b>                       | <b>353,139,815</b>   | <b>3.89</b>        |
|           | <b>Consumer, Non-cyclical: 4.50% (2020: 7.43%)</b>    |                      |                    |
| 1,261,986 | HelloFresh SE   | 96,928,723           | 1.07               |
| 233,155   | Netflix   | 140,461,898          | 1.55               |
| 205,918   | PayPal  | 38,832,017           | 0.43               |
| 1,428,798 | Tenable   | 78,683,906           | 0.86               |
| 50,441    | Tesla Inc.  | 53,305,040           | 0.59               |
|           | <b>Total Consumer, Non-cyclical</b>                   | <b>408,211,584</b>   | <b>4.50</b>        |
|           | <b>Financial: 6.91% (2020: 13.54%)</b>                |                      |                    |
| 670,526   | Airbnb Inc.   | 111,635,874          | 1.23               |
| 402,361   | Aptiv PLC   | 66,369,447           | 0.73               |
| 2,310,500 | BYD Company   | 79,009,184           | 0.87               |
| 301,570   | CrowdStrike   | 61,746,458           | 0.68               |
| 535,090   | CyberArk Software                                     | 92,720,395           | 1.02               |
| 1,949,637 | Infineon Technologies                                 | 90,370,114           | 0.99               |
| 120,133   | Mastercard  | 43,166,190           | 0.48               |
| 511,789   | TE Connectivity                                       | 82,572,037           | 0.91               |
|           | <b>Total Financial</b>                                | <b>627,589,699</b>   | <b>6.91</b>        |

## Global Technology Fund continued

| Holdings   | Financial assets at fair value through profit or loss | Fair Value<br>US\$ | % of<br>Net Assets |
|------------|---|--------------------|--------------------|
|            | <b>Equities: 95.60% (2020: 90.47%)</b> continued      |                    |                    |
|            | <b>Industrial: 3.10% (2020: 5.24%)</b>                |                    |                    |
| 263,224    | DocuSign  | 40,091,647         | 0.44               |
| 528,600    | Hoya  | 78,540,628         | 0.86               |
| 379,456    | Kornit Digital  | 57,772,176         | 0.64               |
| 3,854,988  | TripAdvisor   | 105,086,973        | 1.16               |
|            | <b>Total Industrial</b>                               | <b>281,491,424</b> | <b>3.10</b>        |
|            | <b>Technology: 60.53% (2020: 42.44%)</b>              |                    |                    |
| 219,533    | Adobe   | 124,488,383        | 1.37               |
| 2,157,719  | Advanced Micro Devices                                | 310,495,764        | 3.42               |
| 332,129    | Ambarella   | 67,385,653         | 0.74               |
| 2,505,048  | Apple   | 444,821,373        | 4.90               |
| 882,523    | Applied Materials                                     | 138,873,819        | 1.53               |
| 1,242,500  | Arista Networks                                       | 178,609,375        | 1.97               |
| 196,382    | ASML  | 157,824,226        | 1.74               |
| 239,364    | Coupa Software  | 37,831,480         | 0.42               |
| 21,369,405 | E Ink   | 116,629,203        | 1.28               |
| 788,541    | Elastic   | 97,061,512         | 1.07               |
| 876,371    | Everbridge  | 59,006,059         | 0.65               |
| 826,951    | Five9   | 113,556,911        | 1.25               |
| 171,157    | HubSpot   | 112,818,137        | 1.24               |
| 226,746    | KLA Corp  | 97,525,722         | 1.07               |
| 2,459,302  | Marvell Technology                                    | 215,164,332        | 2.37               |
| 2,097,400  | MediaTek  | 90,212,383         | 0.99               |
| 1,496,718  | Micron Technology                                     | 139,419,282        | 1.54               |
| 1,878,071  | Microsoft   | 631,632,839        | 6.96               |
| 169,500    | MongoDB   | 89,724,825         | 0.99               |
| 183,100    | Nintendo  | 85,305,154         | 0.94               |
| 1,026,511  | NVIDIA  | 301,907,150        | 3.33               |
| 581,824    | Okta  | 130,427,486        | 1.44               |
| 1,961,700  | ON Semiconductor                                      | 133,238,664        | 1.47               |
| 593,309    | Power Integrations                                    | 55,112,473         | 0.61               |
| 2,938,969  | Pure Storage  | 95,663,441         | 1.05               |
| 578,956    | Qualcomm  | 105,873,684        | 1.17               |
| 864,102    | Roblox  | 89,140,762         | 0.98               |
| 244,286    | salesforce.com  | 62,080,401         | 0.68               |



| Holdings   | Financial assets at fair value through profit or loss | Fair Value<br>US\$   | % of<br>Net Assets  |                  |                    |                    |
|--|---|----------------------|---------------------|------------------|--------------------|--------------------|
| <b>Equities: 95.60% (2020: 90.47%)</b> continued |   |                      |                     |                  |                    |                    |
| 2,494,190  | Samsung Electronics                                   | 164,286,080          | 1.81                |                  |                    |                    |
| 1,605,713  | Seagate Technology                                    | 181,413,455          | 2.00                |                  |                    |                    |
| 277,177  | ServiceNow  | 179,918,362          | 1.98                |                  |                    |                    |
| 701,412  | Smartsheet Inc.                                       | 54,324,359           | 0.60                |                  |                    |                    |
| 97,764   | Snowflake Inc.  | 33,117,555           | 0.36                |                  |                    |                    |
| 9,812,350  | Taiwan Semiconductor Manufacturing                    | 218,115,273          | 2.40                |                  |                    |                    |
| 231,900  | Tokyo Electron  | 133,475,160          | 1.47                |                  |                    |                    |
| 185,289  | Twilio  | 48,794,005           | 0.54                |                  |                    |                    |
| 1,163,127  | Western Digital                                       | 75,847,512           | 0.84                |                  |                    |                    |
| 287,343  | Workday   | 78,496,361           | 0.86                |                  |                    |                    |
| 249,395  | Zoom Video Communications                             | 45,866,234           | 0.50                |                  |                    |                    |
| <b>Total Technology</b>                          |   | <b>5,495,484,849</b> | <b>60.53</b>        |                  |                    |                    |
| <b>Total Equities</b>                            |   | <b>8,679,284,866</b> | <b>95.60</b>        |                  |                    |                    |
| <b>Total Transferable Securities</b>             |   | <b>8,679,284,866</b> | <b>95.60</b>        |                  |                    |                    |
| <b>Options Purchased: 0.28% (2020: 0.58%)</b>    |   |                      |                     |                  |                    |                    |
| Description                                      | Base<br>Currency                                      | Strike<br>Price      | No. of<br>Contracts | Maturity<br>Date | Fair Value<br>US\$ | % of<br>Net Assets |
| Option Alphabet Call 3300                        | USD   | 3,300.00             | 1,575               | 18/02/2022       | 1,582,875          | 0.02               |
| Option Microsoft Call 365                        | USD   | 365.00               | 14,250              | 18/02/2022       | 3,633,750          | 0.04               |
| Option Nasdaq 100 Put 13500                      | USD   | 13,500.00            | 575                 | 18/02/2022       | 2,587,500          | 0.03               |
| Option Nasdaq 100 Put 15000                      | USD   | 15,000.00            | 575                 | 18/02/2022       | 8,452,500          | 0.09               |
| Option Apple Call 200                            | USD   | 200.00               | 40,000              | 18/03/2022       | 9,040,000          | 0.10               |
| <b>Total Options Purchased</b>                   |   |                      |                     |                  | <b>25,296,625</b>  | <b>0.28</b>        |



## Portfolio Statements continued

As at 31 December 2021

## Global Technology Fund continued

## Financial assets at fair value through profit or loss

## Open Forward Currency Contracts: 0.13% (2020: 0.08%)

| Currency Sold   | Currency Bought | Currency Rate | Maturity Date | Unrealised Gain<br>US\$ | % of<br>Net Assets |
|-----------------|-----------------|---------------|---------------|-------------------------|--------------------|
| USD 263,565,331 | GBP 199,335,007 | 1.3222        | 31/01/2022    | 6,410,420               | 0.07               |
| USD 208,764,768 | EUR 184,746,929 | 1.1300        | 31/01/2022    | 1,421,486               | 0.02               |
| USD 129,412,118 | CHF 119,056,819 | 1.0870        | 31/01/2022    | 1,328,370               | 0.02               |
| USD 172,716,151 | EUR 152,845,610 | 1.1300        | 31/01/2022    | 1,176,030               | 0.01               |
| USD 100,936,257 | EUR 89,323,805  | 1.1300        | 31/01/2022    | 687,278                 | 0.01               |
| USD 37,059,990  | CHF 34,094,524  | 1.0870        | 31/01/2022    | 380,408                 | –                  |
| USD 7,012,478   | GBP 5,253,875   | 1.3347        | 04/01/2022    | 103,633                 | –                  |
| USD 11,012,592  | EUR 9,724,976   | 1.1324        | 04/01/2022    | 46,652                  | –                  |
| USD 2,453,949   | GBP 1,830,434   | 1.3406        | 05/01/2022    | 25,282                  | –                  |
| USD 3,220,825   | EUR 2,849,927   | 1.1301        | 31/01/2022    | 21,532                  | –                  |
| USD 140,798     | GBP 106,395     | 1.3234        | 31/01/2022    | 3,301                   | –                  |
| USD 774,801     | EUR 683,412     | 1.1337        | 31/01/2022    | 2,716                   | –                  |
| USD 317,041     | EUR 280,247     | 1.1313        | 05/01/2022    | 1,657                   | –                  |
| USD 589,550     | CHF 538,300     | 1.0952        | 31/01/2022    | 1,576                   | –                  |
| USD 392,728     | EUR 346,493     | 1.1334        | 31/01/2022    | 1,477                   | –                  |
| USD 347,019     | EUR 306,445     | 1.1324        | 04/01/2022    | 1,470                   | –                  |
| USD 71,039      | GBP 53,220      | 1.3348        | 31/01/2022    | 1,041                   | –                  |
| USD 41,178      | GBP 31,145      | 1.3221        | 31/01/2022    | 1,005                   | –                  |
| USD 105,152     | EUR 93,276      | 1.1273        | 31/01/2022    | 968                     | –                  |
| USD 270,841     | EUR 238,895     | 1.1337        | 31/01/2022    | 949                     | –                  |
| USD 94,394      | CHF 86,814      | 1.0873        | 05/01/2022    | 886                     | –                  |
| USD 166,148     | EUR 146,793     | 1.1319        | 31/01/2022    | 858                     | –                  |
| USD 150,689     | EUR 133,196     | 1.1313        | 05/01/2022    | 781                     | –                  |
| USD 81,709      | CHF 75,148      | 1.0873        | 05/01/2022    | 767                     | –                  |
| USD 213,705     | GBP 158,344     | 1.3496        | 31/01/2022    | 754                     | –                  |
| USD 98,850      | EUR 87,467      | 1.1301        | 31/01/2022    | 661                     | –                  |
| USD 110,974     | EUR 98,095      | 1.1313        | 05/01/2022    | 580                     | –                  |
| USD 149,348     | EUR 131,732     | 1.1337        | 31/01/2022    | 524                     | –                  |
| USD 101,113     | EUR 89,334      | 1.1319        | 31/01/2022    | 522                     | –                  |
| USD 83,027      | EUR 73,355      | 1.1319        | 31/01/2022    | 429                     | –                  |
| USD 45,720      | EUR 40,556      | 1.1273        | 31/01/2022    | 421                     | –                  |
| USD 79,313      | EUR 70,106      | 1.1313        | 05/01/2022    | 411                     | –                  |
| USD 64,638      | EUR 57,137      | 1.1313        | 05/01/2022    | 338                     | –                  |
| USD 83,649      | EUR 73,846      | 1.1328        | 04/01/2022    | 328                     | –                  |
| USD 68,596      | EUR 60,520      | 1.1334        | 31/01/2022    | 258                     | –                  |
| USD 63,303      | EUR 55,885      | 1.1328        | 04/01/2022    | 249                     | –                  |
| USD 45,254      | EUR 40,000      | 1.1313        | 05/01/2022    | 234                     | –                  |



## Financial assets at fair value through profit or loss

## Open Forward Currency Contracts: 0.13% (2020: 0.08%) continued

| Currency Sold | Currency Bought | Currency Rate | Maturity Date | Unrealised Gain<br>US\$ | % of<br>Net Assets |
|---------------|-----------------|---------------|---------------|-------------------------|--------------------|
| USD 13,040    | GBP 9,769       | 1.3348        | 04/01/2022    | 192                     | –                  |
| USD 12,140    | GBP 9,095       | 1.3347        | 04/01/2022    | 179                     | –                  |
| USD 41,754    | EUR 36,872      | 1.1324        | 04/01/2022    | 177                     | –                  |
| USD 14,079    | CHF 12,949      | 1.0873        | 31/01/2022    | 140                     | –                  |
| USD 11,258    | CHF 10,363      | 1.0864        | 04/01/2022    | 115                     | –                  |
| USD 7,477     | CHF 6,909       | 1.0822        | 31/01/2022    | 110                     | –                  |
| USD 8,938     | GBP 6,666       | 1.3409        | 31/01/2022    | 90                      | –                  |
| USD 3,859     | GBP 2,916       | 1.3234        | 31/01/2022    | 90                      | –                  |
| USD 20,526    | EUR 18,126      | 1.1324        | 04/01/2022    | 87                      | –                  |
| USD 7,996     | CHF 7,354       | 1.0873        | 31/01/2022    | 80                      | –                  |
| USD 18,675    | EUR 16,492      | 1.1324        | 04/01/2022    | 79                      | –                  |
| USD 7,109     | GBP 5,304       | 1.3402        | 05/01/2022    | 76                      | –                  |
| USD 2,280     | GBP 1,724       | 1.3224        | 31/01/2022    | 55                      | –                  |
| USD 5,636     | EUR 5,000       | 1.1273        | 31/01/2022    | 52                      | –                  |
| USD 3,524     | GBP 2,627       | 1.3411        | 04/01/2022    | 35                      | –                  |
| USD 3,329     | GBP 2,483       | 1.3406        | 05/01/2022    | 34                      | –                  |
| USD 3,570     | EUR 3,158       | 1.1302        | 31/01/2022    | 24                      | –                  |
| USD 5,799     | EUR 5,119       | 1.1328        | 04/01/2022    | 23                      | –                  |
| USD 2,914     | EUR 2,582       | 1.1286        | 31/01/2022    | 23                      | –                  |
| USD 2,164     | GBP 1,614       | 1.3409        | 05/01/2022    | 22                      | –                  |
| USD 2,568     | EUR 2,270       | 1.1313        | 05/01/2022    | 13                      | –                  |
| USD 3,931     | CHF 3,589       | 1.0952        | 31/01/2022    | 11                      | –                  |
| USD 2,792     | EUR 2,463       | 1.1334        | 31/01/2022    | 10                      | –                  |
| USD 824       | CHF 759         | 1.0869        | 31/01/2022    | 9                       | –                  |
| USD 459       | GBP 344         | 1.3348        | 31/01/2022    | 7                       | –                  |
| USD 717       | CHF 660         | 1.0873        | 05/01/2022    | 7                       | –                  |
| USD 1,369     | EUR 1,211       | 1.1313        | 05/01/2022    | 7                       | –                  |
| USD 617       | CHF 567         | 1.0873        | 05/01/2022    | 6                       | –                  |
| USD 872       | EUR 772         | 1.1302        | 31/01/2022    | 6                       | –                  |
| USD 1,013     | EUR 894         | 1.1324        | 04/01/2022    | 4                       | –                  |
| USD 1,533     | CHF 1,400       | 1.0952        | 31/01/2022    | 4                       | –                  |
| USD 841       | EUR 744         | 1.1313        | 05/01/2022    | 4                       | –                  |
| USD 487       | EUR 431         | 1.1313        | 05/01/2022    | 3                       | –                  |
| USD 716       | EUR 632         | 1.1328        | 04/01/2022    | 3                       | –                  |
| USD 218       | CHF 201         | 1.0822        | 31/01/2022    | 3                       | –                  |
| USD 274       | CHF 252         | 1.0869        | 31/01/2022    | 3                       | –                  |
| USD 760       | EUR 670         | 1.1334        | 31/01/2022    | 3                       | –                  |

## Global Technology Fund continued

### Financial assets at fair value through profit or loss

#### Open Forward Currency Contracts: 0.13% (2020: 0.08%) continued

| Currency Sold  | Currency Bought | Currency Rate | Maturity Date | Unrealised Gain<br>US\$ | % of<br>Net Assets |
|--|-----------------|---------------|---------------|-------------------------|--------------------|
| USD 362  | EUR 320         | 1.1313        | 05/01/2022    | 2                       | –                  |
| USD 432  | EUR 382         | 1.1313        | 05/01/2022    | 2                       | –                  |
| USD 579  | EUR 511         | 1.1327        | 04/01/2022    | 2                       | –                  |
| USD 265  | EUR 235         | 1.1273        | 31/01/2022    | 2                       | –                  |
| USD 59   | GBP 44          | 1.3266        | 31/01/2022    | 1                       | –                  |
| USD 60   | GBP 45          | 1.3348        | 04/01/2022    | 1                       | –                  |
| USD 347  | EUR 306         | 1.1337        | 31/01/2022    | 1                       | –                  |
| USD 85   | EUR 76          | 1.1287        | 31/01/2022    | 1                       | –                  |
| USD 69   | EUR 61          | 1.1286        | 31/01/2022    | 1                       | –                  |
| USD 74   | CHF 68          | 1.0874        | 31/01/2022    | 1                       | –                  |
| USD 374  | EUR 330         | 1.1334        | 31/01/2022    | 1                       | –                  |
| USD 101  | CHF 93          | 1.0864        | 04/01/2022    | 1                       | –                  |
| USD 234  | EUR 207         | 1.1337        | 31/01/2022    | 1                       | –                  |
| USD 52   | EUR 46          | 1.1327        | 04/01/2022    | –                       | –                  |
| USD 15   | GBP 11          | 1.3407        | 05/01/2022    | –                       | –                  |
| USD 131  | EUR 116         | 1.1338        | 31/01/2022    | –                       | –                  |
| USD 3  | EUR 3           | 1.1322        | 05/01/2022    | –                       | –                  |
| USD 75   | EUR 66          | 1.1324        | 04/01/2022    | –                       | –                  |
| USD 121  | GBP 90          | 1.3496        | 31/01/2022    | –                       | –                  |
| EUR –  | USD –           | 1.0000        | 05/01/2022    | –                       | –                  |
| USD –  | GBP –           | 1.0000        | 04/01/2022    | –                       | –                  |
| USD 57   | EUR 50          | 1.1334        | 31/01/2022    | –                       | –                  |
| USD 8  | GBP 6           | 1.3397        | 05/01/2022    | –                       | –                  |
| USD 23   | EUR 20          | 1.1304        | 31/01/2022    | –                       | –                  |
| USD 20   | CHF 19          | 1.0857        | 31/01/2022    | –                       | –                  |
| USD 80   | EUR 70          | 1.1324        | 04/01/2022    | –                       | –                  |
| USD 9  | CHF 9           | 1.0949        | 31/01/2022    | –                       | –                  |
| <b>Total unrealised gain on forward foreign currency contracts</b> |                 |               |               | 11,628,055              | 0.13               |
| <b>Total Financial Assets at fair value through profit or loss</b> |                 |               |               | 8,716,209,546           | 96.01              |



## Financial liabilities at fair value through profit or loss

## Open Forward Currency Contracts: (0.01%) (2020: Nil)

| Currency Sold  | Currency Bought | Currency Rate | Maturity Date | Unrealised Loss<br>US\$ | % of<br>Net Assets |
|----------------|-----------------|---------------|---------------|-------------------------|--------------------|
| GBP 10,757,340 | USD 14,248,538  | 0.7550        | 31/01/2022    | (321,010)               | (0.01)             |
| CHF 6,566,801  | USD 7,110,690   | 0.9235        | 31/01/2022    | (100,545)               | –                  |
| EUR 10,190,450 | USD 11,493,523  | 0.8866        | 31/01/2022    | (100,134)               | –                  |
| EUR 4,894,973  | USD 5,520,903   | 0.8866        | 31/01/2022    | (48,099)                | –                  |
| GBP 880,423    | USD 1,180,242   | 0.7460        | 04/01/2022    | (12,248)                | –                  |
| EUR 1,531,567  | USD 1,736,375   | 0.8820        | 31/01/2022    | (6,087)                 | –                  |
| GBP 158,825    | USD 209,986     | 0.7564        | 31/01/2022    | (5,123)                 | –                  |
| EUR 1,197,009  | USD 1,357,078   | 0.8820        | 31/01/2022    | (4,757)                 | –                  |
| EUR 262,365    | USD 295,770     | 0.8871        | 31/01/2022    | (2,723)                 | –                  |
| EUR 284,712    | USD 321,765     | 0.8848        | 31/01/2022    | (2,151)                 | –                  |
| EUR 337,599    | USD 381,916     | 0.8840        | 04/01/2022    | (2,002)                 | –                  |
| EUR 188,761    | USD 212,794     | 0.8871        | 31/01/2022    | (1,959)                 | –                  |
| EUR 280,247    | USD 317,200     | 0.8835        | 31/01/2022    | (1,637)                 | –                  |
| EUR 254,165    | USD 287,529     | 0.8840        | 04/01/2022    | (1,507)                 | –                  |
| EUR 220,369    | USD 249,297     | 0.8840        | 04/01/2022    | (1,307)                 | –                  |
| GBP 32,324     | USD 42,776      | 0.7557        | 31/01/2022    | (1,003)                 | –                  |
| CHF 86,814     | USD 94,449      | 0.9192        | 31/01/2022    | (884)                   | –                  |
| EUR 146,793    | USD 166,055     | 0.8840        | 04/01/2022    | (878)                   | –                  |
| CHF 75,148     | USD 81,757      | 0.9192        | 31/01/2022    | (766)                   | –                  |
| CHF 68,746     | USD 74,735      | 0.9199        | 31/01/2022    | (757)                   | –                  |
| EUR 70,053     | USD 78,973      | 0.8871        | 31/01/2022    | (727)                   | –                  |
| EUR 177,621    | USD 201,373     | 0.8820        | 31/01/2022    | (706)                   | –                  |
| CHF 209,010    | USD 228,909     | 0.9131        | 31/01/2022    | (612)                   | –                  |
| EUR 98,095     | USD 111,030     | 0.8835        | 31/01/2022    | (573)                   | –                  |
| GBP 39,436     | USD 52,866      | 0.7460        | 04/01/2022    | (549)                   | –                  |
| EUR 71,119     | USD 80,375      | 0.8848        | 31/01/2022    | (537)                   | –                  |
| EUR 89,334     | USD 101,057     | 0.8840        | 04/01/2022    | (534)                   | –                  |
| CHF 182,235    | USD 199,585     | 0.9131        | 31/01/2022    | (533)                   | –                  |
| GBP 34,246     | USD 45,908      | 0.7460        | 04/01/2022    | (476)                   | –                  |
| EUR 73,355     | USD 82,981      | 0.8840        | 04/01/2022    | (438)                   | –                  |
| GBP 71,166     | USD 96,047      | 0.7409        | 31/01/2022    | (339)                   | –                  |
| EUR 57,137     | USD 64,670      | 0.8835        | 31/01/2022    | (334)                   | –                  |
| EUR 73,846     | USD 83,699      | 0.8823        | 31/01/2022    | (315)                   | –                  |



## Portfolio Statements continued

As at 31 December 2021

## Global Technology Fund continued

## Financial liabilities at fair value through profit or loss

## Open Forward Currency Contracts: (0.01%) (2020: Nil) continued

| Currency Sold | Currency Bought | Currency Rate | Maturity Date | Unrealised Loss<br>US\$ | % of<br>Net Assets |
|---------------|-----------------|---------------|---------------|-------------------------|--------------------|
| CHF 18,307    | USD 19,811      | 0.9241        | 31/01/2022    | (292)                   | –                  |
| CHF 22,762    | USD 24,745      | 0.9199        | 31/01/2022    | (251)                   | –                  |
| EUR 55,885    | USD 63,342      | 0.8823        | 31/01/2022    | (238)                   | –                  |
| EUR 30,753    | USD 34,756      | 0.8848        | 31/01/2022    | (232)                   | –                  |
| GBP 9,769     | USD 13,040      | 0.7492        | 31/01/2022    | (191)                   | –                  |
| CHF 10,363    | USD 11,267      | 0.9197        | 31/01/2022    | (112)                   | –                  |
| GBP 6,666     | USD 8,938       | 0.7458        | 04/01/2022    | (91)                    | –                  |
| EUR 7,667     | USD 8,643       | 0.8871        | 31/01/2022    | (80)                    | –                  |
| EUR 5,481     | USD 6,179       | 0.8871        | 31/01/2022    | (57)                    | –                  |
| GBP 883       | USD 1,168       | 0.7557        | 31/01/2022    | (27)                    | –                  |
| EUR 5,119     | USD 5,802       | 0.8823        | 31/01/2022    | (22)                    | –                  |
| GBP 1,614     | USD 2,164       | 0.7458        | 31/01/2022    | (22)                    | –                  |
| EUR 2,031     | USD 2,290       | 0.8871        | 31/01/2022    | (21)                    | –                  |
| EUR 4,580     | USD 5,193       | 0.8820        | 31/01/2022    | (18)                    | –                  |
| EUR 1,812     | USD 2,048       | 0.8848        | 31/01/2022    | (14)                    | –                  |
| EUR 2,270     | USD 2,569       | 0.8835        | 31/01/2022    | (13)                    | –                  |
| EUR 2,174     | USD 2,459       | 0.8841        | 04/01/2022    | (13)                    | –                  |
| EUR 3,073     | USD 3,484       | 0.8820        | 31/01/2022    | (12)                    | –                  |
| EUR 1,589     | USD 1,798       | 0.8841        | 04/01/2022    | (10)                    | –                  |
| EUR 1,461     | USD 1,653       | 0.8840        | 04/01/2022    | (9)                     | –                  |
| CHF 533       | USD 577         | 0.9241        | 31/01/2022    | (8)                     | –                  |
| GBP 466       | USD 625         | 0.7462        | 04/01/2022    | (7)                     | –                  |
| CHF 660       | USD 718         | 0.9192        | 31/01/2022    | (7)                     | –                  |
| CHF 567       | USD 617         | 0.9192        | 31/01/2022    | (6)                     | –                  |
| EUR 744       | USD 842         | 0.8835        | 31/01/2022    | (4)                     | –                  |
| EUR 460       | USD 519         | 0.8860        | 31/01/2022    | (4)                     | –                  |
| EUR 632       | USD 717         | 0.8823        | 31/01/2022    | (3)                     | –                  |
| GBP 112       | USD 148         | 0.7539        | 31/01/2022    | (3)                     | –                  |
| EUR 670       | USD 759         | 0.8828        | 04/01/2022    | (3)                     | –                  |
| EUR 431       | USD 488         | 0.8835        | 31/01/2022    | (2)                     | –                  |
| EUR 511       | USD 579         | 0.8823        | 31/01/2022    | (2)                     | –                  |
| EUR 183       | USD 206         | 0.8860        | 31/01/2022    | (2)                     | –                  |
| EUR 436       | USD 494         | 0.8820        | 31/01/2022    | (2)                     | –                  |



## Financial liabilities at fair value through profit or loss

## Open Forward Currency Contracts: (0.01%) (2020: Nil) continued

| Currency Sold   | Currency Bought | Currency Rate | Maturity Date | Unrealised Loss<br>US\$ | % of<br>Net Assets |
|---|-----------------|---------------|---------------|-------------------------|--------------------|
| EUR 76  | USD 85          | 0.8860        | 31/01/2022    | (1)                     | –                  |
| CHF 474   | USD 519         | 0.9131        | 31/01/2022    | (1)                     | –                  |
| EUR 330   | USD 374         | 0.8828        | 04/01/2022    | (1)                     | –                  |
| GBP 45  | USD 60          | 0.7492        | 31/01/2022    | (1)                     | –                  |
| CHF 93  | USD 101         | 0.9197        | 31/01/2022    | (1)                     | –                  |
| CHF 503   | USD 551         | 0.9131        | 31/01/2022    | (1)                     | –                  |
| GBP 133   | USD 179         | 0.7409        | 31/01/2022    | (1)                     | –                  |
| EUR 46  | USD 52          | 0.8824        | 31/01/2022    | –                       | –                  |
| CHF 17  | USD 19          | 0.9211        | 31/01/2022    | –                       | –                  |
| GBP 11  | USD 15          | 0.7459        | 31/01/2022    | –                       | –                  |
| <b>Total unrealised loss on forward foreign currency contracts</b>      |                 |               |               | (624,035)               | (0.01)             |
| <b>Total Financial Liabilities at fair value through profit or loss</b> |                 |               |               | (624,035)               | (0.01)             |

|  | Fair Value<br>US\$ | % of<br>Net Assets |
|--|--------------------|--------------------|
| <b>Total Value of Investments (Cost: US\$ 7,302,481,606)</b>                 | 8,715,585,511      | 96.00              |
| Cash at Bank   | 405,019,610        | 4.46               |
| Margin Cash  | 14,322,512         | 0.16               |
| Other Net Liabilities  | (56,530,487)       | (0.62)             |
| <b>Net Assets Attributable to Holders of Redeemable Participating Shares</b> | 9,078,397,146      | 100.00             |

All securities are transferable securities and are admitted to an official stock exchange or dealt on a regulated market at the financial year end.

The counterparty for the options is Credit Suisse Securities (Europe) Limited.

The counterparty for the forward currency contracts is The Northern Trust Company.

| Analysis of total assets  | 31 December 2021<br>% of Total Assets | 31 December 2020<br>% of Total Assets |
|---|---------------------------------------|---------------------------------------|
| Transferable securities admitted to official stock exchange listing | 94.80                                 | 88.53                                 |
| Exchange traded financial derivative instruments                    | 0.28                                  | 0.57                                  |
| OTC Financial derivative instruments                                | 0.13                                  | 0.07                                  |
| Other assets  | 4.79                                  | 10.83                                 |
|   | 100.00                                | 100.00                                |

The % of Net Assets was rounded to Nil if the amount is less than 0.01.

## Healthcare Bluechip Fund

| Holdings | Financial assets at fair value through profit or loss | Fair Value<br>US\$ | % of<br>Net Assets |
|----------|---|--------------------|--------------------|
|          | <b>Equities: 95.63% (2020: 93.85%)</b>                |                    |                    |
|          | Containers-Paper/Plastic: 2.68% (2020: Nil)           |                    |                    |
| 25,414   | AptarGroup  | 3,112,707          | 2.68               |
|          | <b>Total Containers-Paper/Plastic</b>                 | <b>3,112,707</b>   | <b>2.68</b>        |
|          | Dental Supplies & Equipment: 2.72% (2020: 1.64%)      |                    |                    |
| 4,800    | Align Technology                                      | 3,154,464          | 2.72               |
|          | <b>Total Dental Supplies &amp; Equipment</b>          | <b>3,154,464</b>   | <b>2.72</b>        |
|          | Diagnostic Equipment: 2.53% (2020: 2.27%)             |                    |                    |
| 69,839   | Avantor   | 2,943,015          | 2.53               |
|          | <b>Total Diagnostic Equipment</b>                     | <b>2,943,015</b>   | <b>2.53</b>        |
|          | Diagnostic Kits: 2.30% (2020: Nil)                    |                    |                    |
| 34,937   | Hologic   | 2,674,777          | 2.30               |
|          | <b>Total Diagnostic Kits</b>                          | <b>2,674,777</b>   | <b>2.30</b>        |
|          | Dialysis Centers: Nil (2020: 3.04%)                   |                    |                    |
|          | Drug Delivery Systems: Nil (2020: 3.73%)              | –                  | –                  |
|          | Electronic Measuring Instruments: Nil (2020: 2.26%)   | –                  | –                  |
|          | Medical Instruments: 4.67% (2020: 4.31%)              |                    |                    |
| 20,575   | Alcon   | 1,823,218          | 1.57               |
| 84,768   | Boston Scientific                                     | 3,600,945          | 3.10               |
|          | <b>Total Medical Instruments</b>                      | <b>5,424,163</b>   | <b>4.67</b>        |
|          | Medical Labs & Testing Services: Nil (2020: 5.45%)    | –                  | –                  |
|          | Medical Products: 20.22% (2020: 13.83%)               |                    |                    |
| 32,937   | Abbott Laboratories                                   | 4,635,553          | 3.99               |
| 44,220   | Baxter International                                  | 3,795,845          | 3.27               |
| 51,491   | Envista   | 2,320,184          | 2.00               |
| 36,213   | Siemens Healthineers                                  | 2,710,562          | 2.33               |
| 14,298   | STERIS Plc  | 3,480,276          | 3.00               |
| 8,659    | The Cooper Companies                                  | 3,627,602          | 3.12               |
| 22,936   | Zimmer Biomet   | 2,913,789          | 2.51               |
|          | <b>Total Medical Products</b>                         | <b>23,483,811</b>  | <b>20.22</b>       |



| Holdings | Financial assets at fair value through profit or loss           | Fair Value<br>US\$ | % of<br>Net Assets |
|----------|---|--------------------|--------------------|
|          | <b>Equities: 95.63% (2020: 93.85%)</b> continued                |                    |                    |
|          | <b>Medical-Biomedical/Gene: 15.20% (2020: 14.77%)</b>           |                    |                    |
| 14,298   | Alnylam Pharmaceuticals   | 2,424,655          | 2.09               |
| 2,595    | Argenx  | 930,461            | 0.80               |
| 23,489   | Biohaven Pharmaceutical   | 3,237,019          | 2.79               |
| 4,819    | Bio-Rad Laboratories  | 3,641,092          | 3.13               |
| 6,857    | Genmab  | 2,757,373          | 2.38               |
| 13,000   | Seagen  | 2,009,800          | 1.73               |
| 12,255   | United Therapeutics   | 2,648,060          | 2.28               |
|          | <b>Total Medical-Biomedical/Gene</b>                            | <b>17,648,460</b>  | <b>15.20</b>       |
|          | <b>Medical-Drugs: 23.68% (2020: 25.29%)</b>                     |                    |                    |
| 46,814   | AstraZeneca   | 5,502,479          | 4.74               |
| 50,754   | Bristol-Myers Squibb  | 3,164,512          | 2.72               |
| 30,857   | Horizon Therapeutics  | 3,325,150          | 2.86               |
| 51,575   | Johnson & Johnson   | 8,822,935          | 7.60               |
| 40,400   | Sanofi  | 4,069,621          | 3.50               |
| 22,967   | UCB   | 2,620,949          | 2.26               |
|          | <b>Total Medical-Drugs</b>                                      | <b>27,505,646</b>  | <b>23.68</b>       |
|          | <b>Medical-HMO: 10.64% (2020: 11.28%)</b>                       |                    |                    |
| 21,800   | Centene   | 1,796,320          | 1.55               |
| 8,681    | Molina Healthcare   | 2,761,253          | 2.38               |
| 15,523   | UnitedHealth Group Inc  | 7,794,719          | 6.71               |
|          | <b>Total Medical-HMO</b>  | <b>12,352,292</b>  | <b>10.64</b>       |
|          | <b>Medical-Hospitals: 4.71% (2020: Nil)</b>                     |                    |                    |
| 46,979   | Acadia Healthcare   | 2,851,625          | 2.45               |
| 50,507   | Ramsay Health Care  | 2,625,560          | 2.26               |
|          | <b>Total Medical-Hospitals</b>                                  | <b>5,477,185</b>   | <b>4.71</b>        |
|          | <b>Medical-Outpatient/Home Med: 1.85% (2020: Nil)</b>           |                    |                    |
| 13,276   | Amedisys  | 2,149,119          | 1.85               |
|          | <b>Total Medical-Outpatient/Home Med</b>                        | <b>2,149,119</b>   | <b>1.85</b>        |
|          | <b>Medical-Wholesale Drug Distribution: 2.35% (2020: 1.72%)</b> |                    |                    |
| 20,532   | AmerisourceBergen   | 2,728,498          | 2.35               |
|          | <b>Total Medical-Wholesale Drug Distribution</b>                | <b>2,728,498</b>   | <b>2.35</b>        |


**Portfolio Statements** continued  
 As at 31 December 2021

**Healthcare Bluechip Fund** continued

| Holdings | Financial assets at fair value through profit or loss              |                        |                      | Fair Value<br>US\$   | % of<br>Net Assets              |                            |
|----------|--|------------------------|----------------------|----------------------|---------------------------------|----------------------------|
|          | <b>Equities: 95.63% (2020: 93.85%)</b> continued                   |                        |                      |                      |                                 |                            |
|          | Physical Therapy/Rehab Centers: 2.08% (2020: 1.98%)                |                        |                      |                      |                                 |                            |
| 36,996   | Encompass Health   |                        |                      | 2,414,359            | 2.08                            |                            |
|          | <b>Total Physical Therapy/Rehab Centers</b>                        |                        |                      | <b>2,414,359</b>     | <b>2.08</b>                     |                            |
|          | Therapeutics: Nil (2020: 2.28%)                                    |                        |                      | –                    | –                               |                            |
|          | <b>Total Equities</b>  |                        |                      | <b>111,068,496</b>   | <b>95.63</b>                    |                            |
|          | <b>Total Transferable Securities</b>                               |                        |                      | <b>111,068,496</b>   | <b>95.63</b>                    |                            |
|          | <b>Open Forward Currency Contracts: Nil (2020: Nil)</b>            |                        |                      |                      |                                 |                            |
|          | <b>Currency Sold</b>   | <b>Currency Bought</b> | <b>Currency Rate</b> | <b>Maturity Date</b> | <b>Unrealised Gain<br/>US\$</b> | <b>% of<br/>Net Assets</b> |
|          | USD 433,262  | GBP 324,608            | 1.3347               | 04/01/2022           | 6,403                           | –                          |
|          | USD 27,714   | GBP 20,672             | 1.3406               | 05/01/2022           | 285                             | –                          |
|          | USD 18,755   | GBP 14,052             | 1.3347               | 04/01/2022           | 277                             | –                          |
|          | USD 22,440   | GBP 16,739             | 1.3406               | 05/01/2022           | 231                             | –                          |
|          | USD 2,215  | GBP 1,675              | 1.3222               | 31/01/2022           | 54                              | –                          |
|          | USD 3,371  | GBP 2,515              | 1.3406               | 05/01/2022           | 35                              | –                          |
|          | USD 2,302  | GBP 1,725              | 1.3347               | 04/01/2022           | 34                              | –                          |
|          | USD 1,412  | GBP 1,053              | 1.3411               | 04/01/2022           | 14                              | –                          |
|          | USD 493  | GBP 369                | 1.3347               | 04/01/2022           | 7                               | –                          |
|          | USD 91   | GBP 68                 | 1.3411               | 04/01/2022           | 1                               | –                          |
|          | USD 55   | GBP 41                 | 1.3401               | 05/01/2022           | 1                               | –                          |
|          | USD 76   | GBP 57                 | 1.3402               | 05/01/2022           | 1                               | –                          |
|          | USD 53   | GBP 39                 | 1.3406               | 05/01/2022           | 1                               | –                          |
|          | USD 121  | GBP 91                 | 1.3408               | 31/01/2022           | 1                               | –                          |
|          | USD –  | GBP –                  | 1.3750               | 05/01/2022           | –                               | –                          |
|          | USD 10   | GBP 8                  | 1.3417               | 04/01/2022           | –                               | –                          |
|          | USD –  | GBP –                  | 1.0000               | 05/01/2022           | –                               | –                          |
|          | GBP –  | USD –                  | 1.2857               | 04/01/2022           | –                               | –                          |
|          | USD 2  | GBP 2                  | 1.3416               | 04/01/2022           | –                               | –                          |
|          | <b>Total unrealised gain on forward foreign currency contracts</b> |                        |                      | <b>7,345</b>         | <b>0.00</b>                     |                            |
|          | <b>Total Financial Assets at fair value through profit or loss</b> |                        |                      | <b>111,075,841</b>   | <b>95.63</b>                    |                            |



## Financial liabilities at fair value through profit or loss

## Open Forward Currency Contracts: Nil (2020: Nil)

| Currency Sold   | Currency Bought | Currency Rate | Maturity Date | Unrealised Loss<br>US\$ | % of<br>Net Assets |
|---|-----------------|---------------|---------------|-------------------------|--------------------|
| GBP 59,651  | USD 79,964      | 1.3405        | 04/01/2022    | (830)                   | –                  |
| GBP 3,409   | USD 4,570       | 1.3405        | 04/01/2022    | (48)                    | –                  |
| GBP 3,207   | USD 4,299       | 1.3405        | 04/01/2022    | (45)                    | –                  |
| GBP 599   | USD 804         | 1.3405        | 04/01/2022    | (8)                     | –                  |
| GBP 9   | USD 12          | 1.3401        | 04/01/2022    | –                       | –                  |
| GBP 8   | USD 11          | 1.3405        | 04/01/2022    | –                       | –                  |
| <b>Total unrealised loss on forward foreign currency contracts</b>      |                 |               |               | (931)                   | –                  |
| <b>Total Financial Liabilities at fair value through profit or loss</b> |                 |               |               | (931)                   | –                  |

|  | Fair Value<br>US\$ | % of<br>Net Assets |
|--|--------------------|--------------------|
| <b>Total Value of Investments (Cost: US\$ 103,556,700)</b>                   | 111,074,910        | 95.63              |
| Cash at Bank   | 4,560,436          | 3.93               |
| Other Net Assets   | 512,779            | 0.44               |
| <b>Net Assets Attributable to Holders of Redeemable Participating Shares</b> | 116,148,125        | 100.00             |

All securities are transferable and are admitted to an official stock exchange or dealt on a regulated market at year end.

| Analysis of total assets  | 31 December 2021<br>% of Total Assets | 31 December 2020<br>% of Total Assets |
|---|---------------------------------------|---------------------------------------|
| Transferable securities admitted to official stock exchange listing | 94.67                                 | 91.66                                 |
| OTC Financial derivative instruments                                | 0.01                                  | –                                     |
| Other assets  | 5.32                                  | 8.34                                  |
|   | 100.00                                | 100.00                                |

The % of Net Assets has been rounded to Nil if the amount is less than 0.01%.

## Healthcare Discovery Fund

| Holdings | Financial assets at fair value through profit or loss  | Fair Value<br>US\$ | % of<br>Net Assets |
|----------|--|--------------------|--------------------|
|          | <b>Equities: 95.54% (2020: 93.42%)</b>                 |                    |                    |
|          | <b>Commercial Services: 2.35% (2020: 1.03%)</b>        |                    |                    |
| 38,450   | Medley   | 792,006            | 1.09               |
| 18,175   | Progyny  | 915,111            | 1.26               |
|          | <b>Total Commercial Services</b>                       | <b>1,707,117</b>   | <b>2.35</b>        |
|          | <b>Consulting Services: 2.48% (2020: 1.06%)</b>        |                    |                    |
| 70,754   | R1 RCM   | 1,803,519          | 2.48               |
|          | <b>Total Consulting Services</b>                       | <b>1,803,519</b>   | <b>2.48</b>        |
|          | <b>Containers-Metal/Glass: 2.19% (2020: 2.34%)</b>     |                    |                    |
| 16,504   | Gerresheimer   | 1,589,679          | 2.19               |
|          | <b>Total Containers-Metal/Glass</b>                    | <b>1,589,679</b>   | <b>2.19</b>        |
|          | <b>Diagnostic Equipment: 0.03% (2020: 0.66%)</b>       |                    |                    |
| 34,847   | Verici Dx  | 25,015             | 0.03               |
|          | <b>Total Diagnostic Equipment</b>                      | <b>25,015</b>      | <b>0.03</b>        |
|          | <b>Diagnostic Kits: 3.24% (2020: 3.27%)</b>            |                    |                    |
| 33,463   | Meridian Bioscience                                    | 682,645            | 0.94               |
| 17,854   | Natera   | 1,667,385          | 2.30               |
|          | <b>Total Diagnostic Kits</b>                           | <b>2,350,030</b>   | <b>3.24</b>        |
|          | <b>Disposable Medical Product: 1.95% (2020: 2.43%)</b> |                    |                    |
| 9,969    | Conmed   | 1,413,205          | 1.95               |
|          | <b>Total Disposable Medical Product</b>                | <b>1,413,205</b>   | <b>1.95</b>        |
|          | <b>Drug Delivery Systems: 0.79% (2020: 1.27%)</b>      |                    |                    |
| 35,341   | Revanche Therapeutics                                  | 576,765            | 0.79               |
|          | <b>Total Drug Delivery Systems</b>                     | <b>576,765</b>     | <b>0.79</b>        |
|          | <b>Enterprise Software/Serv: 1.49% (2020: Nil)</b>     |                    |                    |
| 39,188   | Evolent Health   | 1,084,332          | 1.49               |
|          | <b>Total Enterprise Software/Serv</b>                  | <b>1,084,332</b>   | <b>1.49</b>        |
|          | <b>Health Care Cost Contain: 0.66% (2020: 0.63%)</b>   |                    |                    |
| 10,770   | HealthEquity   | 476,465            | 0.66               |
|          | <b>Total Health Care Cost Contain</b>                  | <b>476,465</b>     | <b>0.66</b>        |



| Holdings | Financial assets at fair value through profit or loss           | Fair Value<br>US\$ | % of<br>Net Assets |
|----------|---|--------------------|--------------------|
|          | <b>Equities: 95.54% (2020: 93.42%)</b> continued                |                    |                    |
|          | <b>Healthcare Safety Device: 3.14% (2020: 2.11%)</b>            |                    |                    |
| 15,173   | Tandem Diabetes Care  | 2,283,840          | 3.14               |
|          | <b>Total Healthcare Safety Device</b>                           | <b>2,283,840</b>   | <b>3.14</b>        |
|          | <b>Insurance Brokers: Nil (2020: 0.58%)</b>                     |                    |                    |
|          | <b>Medical Information System: 2.19% (2020: 1.70%)</b>          |                    |                    |
| 7,000    | Health Catalyst   | 277,340            | 0.38               |
| 45,543   | Lantheus  | 1,315,737          | 1.81               |
|          | <b>Total Medical Information System</b>                         | <b>1,593,077</b>   | <b>2.19</b>        |
|          | <b>Medical Instruments: 0.65% (2020: 4.46%)</b>                 |                    |                    |
| 76,687   | Stereotaxis   | 475,459            | 0.65               |
|          | <b>Total Medical Instruments</b>                                | <b>475,459</b>     | <b>0.65</b>        |
|          | <b>Medical Labs &amp; Testing Services: 4.08% (2020: 6.81%)</b> |                    |                    |
| 38,113   | Evotec  | 1,842,040          | 2.54               |
| 10,917   | Syneos Health   | 1,120,958          | 1.54               |
|          | <b>Total Medical Labs &amp; Testing Services</b>                | <b>2,962,998</b>   | <b>4.08</b>        |
|          | <b>Medical Products: 15.51% (2020: 12.61%)</b>                  |                    |                    |
| 15,698   | AtriCure  | 1,091,482          | 1.50               |
| 9,398    | Castle Biosciences  | 402,892            | 0.55               |
| 33,846   | Envista   | 1,525,101          | 2.10               |
| 9,847    | Establishment Labs  | 665,559            | 0.92               |
| 20,929   | Globus Medical  | 1,511,074          | 2.08               |
| 2,075    | Inspire Medical Systems   | 477,375            | 0.66               |
| 17,399   | LivaNova  | 1,521,195          | 2.10               |
| 34,650   | NanoString Technologies   | 1,463,270          | 2.01               |
| 5,887    | Omnicell  | 1,062,250          | 1.46               |
| 3,944    | Penumbra  | 1,133,190          | 1.56               |
| 2,310    | Shockwave Medical   | 411,942            | 0.57               |
|          | <b>Total Medical Products</b>                                   | <b>11,265,330</b>  | <b>15.51</b>       |
|          | <b>Medical Wholesale Drug Distribution: Nil (2020: 1.41%)</b>   |                    |                    |

## Healthcare Discovery Fund continued

| Holdings  | Financial assets at fair value through profit or loss | Fair Value<br>US\$ | % of<br>Net Assets |
|---|---|--------------------|--------------------|
| <b>Equities: 95.54% (2020: 93.42%) continued</b>      |   |                    |                    |
| <b>Medical-Biomedical/Gene: 25.75% (2020: 22.26%)</b> |   |                    |                    |
| 27,273  | Adicet Bio  | 477,005            | 0.66               |
| 49,651  | Arcutis Biotherapeutics                               | 1,029,762          | 1.42               |
| 17,936  | Arena Pharmaceuticals                                 | 1,666,972          | 2.30               |
| 17,182  | Arrowhead   | 1,139,167          | 1.57               |
| 16,020  | Biohaven Pharmaceutical                               | 2,207,716          | 3.04               |
| 16,028  | Denali Therapeutics                                   | 714,849            | 0.98               |
| 100,842   | Exelixis  | 1,843,392          | 2.54               |
| 4,862   | Horizon Therapeutics                                  | 523,929            | 0.72               |
| 48,209  | Insmed  | 1,313,213          | 1.81               |
| 51,302  | IVERIC bio  | 857,769            | 1.18               |
| 5,587   | Mirati Therapeutics                                   | 819,557            | 1.13               |
| 106,422   | Oncocyte  | 230,936            | 0.32               |
| 9,893   | United Therapeutics                                   | 2,137,679          | 2.94               |
| 34,500  | Valneva   | 961,218            | 1.32               |
| 17,160  | Vericel   | 674,388            | 0.93               |
| 21,486  | Xenon Pharmaceuticals                                 | 671,223            | 0.92               |
| 41,929  | Y-mAbs Therapeutics                                   | 679,669            | 0.94               |
| 11,939  | Zai Lab   | 750,366            | 1.03               |
| <b>Total Medical-Biomedical/Gene</b>                  |   | <b>18,698,810</b>  | <b>25.75</b>       |
| <b>Medical-Drugs: 11.69% (2020: 11.49%)</b>           |   |                    |                    |
| 3,490   | ALK-Abello  | 1,830,312          | 2.52               |
| 48,790  | Avadel  | 394,223            | 0.55               |
| 46,000  | Hikma Pharmaceuticals                                 | 1,382,541          | 1.90               |
| 16,254  | Laboratorios Farmaceuticos Rovi                       | 1,364,123          | 1.88               |
| 37,790  | Ocular Therapeutix                                    | 263,396            | 0.36               |
| 17,368  | Pacira BioSciences                                    | 1,045,033          | 1.44               |
| 57,301  | Richter Gedeon Nyrt                                   | 1,542,590          | 2.12               |
| 13,200  | uniQure   | 273,768            | 0.38               |
| 17,712  | Zealand Pharma  | 392,953            | 0.54               |
| <b>Total Medical-Drugs</b>                            |   | <b>8,488,939</b>   | <b>11.69</b>       |
| <b>Medical-HMO: Nil (2020: 2.50%)</b>                 |   | <b>–</b>           | <b>–</b>           |



| Holdings | Financial assets at fair value through profit or loss            | Fair Value<br>US\$ | % of<br>Net Assets |
|----------|--|--------------------|--------------------|
|          | <b>Equities: 95.54% (2020: 93.42%)</b> continued                 |                    |                    |
|          | <b>Medical-Hospitals: 6.16% (2020: 3.58%)</b>                    |                    |                    |
| 35,004   | Acadia Healthcare  | 2,124,743          | 2.93               |
| 36,101   | Krishna Institute of Medical Sciences                            | 692,365            | 0.95               |
| 177,353  | Max Healthcare Institute   | 1,056,689          | 1.46               |
| 11,090   | Surgery Partners   | 592,317            | 0.82               |
|          | <b>Total Medical-Hospitals</b>                                   | <b>4,466,114</b>   | <b>6.16</b>        |
|          | <b>Medical-Nursing Homes: 1.20% (2020: Nil)</b>                  |                    |                    |
| 27,519   | Korian   | 871,242            | 1.20               |
|          | <b>Total Medical-Nursing Homes</b>                               | <b>871,242</b>     | <b>1.20</b>        |
|          | <b>Medical-Outpatient/Home Med: 1.03% (2020: 1.23%)</b>          |                    |                    |
| 8,011    | Addus HomeCare   | 749,109            | 1.03               |
|          | <b>Total Medical-Outpatient/Home Med</b>                         | <b>749,109</b>     | <b>1.03</b>        |
|          | <b>Medical-Output/Home Med: Nil (2020: 3.05%)</b>                |                    |                    |
|          | <b>Medical-Wholesale Drug Dististribution: Nil (2020: 3.16%)</b> |                    |                    |
|          | <b>Medical-Wholesale Drug Distribution: 3.78% (2020: Nil)</b>    |                    |                    |
| 33,026   | Owens & Minor  | 1,436,631          | 1.98               |
| 56,000   | Ship Healthcare  | 1,303,287          | 1.80               |
|          | <b>Total Medical-Wholesale Drug Distribution</b>                 | <b>2,739,918</b>   | <b>3.78</b>        |
|          | <b>Pharmacy Services: 2.42% (2020: 1.13%)</b>                    |                    |                    |
| 61,780   | Option Care Health   | 1,757,023          | 2.42               |
|          | <b>Total Pharmacy Services</b>                                   | <b>1,757,023</b>   | <b>2.42</b>        |
|          | <b>Physical Therapy/Rehab Centers: 2.05% (2020: 2.65%)</b>       |                    |                    |
| 22,797   | Encompass Health   | 1,487,732          | 2.05               |
|          | <b>Total Physical Therapy/Rehab Centers</b>                      | <b>1,487,732</b>   | <b>2.05</b>        |
|          | <b>Therapeutics: 0.71% (2020: Nil)</b>                           |                    |                    |
| 300,747  | Recro Pharma   | 514,277            | 0.71               |
|          | <b>Total Therapeutics</b>  | <b>514,277</b>     | <b>0.71</b>        |
|          | <b>Total Equities</b>  | <b>69,379,995</b>  | <b>95.54</b>       |
|          | <b>Total Transferable Securities</b>                             | <b>69,379,995</b>  | <b>95.54</b>       |

## Healthcare Discovery Fund continued

### Financial assets at fair value through profit or loss

#### Open Forward Currency Contracts: Nil (2020: Nil)

| Currency Sold  | Currency Bought | Currency Rate | Maturity Date | Unrealised Gain<br>US\$ | % of<br>Net Assets |
|--|-----------------|---------------|---------------|-------------------------|--------------------|
| USD 139  | GBP 104         | 1.3405        | 04/01/2022    | 1                       | –                  |
| <b>Total unrealised gain on forward foreign currency contracts</b> |                 |               |               | 1                       | 0.00               |
| <b>Total Financial Assets at fair value through profit or loss</b> |                 |               |               | 69,379,996              | 95.54              |

### Financial liabilities at fair value through profit or loss

#### Open Forward Currency Contracts: Nil (2020: Nil)

| Currency Sold   | Currency Bought | Currency Rate | Maturity Date | Unrealised Loss<br>US\$ | % of<br>Net Assets |
|---|-----------------|---------------|---------------|-------------------------|--------------------|
| GBP 104   | USD 139         | 1.3408        | 04/01/2022    | (1)                     | –                  |
| <b>Total unrealised loss on forward foreign currency contracts</b>      |                 |               |               | (1)                     | –                  |
| <b>Total Financial Liabilities at fair value through profit or loss</b> |                 |               |               | (1)                     | –                  |

|  | Fair Value<br>US\$ | % of<br>Net Assets |
|--|--------------------|--------------------|
| <b>Total Value of Investments (Cost: US\$ 64,973,397)</b>                    | 69,379,995         | 95.54              |
| Cash at Bank   | 4,037,118          | 5.56               |
| Other Net Liabilities  | (797,521)          | (1.10)             |
| <b>Net Assets Attributable to Holders of Redeemable Participating Shares</b> | 72,619,592         | 100.00             |

All securities are transferable securities and are admitted to an official stock exchange or dealt on a regulated market at the financial year end.

|   | 31 December 2021<br>% of Total Assets | 31 December 2020<br>% of Total Assets |
|---|---------------------------------------|---------------------------------------|
| <b>Analysis of total assets</b>                                     |                                       |                                       |
| Transferable securities admitted to official stock exchange listing | 94.24                                 | 92.89                                 |
| Other assets  | 5.76                                  | 7.11                                  |
|   | 100.00                                | 100.00                                |

The % of Net Assets was rounded to Nil if the amount is less than 0.01.



## Healthcare Opportunities Fund

| Holdings   | Financial assets at fair value through profit or loss | Fair Value<br>US\$ | % of<br>Net Assets |
|--|---|--------------------|--------------------|
| <b>Equities: 96.65% (2020: 99.05%)</b>             |   |                    |                    |
| <b>Belgium: 2.78% (2020: Nil)</b>                  |   |                    |                    |
| 521,850  | UCB   | 59,552,495         | 2.78               |
| <b>Total Belgium</b>                               |   | <b>59,552,495</b>  | <b>2.78</b>        |
| <b>British Virgin Islands: 3.30% (2020: 2.13%)</b> |   |                    |                    |
| 512,113  | Biohaven Pharmaceutical                               | 70,574,292         | 3.30               |
| <b>Total British Virgin Islands</b>                |   | <b>70,574,292</b>  | <b>3.30</b>        |
| <b>Canada: 0.97% (2020: 1.06%)</b>                 |   |                    |                    |
| 666,558  | Xenon Pharmaceuticals                                 | 20,823,272         | 0.97               |
| <b>Total Canada</b>                                |   | <b>20,823,272</b>  | <b>0.97</b>        |
| <b>Denmark: 5.46% (2020: 3.71%)</b>                |   |                    |                    |
| 86,141   | ALK-Abello  | 45,176,198         | 2.11               |
| 96,703   | Genmab  | 38,886,723         | 1.82               |
| 1,469,559  | Zealand Pharma  | 32,603,190         | 1.53               |
| <b>Total Denmark</b>                               |   | <b>116,666,111</b> | <b>5.46</b>        |
| <b>France: Nil (2020: 2.92%)</b>                   |   |                    |                    |
| <b>Hungary: 1.69% (2020: 1.68%)</b>                |   |                    |                    |
| 1,339,663  | Richter Gedeon Nyrt                                   | 36,064,815         | 1.69               |
| <b>Total Hungary</b>                               |   | <b>36,064,815</b>  | <b>1.69</b>        |
| <b>India: 4.69% (2020: Nil)</b>                    |   |                    |                    |
| 3,015,648  | Glenmark Life Sciences                                | 25,600,431         | 1.20               |
| 1,497,296  | Krishna Institute of Medical Sciences                 | 28,715,967         | 1.34               |
| 7,700,284  | Max Healthcare Institute                              | 45,879,141         | 2.15               |
| <b>Total India</b>                                 |   | <b>100,195,539</b> | <b>4.69</b>        |
| <b>Ireland: 13.14% (2020: 9.57%)</b>               |   |                    |                    |
| 2,467,314  | Avadel  | 19,935,897         | 0.93               |
| 912,149  | Horizon Therapeutics                                  | 98,293,176         | 4.60               |
| 265,963  | STERIS Plc  | 64,738,054         | 3.03               |
| 17,241,848   | Unipharm – En Dublin                                  | 98,037,159         | 4.58               |
| <b>Total Ireland</b>                               |   | <b>281,004,286</b> | <b>13.14</b>       |
| <b>Japan: 3.19% (2020: 3.45%)</b>                  |   |                    |                    |
| 1,472,552  | Medley  | 30,332,103         | 1.42               |
| 1,629,037  | Ship Healthcare                                       | 37,912,545         | 1.77               |
| <b>Total Japan</b>                                 |   | <b>68,244,648</b>  | <b>3.19</b>        |
| <b>Jersey: 0.97% (2020: 1.72%)</b>                 |   |                    |                    |
| 8,028,149  | Quotient  | 20,792,906         | 0.97               |
| <b>Total Jersey</b>                                |   | <b>20,792,906</b>  | <b>0.97</b>        |

## Healthcare Opportunities Fund continued

| Holdings   | Financial assets at fair value through profit or loss | Fair Value<br>US\$   | % of<br>Net Assets |
|------------|---|----------------------|--------------------|
|            | Switzerland: 2.56% (2020: 6.53%)                      |                      |                    |
| 617,115    | Alcon   | 54,684,591           | 2.56               |
|            | <b>Total Switzerland</b>                              | <b>54,684,591</b>    | <b>2.56</b>        |
|            | United Kingdom: 7.55% (2020: 5.63%)                   |                      |                    |
| 6,206,896  | Angle   | 10,004,248           | 0.47               |
| 754,536    | AstraZeneca   | 88,687,544           | 4.15               |
| 536,168    | LivaNova  | 46,877,168           | 2.19               |
| 13,571,429 | Redx Pharma   | 15,808,368           | 0.74               |
|            | <b>Total United Kingdom</b>                           | <b>161,377,328</b>   | <b>7.55</b>        |
|            | United States: 50.35% (2020: 60.65%)                  |                      |                    |
| 691,722    | Acadia Healthcare                                     | 41,987,525           | 1.96               |
| 425,066    | Addus HomeCare  | 39,747,922           | 1.86               |
| 1,432,920  | AngioDynamics   | 39,519,934           | 1.85               |
| 322,299    | AptarGroup  | 39,475,182           | 1.85               |
| 511,060    | AtriCure  | 35,534,002           | 1.66               |
| 1,233,203  | Avantor   | 51,967,174           | 2.43               |
| 665,805    | Axonics Modulation Technologies                       | 37,285,080           | 1.74               |
| 63,280     | Bio-Rad Laboratories                                  | 47,812,470           | 2.24               |
| 1,493,350  | Boston Scientific                                     | 63,437,508           | 2.97               |
| 701,805    | CVS Health  | 72,398,204           | 3.39               |
| 2,120,875  | Cytokinetics  | 96,669,482           | 4.52               |
| 674,608    | Encompass Health                                      | 44,024,918           | 2.06               |
| 1,004,868  | Envista   | 45,279,352           | 2.12               |
| 540,116    | Globus Medical  | 38,996,375           | 1.82               |
| 1,808,515  | IVERIC bio  | 30,238,371           | 1.42               |
| 615,621    | Merit Medical Systems                                 | 38,353,188           | 1.79               |
| 277,066    | ModivCare   | 41,086,117           | 1.92               |
| 214,532    | Molina Healthcare                                     | 68,238,339           | 3.19               |
| 1,928,415  | Option Care Health                                    | 54,844,123           | 2.57               |
| 1,916,958  | Revance Therapeutics                                  | 31,284,755           | 1.46               |
| 413,872    | Surgery Partners                                      | 22,104,903           | 1.03               |
| 125,459    | The Cooper Companies                                  | 52,559,793           | 2.46               |
| 202,038    | United Therapeutics                                   | 43,656,371           | 2.04               |
|            | <b>Total United States</b>                            | <b>1,076,501,088</b> | <b>50.35</b>       |
|            | <b>Total Equities</b>                                 | <b>2,066,481,371</b> | <b>96.65</b>       |
|            | <b>Total Transferable Securities</b>                  | <b>2,066,481,371</b> | <b>96.65</b>       |



## Financial assets at fair value through profit or loss

## Open Forward Currency Contracts: Nil (2020: Nil)

| Currency Sold  | Currency Bought | Currency Rate | Maturity Date | Unrealised Gain<br>US\$ | % of<br>Net Assets |
|--|-----------------|---------------|---------------|-------------------------|--------------------|
| USD 3,964,084  | EUR 3,508,026   | 1.1300        | 31/01/2022    | 26,991                  | –                  |
| USD 677,854  | GBP 507,860     | 1.3347        | 04/01/2022    | 10,017                  | –                  |
| USD 771,231  | GBP 575,272     | 1.3406        | 05/01/2022    | 7,946                   | –                  |
| USD 432,973  | GBP 322,960     | 1.3406        | 05/01/2022    | 4,461                   | –                  |
| USD 259,698  | EUR 229,333     | 1.1324        | 04/01/2022    | 1,100                   | –                  |
| USD 211,758  | EUR 186,926     | 1.1328        | 31/01/2022    | 907                     | –                  |
| USD 40,485   | EUR 35,785      | 1.1313        | 05/01/2022    | 210                     | –                  |
| USD 41,697   | EUR 36,822      | 1.1324        | 04/01/2022    | 177                     | –                  |
| USD 27,446   | EUR 24,260      | 1.1313        | 05/01/2022    | 142                     | –                  |
| USD 8,472  | GBP 6,317       | 1.3411        | 04/01/2022    | 84                      | –                  |
| USD 2,974  | GBP 2,219       | 1.3402        | 05/01/2022    | 32                      | –                  |
| USD 4,261  | EUR 3,763       | 1.1324        | 04/01/2022    | 18                      | –                  |
| USD 560  | EUR 495         | 1.1313        | 05/01/2022    | 3                       | –                  |
| USD 703  | EUR 621         | 1.1324        | 04/01/2022    | 3                       | –                  |
| USD 373  | EUR 329         | 1.1313        | 05/01/2022    | 2                       | –                  |
| EUR –  | USD –           | 1.1250        | 05/01/2022    | –                       | –                  |
| GBP –  | USD –           | 1.3333        | 05/01/2022    | –                       | –                  |
| <b>Total unrealised gain on forward foreign currency contracts</b> |                 |               |               | 52,093                  | 0.00               |
| <b>Total Financial Assets at fair value through profit or loss</b> |                 |               |               | 2,066,533,464           | 96.65              |

## Financial liabilities at fair value through profit or loss

## Open Forward Currency Contracts: Nil (2020: Nil)

| Currency Sold   | Currency Bought | Currency Rate | Maturity Date | Unrealised Loss<br>US\$ | % of<br>Net Assets |
|---|-----------------|---------------|---------------|-------------------------|--------------------|
| GBP 1,438,299   | USD 1,928,096   | 1.3405        | 04/01/2022    | (20,008)                | –                  |
| EUR 167,156   | USD 189,099     | 1.1313        | 04/01/2022    | (991)                   | –                  |
| EUR 54,396  | USD 61,537      | 1.1313        | 04/01/2022    | (322)                   | –                  |
| EUR 2,262   | USD 2,559       | 1.1311        | 04/01/2022    | (14)                    | –                  |
| GBP 647   | USD 867         | 1.3401        | 04/01/2022    | (9)                     | –                  |
| EUR 753   | USD 851         | 1.1311        | 04/01/2022    | (5)                     | –                  |
| EUR 100   | USD 113         | 1.1313        | 04/01/2022    | (1)                     | –                  |
| EUR 18  | USD 21          | 1.1311        | 05/01/2022    | –                       | –                  |
| <b>Total unrealised loss on forward foreign currency contracts</b>      |                 |               |               | (21,350)                | –                  |
| <b>Total Financial Liabilities at fair value through profit or loss</b> |                 |               |               | (21,350)                | –                  |



## Portfolio Statements continued

As at 31 December 2021

## Healthcare Opportunities Fund continued

|  | Fair Value<br>US\$   | % of<br>Net Assets |
|--|----------------------|--------------------|
| <b>Total Value of Investments (Cost: US\$ 1,685,606,298)</b>                 | 2,066,512,114        | 96.65              |
| Cash at Bank   | 67,611,320           | 3.16               |
| Margin Cash  | 100                  | –                  |
| Other Net Assets   | 4,099,910            | 0.19               |
| <b>Net Assets Attributable to Holders of Redeemable Participating Shares</b> | <b>2,138,223,444</b> | <b>100.00</b>      |

All securities are transferable securities and are admitted to an official stock exchange or dealt on a regulated market at the financial year end.

The counterparty for the forward currency contracts is The Northern Trust Company.

| Analysis of total assets  | 31 December 2021<br>% of Total Assets | 31 December 2020<br>% of Total Assets |
|---|---------------------------------------|---------------------------------------|
| Transferable securities admitted to official stock exchange listing | 96.13                                 | 98.35                                 |
| Other assets  | 3.87                                  | 1.65                                  |
|   | 100.00                                | 100.00                                |

The % of Net Assets was rounded to Nil if the amount is less than 0.01.



## Income Opportunities Fund

| Holdings                                      | Financial assets at fair value through profit or loss | Fair Value<br>GBP£ | % of<br>Net Assets |
|---|---|--------------------|--------------------|
| <b>Corporate Bonds: 15.58% (2020: 32.10%)</b> |   |                    |                    |
| <b>Cyprus: 0.69% (2020: Nil)</b>              |   |                    |                    |
| 750,000                                       | Hellenic Bank 10.000% 31/12/2049                      | 401,120            | 0.69               |
| <b>Total Cyprus</b>                           |   | <b>401,120</b>     | <b>0.69</b>        |
| <b>Marshall Islands: Nil (2020: 1.22%)</b>    |   |                    |                    |
| <b>Mauritius: 1.75% (2020: 1.69%)</b>         |   |                    |                    |
| 300,000                                       | Bayport Management 10.500% 19/12/2022                 | 211,940            | 0.36               |
| 1,100,000                                     | Bayport Management 11.500% 14/06/2022                 | 806,385            | 1.39               |
| <b>Total Mauritius</b>                        |   | <b>1,018,325</b>   | <b>1.75</b>        |
| <b>Netherlands: 2.11% (2020: 4.71%)</b>       |   |                    |                    |
| 1,055,525                                     | Stichting AK Rabobank Certificaten FRN 31/12/2049     | 1,222,986          | 2.11               |
| <b>Total Netherlands</b>                      |   | <b>1,222,986</b>   | <b>2.11</b>        |
| <b>Portugal: 0.57% (2020: Nil)</b>            |   |                    |                    |
| 400,000                                       | Banco Comercial Portugues 4.000% 17/05/2032           | 331,223            | 0.57               |
| <b>Total Portugal</b>                         |   | <b>331,223</b>     | <b>0.57</b>        |
| <b>United Kingdom: 9.15% (2020: 16.18%)</b>   |   |                    |                    |
| 50,000  | HDL Debenture 10.375% 31/07/2023                      | 56,375             | 0.10               |
| 8,000,000                                     | International Personal Finance 7.000% 21/10/2024      | 653,924            | 1.13               |
| 700,000                                       | International Personal Finance 9.750% 12/11/2025      | 631,199            | 1.09               |
| 750,000                                       | Jupiter Fund Management FRN 27/07/2030                | 879,844            | 1.51               |
| 400,000                                       | Pension Insurance FRN (Perpetual)                     | 477,061            | 0.82               |
| 1,100,000                                     | Provident Financial 8.875% 13/01/2032                 | 1,173,342          | 2.02               |
| 450,000                                       | Rothesay Life FRN (Perpetual)                         | 510,169            | 0.88               |
| 600,000                                       | Shawbrook FRN 10/10/2030                              | 630,675            | 1.09               |
| 300,000                                       | Shawbrook FRN (Perpetual)                             | 298,409            | 0.51               |
| <b>Total United Kingdom</b>                   |   | <b>5,310,998</b>   | <b>9.15</b>        |
| <b>United States: 1.31% (2020: 8.30%)</b>     |   |                    |                    |
| 999,700                                       | Burford Capital Finance 6.125% 12/08/2025             | 760,487            | 1.31               |
| <b>Total United States</b>                    |   | <b>760,487</b>     | <b>1.31</b>        |
| <b>Total Corporate Bonds</b>                  |   | <b>9,045,139</b>   | <b>15.58</b>       |


**Portfolio Statements** continued  
 As at 31 December 2021

**Income Opportunities Fund** continued

| Holdings                                   | Financial assets at fair value through profit or loss            | Fair Value<br>GBP£ | % of<br>Net Assets |
|--|--|--------------------|--------------------|
| <b>Government Bonds: 4.90% (2020: Nil)</b> |  |                    |                    |
| <b>Singapore: 2.55% (2020: Nil)</b>        |  |                    |                    |
| 1,500,000                                  | Singapore Government Bond 2.750% 01/07/2023                      | 846,412            | 1.46               |
| 1,100,000                                  | Singapore Government Bond 3.000% 01/09/2024                      | 633,983            | 1.09               |
|  | <b>Total Singapore</b>   | <b>1,480,395</b>   | <b>2.55</b>        |
| <b>United States: 2.35% (2020: Nil)</b>    |  |                    |                    |
| 850,000                                    | United States Treasury Inflation Indexed Bonds 0.132% 15/04/2026 | 714,931            | 1.23               |
| 530,000                                    | United States Treasury Inflation Indexed Bonds 3.259% 15/01/2027 | 648,829            | 1.12               |
|  | <b>Total United States</b>                                       | <b>1,363,760</b>   | <b>2.35</b>        |
|  | <b>Total Government Bonds</b>                                    | <b>2,844,155</b>   | <b>4.90</b>        |
| <b>Equities: 63.95% (2020: 68.64%)</b>     |  |                    |                    |
| <b>Australia: 1.12% (2020: 0.66%)</b>      |  |                    |                    |
| 650,000                                    | Litigation Capital Management                                    | 651,300            | 1.12               |
|  | <b>Total Australia</b>   | <b>651,300</b>     | <b>1.12</b>        |
| <b>Belgium: Nil (2020: 2.05%)</b>          |  |                    |                    |
| <b>Bermuda: 2.69% (2020: 4.26%)</b>        |  |                    |                    |
| 47,500                                     | Arch Capital   | 1,558,843          | 2.69               |
|  | <b>Total Bermuda</b>   | <b>1,558,843</b>   | <b>2.69</b>        |
| <b>Canada: 1.95% (2020: 1.42%)</b>         |  |                    |                    |
| 20,000                                     | Toronto-Dominion Bank  | 1,133,690          | 1.95               |
|  | <b>Total Canada</b>  | <b>1,133,690</b>   | <b>1.95</b>        |
| <b>Finland: 3.50% (2020: 3.27%)</b>        |  |                    |                    |
| 55,000                                     | Sampo  | 2,034,609          | 3.50               |
|  | <b>Total Finland</b>   | <b>2,034,609</b>   | <b>3.50</b>        |
| <b>France: Nil (2020: 0.71%)</b>           |  |                    |                    |
| <b>Germany: 1.92% (2020: 2.01%)</b>        |  |                    |                    |
| 6,400                                      | Allianz  | 1,115,798          | 1.92               |
|  | <b>Total Germany</b>   | <b>1,115,798</b>   | <b>1.92</b>        |
| <b>Guernsey: 6.07% (2020: 5.37%)</b>       |  |                    |                    |
| 137,916                                    | Chenavari Capital Solutions Red Ord                              | –                  | –                  |
| 330,000                                    | Doric Nimrod Air Two   | 227,700            | 0.39               |
| 2,350,000                                  | DP Aircraft I  | 26,025             | 0.04               |
| 575,000                                    | ICG-Longbow Senior Secured UK Property Debt Investments          | 467,475            | 0.81               |
| 575,000                                    | Real Estate Credit Investments                                   | 882,625            | 1.52               |
| 1,100,000                                  | Tufton Oceanic Assets Fund                                       | 1,112,629          | 1.92               |
| 1,100,000                                  | UK Mortgages   | 806,300            | 1.39               |
|  | <b>Total Guernsey</b>  | <b>3,522,754</b>   | <b>6.07</b>        |



| Holdings  | Financial assets at fair value through profit or loss | Fair Value<br>GBP£ | % of<br>Net Assets |
|-----------|---|--------------------|--------------------|
|           | <b>Equities: 63.95% (2020: 68.64%)</b> continued      |                    |                    |
|           | <b>Netherlands: 3.35% (2020: 1.83%)</b>               |                    |                    |
| 22,500    | Flow Traders  | 608,292            | 1.05               |
| 130,000   | ING Groep   | 1,336,194          | 2.30               |
|           | <b>Total Netherlands</b>                              | <b>1,944,486</b>   | <b>3.35</b>        |
|           | <b>Norway: 1.50% (2020: 2.06%)</b>                    |                    |                    |
| 70,000    | SpareBank 1 SMN                                       | 873,246            | 1.50               |
|           | <b>Total Norway</b>                                   | <b>873,246</b>     | <b>1.50</b>        |
|           | <b>Republic of South Korea: 0.94% (2020: Nil)</b>     |                    |                    |
| 23,850    | Shinhan Financial                                     | 545,108            | 0.94               |
|           | <b>Total Republic of South Korea</b>                  | <b>545,108</b>     | <b>0.94</b>        |
|           | <b>Singapore: 1.95% (2020: 2.24%)</b>                 |                    |                    |
| 770,000   | Fortune Real Estate Investment Trust REIT             | 584,079            | 1.01               |
| 87,500    | Oversea-Chinese Banking                               | 546,276            | 0.94               |
|           | <b>Total Singapore</b>                                | <b>1,130,355</b>   | <b>1.95</b>        |
|           | <b>Sweden: 1.33% (2020: Nil)</b>                      |                    |                    |
| 75,000    | Skandinaviska Enskilda Banken                         | 769,694            | 1.33               |
|           | <b>Total Sweden</b>                                   | <b>769,694</b>     | <b>1.33</b>        |
|           | <b>Switzerland: 4.82% (2020: 4.33%)</b>               |                    |                    |
| 14,000    | Chubb   | 1,998,110          | 3.44               |
| 60,000    | UBS   | 798,310            | 1.38               |
|           | <b>Total Switzerland</b>                              | <b>2,796,420</b>   | <b>4.82</b>        |
|           | <b>Thailand: 1.48% (2020: 2.39%)</b>                  |                    |                    |
| 405,500   | Tisco Financial                                       | 860,375            | 1.48               |
|           | <b>Total Thailand</b>                                 | <b>860,375</b>     | <b>1.48</b>        |
|           | <b>United Kingdom: 20.78% (2020: 18.41%)</b>          |                    |                    |
| 180,000   | Beazley   | 839,340            | 1.44               |
| 114,000   | City of London Investment                             | 570,000            | 0.98               |
| 270,000   | Direct Line Insurance                                 | 753,300            | 1.30               |
| 700,000   | Distribution Finance Capital                          | 343,000            | 0.59               |
| 1,275,000 | Ground Rents Income Fund                              | 892,500            | 1.54               |
| 575,000   | International Personal Finance                        | 741,750            | 1.28               |
| 53,400    | Orchard Funding                                       | 27,501             | 0.05               |
| 225,000   | OSB   | 1,247,625          | 2.15               |
| 390,000   | Personal  | 1,267,500          | 2.18               |
| 100,000   | Provident Financial                                   | 359,200            | 0.62               |

## Income Opportunities Fund continued

| Holdings   | Financial assets at fair value through profit or loss | Fair Value<br>GBP£ | % of<br>Net Assets  |                    |                    |
|--|---|--------------------|---------------------|--------------------|--------------------|
| <b>Equities: 63.95% (2020: 68.64%) continued</b>                   |   |                    |                     |                    |                    |
| <b>United Kingdom: 20.78% (2020: 18.41%) continued</b>             |   |                    |                     |                    |                    |
| 2,750,000  | Riverstone Credit Opportunities Income Fund           | 1,766,400          | 3.04                |                    |                    |
| 750,000  | RM Secured Direct Lending                             | 712,500            | 1.23                |                    |                    |
| 14,908   | Schroders   | 343,629            | 0.59                |                    |                    |
| 1,475,000  | VPC Specialty Lending                                 | 1,359,950          | 2.34                |                    |                    |
| 600,000  | XPS Pensions  | 840,000            | 1.45                |                    |                    |
| <b>Total United Kingdom</b>  |   | <b>12,064,195</b>  | <b>20.78</b>        |                    |                    |
| <b>United States: 10.55% (2020: 17.63%)</b>                        |   |                    |                     |                    |                    |
| 60,000   | Ares Capital  | 938,683            | 1.62                |                    |                    |
| 5,000  | Blackstone Group                                      | 477,648            | 0.82                |                    |                    |
| 7,750  | East West Bancorp                                     | 450,197            | 0.78                |                    |                    |
| 15,000   | Esquire Financial                                     | 350,179            | 0.60                |                    |                    |
| 87,850   | Golub Capital BDC                                     | 1,001,443          | 1.73                |                    |                    |
| 8,000  | JPMorgan Chase  | 935,287            | 1.61                |                    |                    |
| 50,000   | SLR Investment  | 680,350            | 1.17                |                    |                    |
| 22,149   | SLR Senior Investment                                 | 228,612            | 0.39                |                    |                    |
| 30,000   | Wells Fargo   | 1,062,719          | 1.83                |                    |                    |
| <b>Total United States</b>   |   | <b>6,125,118</b>   | <b>10.55</b>        |                    |                    |
| <b>Total Equities</b>  |   | <b>37,125,991</b>  | <b>63.95</b>        |                    |                    |
| <b>Total Transferable Securities</b>                               |   | <b>49,015,285</b>  | <b>84.43</b>        |                    |                    |
| <b>Financial assets at fair value through profit or loss</b>       |   |                    |                     |                    |                    |
| <b>Futures Contracts – Unrealised Gains: 0.05% (2020: Nil)</b>     |   |                    |                     |                    |                    |
| Description  | Country   | Currency           | No. of<br>Contracts | Unrealised<br>Gain | % of<br>Net Assets |
| <b>Germany: 0.05% (2020: Nil)</b>                                  |   |                    |                     |                    |                    |
| Future Euro-Bund Eux Mar22   | DE  | GBP                | (10)                | 24,852             | 0.05               |
| <b>Total Germany</b>   |   |                    |                     | <b>24,852</b>      | <b>0.05</b>        |
| <b>United Kingdom: Nil (2020: Nil)</b>                             |   |                    |                     |                    |                    |
|  | UK  | GBP                | –                   | –                  | –                  |
| Future LIF Long Gilt Mar22   | UK  | GBP                | (10)                | 1,000              | –                  |
| <b>Total United Kingdom</b>  |   |                    |                     | <b>1,000</b>       | <b>–</b>           |
| <b>Total Futures Contracts – Unrealised Gains</b>                  |   |                    |                     | <b>25,852</b>      | <b>0.05</b>        |
| <b>Total Financial Assets at fair value through profit or loss</b> |   |                    |                     | <b>49,041,137</b>  | <b>84.48</b>       |



## Financial liabilities at fair value through profit or loss

## Futures Contracts – Unrealised Losses: Nil (2020: (0.03%))

United Kingdom: Nil (2020: (0.03%))

## Open Forward Currency Contracts: (0.77%) (2020: (0.96%))

| Currency Sold   | Currency Bought | Currency Rate | Maturity Date | Unrealised Loss<br>GBP£ | % of<br>Net Assets |
|---|-----------------|---------------|---------------|-------------------------|--------------------|
| GBP 12,638,839  | USD 16,711,364  | 0.7563        | 31/01/2022    | (300,102)               | (0.52)             |
| GBP 4,375,696   | USD 5,785,646   | 0.7563        | 31/01/2022    | (103,898)               | (0.18)             |
| GBP 1,093,808   | EUR 1,279,814   | 0.8547        | 31/01/2022    | (18,747)                | (0.03)             |
| GBP 968,351   | EUR 1,133,024   | 0.8547        | 31/01/2022    | (16,597)                | (0.03)             |
| GBP 237,863   | EUR 278,313     | 0.8547        | 31/01/2022    | (4,077)                 | (0.01)             |
| GBP 9,713   | EUR 11,365      | 0.8547        | 31/01/2022    | (166)                   | –                  |
| <b>Total unrealised loss on forward foreign currency contracts</b>      |                 |               |               | (443,587)               | (0.77)             |
| <b>Total Financial Liabilities at fair value through profit or loss</b> |                 |               |               | (443,587)               | (0.77)             |

|  | Fair Value<br>GBP£ | % of<br>Net Assets |
|--|--------------------|--------------------|
| <b>Total Value of Investments (Cost: GBP£ 42,183,357)</b>                    | 48,597,550         | 83.71              |
| Cash at Bank   | 9,817,635          | 16.91              |
| Margin Cash  | 97,949             | 0.17               |
| Other Net Liabilities  | (460,435)          | (0.79)             |
| <b>Net Assets Attributable to Holders of Redeemable Participating Shares</b> | 58,052,699         | 100.00             |

All securities are transferable and are admitted to an official stock exchange or dealt on a regulated market at year end.

| Analysis of total assets  | 31 December 2021<br>% of Total Assets | 31 December 2020<br>% of Total Assets |
|---|---------------------------------------|---------------------------------------|
| Transferable securities admitted to official stock exchange listing | 78.01                                 | 98.05                                 |
| Other assets  | 21.95                                 | 1.95                                  |
|   | 100.00                                | 100.00                                |

The % of Net Assets has been rounded to Nil if the amount is less than 0.01%.


**Portfolio Statements** continued  
 As at 31 December 2021

## Japan Value Fund

| Holdings   | Financial assets at fair value through profit or loss | Fair Value<br>JPY    | % of<br>Net Assets |
|--|---|----------------------|--------------------|
| <b>Equities: 98.91% (2020: 98.33%)</b>           |   |                      |                    |
| <b>Basic Materials: 5.85% (2020: 5.31%)</b>      |   |                      |                    |
| 390,000  | Nihon Parkerizing                                     | 438,750,000          | 1.86               |
| 25,000   | SK Kaken  | 945,000,000          | 3.99               |
| <b>Total Basic Materials</b>                     |   | <b>1,383,750,000</b> | <b>5.85</b>        |
| <b>Communications: 11.03% (2020: 12.14%)</b>     |   |                      |                    |
| 180,000  | Amuse   | 377,100,000          | 1.59               |
| 270,000  | CONEXIO   | 398,520,000          | 1.68               |
| 820,000  | SKY Perfect JSAT                                      | 344,400,000          | 1.46               |
| 140,000  | SoftBank Group  | 760,760,000          | 3.22               |
| 240,000  | Tokyo Broadcasting System                             | 400,560,000          | 1.69               |
| 230,000  | TV Asahi  | 329,590,000          | 1.39               |
| <b>Total Communications</b>                      |   | <b>2,610,930,000</b> | <b>11.03</b>       |
| <b>Consumer Discretionary: 3.35% (2020: Nil)</b> |   |                      |                    |
| 45,000   | Shimamura   | 434,700,000          | 1.84               |
| 200,000  | Toyo Tire   | 358,800,000          | 1.51               |
| <b>Total Consumer Discretionary</b>              |   | <b>793,500,000</b>   | <b>3.35</b>        |
| <b>Consumer Staples: 1.80% (2020: Nil)</b>       |   |                      |                    |
| 369,400  | Lifedrink   | 425,918,200          | 1.80               |
| <b>Total Consumer Staples</b>                    |   | <b>425,918,200</b>   | <b>1.80</b>        |
| <b>Consumer, Cyclical: 11.85% (2020: 9.63%)</b>  |   |                      |                    |
| 230,000  | Honda Motor   | 742,900,000          | 3.14               |
| 215,000  | Suzuki Motor  | 952,235,000          | 4.02               |
| 229,700  | Topre   | 273,572,700          | 1.16               |
| 300,000  | TS Tech   | 424,200,000          | 1.79               |
| 225,000  | United Arrows   | 411,975,000          | 1.74               |
| <b>Total Consumer, Cyclical</b>                  |   | <b>2,804,882,700</b> | <b>11.85</b>       |



| Holdings   | Financial assets at fair value through profit or loss | Fair Value<br>JPY    | % of<br>Net Assets |
|--|---|----------------------|--------------------|
| <b>Equities: 98.91% (2020: 98.33%)</b> continued     |   |                      |                    |
| <b>Consumer, Non-cyclical: 19.76% (2020: 16.84%)</b> |   |                      |                    |
| 100,000  | Aeon Delight  | 337,000,000          | 1.42               |
| 145,000  | Benesse Holdings                                      | 327,555,000          | 1.38               |
| 130,000  | Hogy Medical  | 423,800,000          | 1.79               |
| 165,000  | Kissei Pharmaceutical                                 | 371,910,000          | 1.57               |
| 200,000  | Medikit   | 570,400,000          | 2.41               |
| 145,000  | San-A   | 606,100,000          | 2.56               |
| 110,000  | Secom   | 878,460,000          | 3.71               |
| 100,000  | Suntory Beverage & Food                               | 416,000,000          | 1.76               |
| 400,000  | Tanseisha   | 314,000,000          | 1.33               |
| 535,000  | Vital KSK Holdings                                    | 431,745,000          | 1.83               |
| <b>Total Consumer, Non-cyclical</b>                  |   | <b>4,676,970,000</b> | <b>19.76</b>       |
| <b>Energy: Nil (2020: 1.61%)</b>                     |   |                      |                    |
| <b>Financial: 12.39% (2020: 14.47%)</b>              |   |                      |                    |
| 200,000  | Aeon Mall   | 328,200,000          | 1.39               |
| 100,000  | Bank of Kyoto   | 533,000,000          | 2.25               |
| 750,000  | Mitsubishi UFJ Lease & Finance                        | 426,750,000          | 1.80               |
| 190,000  | Sumitomo Mitsui Financial                             | 749,170,000          | 3.17               |
| 140,000  | Tokio Marine  | 894,880,000          | 3.78               |
| <b>Total Financial</b>                               |   | <b>2,932,000,000</b> | <b>12.39</b>       |
| <b>Industrial: 20.65% (2020: 29.41%)</b>             |   |                      |                    |
| 575,000  | Alps Alpine   | 623,875,000          | 2.64               |
| 427,300  | Cosel   | 364,914,200          | 1.54               |
| 755,000  | Daiwa Industries                                      | 955,075,000          | 4.03               |
| 355,000  | INFRONEER Holdings                                    | 372,040,000          | 1.57               |
| 230,000  | JSP   | 376,050,000          | 1.59               |
| 275,000  | METAWATER   | 556,325,000          | 2.35               |
| 155,000  | Nitto Kohki   | 283,805,000          | 1.20               |
| 210,000  | Nohmi Bosai   | 472,710,000          | 2.00               |
| 235,000  | Optex   | 386,105,000          | 1.63               |
| 52,200   | Pasco   | 70,731,000           | 0.30               |
| 90,000   | Toshiba   | 425,700,000          | 1.80               |
| <b>Total Industrial</b>                              |   | <b>4,887,330,200</b> | <b>20.65</b>       |

## Japan Value Fund continued

| Holdings   | Financial assets at fair value through profit or loss |                 |               | Fair Value<br>JPY     | % of<br>Net Assets     |                    |
|--|---|-----------------|---------------|-----------------------|------------------------|--------------------|
| <b>Equities: 98.91% (2020: 98.33%)</b> continued                   |   |                 |               |                       |                        |                    |
| <b>Technology: 12.23% (2020: 8.92%)</b>                            |   |                 |               |                       |                        |                    |
| 180,000  | DTS   |                 |               | 454,320,000           | 1.92                   |                    |
| 800,000  | Forum Engineering                                     |                 |               | 668,800,000           | 2.82                   |                    |
| 157,200  | Ines  |                 |               | 237,529,200           | 1.00                   |                    |
| 225,000  | Jastec  |                 |               | 238,050,000           | 1.01                   |                    |
| 100,000  | Mabuchi Motor   |                 |               | 380,000,000           | 1.60                   |                    |
| 61,000   | Mitsubishi Research Institute                         |                 |               | 246,440,000           | 1.04                   |                    |
| 120,000  | NS Solutions  |                 |               | 425,400,000           | 1.80                   |                    |
| 85,000   | SRA Holdings  |                 |               | 245,480,000           | 1.04                   |                    |
| <b>Total Technology</b>  |   |                 |               | <b>2,896,019,200</b>  | <b>12.23</b>           |                    |
| <b>Total Equities</b>  |   |                 |               | <b>23,411,300,300</b> | <b>98.91</b>           |                    |
| <b>Total Transferable Securities</b>                               |   |                 |               | <b>23,411,300,300</b> | <b>98.91</b>           |                    |
| <b>Open Forward Currency Contracts: 0.79% (2020: 0.22%)</b>        |   |                 |               |                       |                        |                    |
|  | Currency Sold   | Currency Bought | Currency Rate | Maturity Date         | Unrealised Gain<br>JPY | % of<br>Net Assets |
|  | JPY 1,810,425,381                                     | GBP 12,091,639  | 149.7300      | 31/01/2022            | 63,008,205             | 0.27               |
|  | JPY 2,865,469,225                                     | USD 25,278,771  | 113.3500      | 31/01/2022            | 45,082,571             | 0.19               |
|  | JPY 2,065,217,940                                     | USD 18,219,065  | 113.3500      | 31/01/2022            | 32,492,177             | 0.14               |
|  | JPY 370,365,429                                       | GBP 2,473,631   | 149.7300      | 31/01/2022            | 12,889,823             | 0.05               |
|  | JPY 625,133,665                                       | EUR 4,888,619   | 127.8800      | 31/01/2022            | 11,353,899             | 0.05               |
|  | JPY 538,221,347                                       | EUR 4,208,955   | 127.8800      | 31/01/2022            | 9,775,367              | 0.04               |
|  | JPY 302,550,218                                       | CHF 2,460,375   | 122.9700      | 31/01/2022            | 6,276,710              | 0.03               |
|  | JPY 266,557,978                                       | CHF 2,167,682   | 122.9700      | 31/01/2022            | 5,530,014              | 0.02               |
|  | JPY 43,760,349  | USD 386,048     | 113.3500      | 31/01/2022            | 688,483                | –                  |
|  | JPY 8,459,759   | GBP 56,502      | 149.7300      | 31/01/2022            | 294,425                | –                  |
|  | JPY 2,988,423   | GBP 19,542      | 152.9200      | 31/01/2022            | 39,401                 | –                  |
|  | JPY 371,275   | GBP 2,428       | 152.9100      | 04/01/2022            | 5,014                  | –                  |
|  | JPY 135,028   | CHF 1,098       | 122.9700      | 31/01/2022            | 2,801                  | –                  |
|  | JPY 122,777   | EUR 960         | 127.8800      | 31/01/2022            | 2,230                  | –                  |
|  | JPY 49,096  | USD 432         | 113.5500      | 31/01/2022            | 689                    | –                  |
|  | JPY 3,211   | EUR 25          | 128.4400      | 31/01/2022            | 44                     | –                  |
| <b>Total unrealised gain on forward foreign currency contracts</b> |   |                 |               |                       | <b>187,441,853</b>     | <b>0.79</b>        |
| <b>Total Financial Assets at fair value through profit or loss</b> |   |                 |               |                       | <b>23,598,742,153</b>  | <b>99.70</b>       |



## Financial liabilities at fair value through profit or loss

## Open Forward Currency Contracts: (0.02%) (2020: (0.04%))

| Currency Sold   | Currency Bought | Currency Rate | Maturity Date | Unrealised Loss<br>JPY | % of<br>Net Assets |
|---|-----------------|---------------|---------------|------------------------|--------------------|
| GBP 348,264   | JPY 52,245,274  | 150.0200      | 31/01/2022    | (1,713,418)            | (0.01)             |
| USD 749,744   | JPY 85,170,722  | 113.6000      | 31/01/2022    | (1,153,394)            | (0.01)             |
| USD 519,841   | JPY 59,053,859  | 113.6000      | 31/01/2022    | (799,715)              | –                  |
| GBP 72,340  | JPY 10,852,216  | 150.0200      | 31/01/2022    | (355,906)              | –                  |
| EUR 144,178   | JPY 18,489,059  | 128.2400      | 31/01/2022    | (282,651)              | –                  |
| EUR 123,182   | JPY 15,796,530  | 128.2400      | 31/01/2022    | (241,489)              | –                  |
| CHF 72,576  | JPY 8,956,991   | 123.4200      | 31/01/2022    | (152,764)              | –                  |
| CHF 63,374  | JPY 7,821,370   | 123.4200      | 31/01/2022    | (133,396)              | –                  |
| USD 45,876  | JPY 5,241,316   | 114.2500      | 31/01/2022    | (40,746)               | –                  |
| USD 23,059  | JPY 2,618,229   | 113.5500      | 31/01/2022    | (36,704)               | –                  |
| USD 11,050  | JPY 1,255,316   | 113.6000      | 31/01/2022    | (17,000)               | –                  |
| GBP 1,655   | JPY 248,261     | 150.0200      | 31/01/2022    | (8,142)                | –                  |
| USD 259   | JPY 29,547      | 114.2500      | 31/01/2022    | (230)                  | –                  |
| CHF 32  | JPY 3,975       | 123.4100      | 31/01/2022    | (68)                   | –                  |
| EUR 28  | JPY 3,620       | 128.2300      | 31/01/2022    | (55)                   | –                  |
| GBP 13  | JPY 2,029       | 153.3600      | 04/01/2022    | (21)                   | –                  |
| GBP 1   | JPY 209         | 150.3600      | 31/01/2022    | (6)                    | –                  |
| <b>Total unrealised loss on forward foreign currency contracts</b>      |                 |               |               | (4,935,705)            | (0.02)             |
| <b>Total Financial Liabilities at fair value through profit or loss</b> |                 |               |               | (4,935,705)            | (0.02)             |

|  | Fair Value<br>JPY | % of<br>Net Assets |
|--|-------------------|--------------------|
| <b>Total Value of Investments (Cost: JPY 23,796,194,776)</b>                 | 23,593,806,448    | 99.68              |
| Cash at Bank   | 74,991,593        | 0.32               |
| Other Net Liabilities  | (344,583)         | –                  |
| <b>Net Assets Attributable to Holders of Redeemable Participating Shares</b> | 23,668,453,458    | 100.00             |

All securities are transferable securities and are admitted to an official stock exchange or dealt on a regulated market at the financial year end.

The counterparty for the forward currency contracts is The Northern Trust Company.

| Analysis of total assets  | 31 December 2021<br>% of Total Assets | 31 December 2020<br>% of Total Assets |
|---|---------------------------------------|---------------------------------------|
| Transferable securities admitted to official stock exchange listing | 98.58                                 | 97.62                                 |
| OTC Financial derivative instruments                                | 0.79                                  | 0.22                                  |
| Other assets  | 0.63                                  | 2.16                                  |
|   | 100.00                                | 100.00                                |

The % of Net Assets has been rounded to Nil if the amount is less than 0.01%.

## North American Fund

| Holdings   | Financial assets at fair value through profit or loss | Fair Value<br>US\$ | % of<br>Net Assets |
|--|---|--------------------|--------------------|
| <b>Equities: 97.47% (2020: 97.34%)</b>               |   |                    |                    |
| <b>Communications: 23.45% (2020: 23.30%)</b>         |   |                    |                    |
| 27,552   | Alphabet  | 79,724,192         | 6.37               |
| 20,270   | Amazon.com  | 67,587,072         | 5.40               |
| 5,486  | Booking   | 13,162,176         | 1.05               |
| 148,741  | IAC/InterActiveCorp                                   | 19,441,936         | 1.55               |
| 254,791  | Liberty Media   | 16,112,983         | 1.29               |
| 129,753  | Meta Platforms  | 43,642,421         | 3.49               |
| 235,942  | Stitch Fix  | 4,464,023          | 0.36               |
| 293,371  | T-Mobile US   | 34,025,168         | 2.72               |
| 363,599  | Uber  | 15,245,706         | 1.22               |
| <b>Total Communications</b>                          |   | <b>293,405,677</b> | <b>23.45</b>       |
| <b>Consumer Discretionary: 2.26% (2020: Nil)</b>     |   |                    |                    |
| 397,823  | Service Corporation International                     | 28,241,455         | 2.26               |
| <b>Total Consumer Discretionary</b>                  |   | <b>28,241,455</b>  | <b>2.26</b>        |
| <b>Consumer, Cyclical: 7.16% (2020: 6.83%)</b>       |   |                    |                    |
| 503,086  | Cannae  | 17,683,473         | 1.41               |
| 204,391  | Dolby Laboratories                                    | 19,462,111         | 1.55               |
| 61,084   | Mohawk Industries                                     | 11,128,283         | 0.89               |
| 7,196,100  | Samsonite International                               | 14,620,554         | 1.17               |
| 753,820  | Shift Technologies                                    | 2,570,526          | 0.21               |
| 691,818  | Taylor Morrison Home                                  | 24,185,957         | 1.93               |
| <b>Total Consumer, Cyclical</b>                      |   | <b>89,650,904</b>  | <b>7.16</b>        |
| <b>Consumer, Non-Cyclical: 21.20% (2020: 20.96%)</b> |   |                    |                    |
| 80,760   | Anthem  | 37,435,490         | 2.99               |
| 267,312  | Centene   | 22,026,509         | 1.76               |
| 521,961  | Envista   | 23,519,563         | 1.88               |
| 104,039  | ICON  | 32,220,878         | 2.57               |
| 228,642  | LiveRamp Holdings                                     | 10,963,384         | 0.88               |
| 163,901  | Medtronic   | 16,955,558         | 1.36               |
| 39,064   | S&P Global  | 18,435,474         | 1.47               |
| 105,072  | United Rentals  | 34,914,375         | 2.79               |
| 904,733  | US Foods  | 31,511,850         | 2.52               |
| 172,008  | Visa  | 37,275,854         | 2.98               |
| <b>Total Consumer, Non-Cyclical</b>                  |   | <b>265,258,935</b> | <b>21.20</b>       |



| Holdings  | Financial assets at fair value through profit or loss | Fair Value<br>US\$   | % of<br>Net Assets |
|-----------|---|----------------------|--------------------|
|           | <b>Equities: 97.47% (2020: 97.34%)</b> continued      |                      |                    |
|           | <b>Energy: 2.18% (2020: 0.85%)</b>                    |                      |                    |
| 644,149   | Canadian Natural Resources                            | 27,257,067           | 2.18               |
|           | <b>Total Energy</b>                                   | <b>27,257,067</b>    | <b>2.18</b>        |
|           | <b>Financial: 14.09% (2020: 18.19%)</b>               |                      |                    |
| 143,012   | Affiliated Managers                                   | 23,526,904           | 1.88               |
| 849,023   | Arch Capital  | 37,739,072           | 3.02               |
| 244,915   | Citigroup   | 14,790,417           | 1.18               |
| 153,523   | Intercontinental Exchange                             | 20,997,341           | 1.68               |
| 129,858   | LPL Financial   | 20,788,967           | 1.66               |
| 107,716   | Signature Bank  | 34,842,895           | 2.78               |
| 151,538   | Travelers Companies                                   | 23,705,089           | 1.89               |
|           | <b>Total Financial</b>                                | <b>176,390,685</b>   | <b>14.09</b>       |
|           | <b>Industrial: 5.92% (2020: 8.57%)</b>                |                      |                    |
| 146,250   | Ametek  | 21,504,600           | 1.72               |
| 1,513,600 | Grupo Cementos de Chihuahua                           | 11,719,029           | 0.93               |
| 65,227    | Littelfuse  | 20,525,632           | 1.64               |
| 126,355   | TE Connectivity                                       | 20,386,116           | 1.63               |
|           | <b>Total Industrial</b>                               | <b>74,135,377</b>    | <b>5.92</b>        |
|           | <b>Technology: 21.21% (2020: 18.64%)</b>              |                      |                    |
| 124,059   | Analog Devices  | 21,805,850           | 1.74               |
| 19,721    | Constellation Software                                | 36,641,732           | 2.93               |
| 188,040   | Fiserv  | 19,516,672           | 1.56               |
| 211,701   | Microsoft   | 71,199,280           | 5.69               |
| 153,450   | MKS Instruments                                       | 26,726,386           | 2.14               |
| 196,672   | Qualcomm  | 35,965,409           | 2.87               |
| 397,760   | SS&C Technologies                                     | 32,608,365           | 2.61               |
| 1,120,764 | Zuora   | 20,935,872           | 1.67               |
|           | <b>Total Technology</b>                               | <b>265,399,566</b>   | <b>21.21</b>       |
|           | <b>Total Equities</b>                                 | <b>1,219,739,666</b> | <b>97.47</b>       |
|           | <b>Total Transferable Securities</b>                  | <b>1,219,739,666</b> | <b>97.47</b>       |



## Portfolio Statements continued

As at 31 December 2021

## North American Fund continued

## Financial assets at fair value through profit or loss

## Open Forward Currency Contracts: 0.24% (2020: 0.16%)

| Currency Sold  | Currency Bought | Currency Rate | Maturity Date | Unrealised Gain<br>US\$ | % of<br>Net Assets |
|----------------|-----------------|---------------|---------------|-------------------------|--------------------|
| USD 65,273,813 | GBP 49,366,720  | 1.3222        | 31/01/2022    | 1,587,586               | 0.13               |
| USD 27,722,244 | GBP 20,966,391  | 1.3222        | 31/01/2022    | 674,259                 | 0.05               |
| USD 90,287,613 | EUR 79,900,260  | 1.1300        | 31/01/2022    | 614,771                 | 0.05               |
| USD 2,113,657  | GBP 1,598,563   | 1.3222        | 31/01/2022    | 51,408                  | 0.01               |
| USD 6,577,021  | EUR 5,820,352   | 1.1300        | 31/01/2022    | 44,783                  | –                  |
| USD 2,096,570  | CHF 1,928,807   | 1.0870        | 31/01/2022    | 21,521                  | –                  |
| USD 802,706    | EUR 710,357     | 1.1300        | 31/01/2022    | 5,466                   | –                  |
| USD 786,900    | EUR 694,680     | 1.1328        | 04/01/2022    | 3,090                   | –                  |
| USD 442,390    | EUR 391,446     | 1.1301        | 31/01/2022    | 2,958                   | –                  |
| USD 232,257    | EUR 206,025     | 1.1273        | 31/01/2022    | 2,138                   | –                  |
| USD 131,419    | GBP 98,027      | 1.3406        | 05/01/2022    | 1,354                   | –                  |
| USD 69,873     | GBP 52,346      | 1.3348        | 31/01/2022    | 1,024                   | –                  |
| USD 233,005    | EUR 205,574     | 1.1334        | 31/01/2022    | 876                     | –                  |
| USD 55,623     | GBP 41,674      | 1.3347        | 04/01/2022    | 822                     | –                  |
| USD 81,446     | EUR 72,248      | 1.1273        | 31/01/2022    | 750                     | –                  |
| USD 45,484     | GBP 33,927      | 1.3406        | 05/01/2022    | 469                     | –                  |
| USD 24,170     | GBP 18,109      | 1.3347        | 04/01/2022    | 357                     | –                  |
| USD 87,545     | EUR 77,219      | 1.1337        | 31/01/2022    | 307                     | –                  |
| USD 58,455     | EUR 51,671      | 1.1313        | 05/01/2022    | 305                     | –                  |
| USD 56,842     | EUR 50,220      | 1.1319        | 31/01/2022    | 293                     | –                  |
| USD 16,586     | GBP 12,369      | 1.3409        | 31/01/2022    | 167                     | –                  |
| USD 6,299      | GBP 4,764       | 1.3221        | 31/01/2022    | 154                     | –                  |
| USD 12,699     | GBP 9,409       | 1.3496        | 31/01/2022    | 45                      | –                  |
| USD 11,761     | GBP 8,715       | 1.3496        | 31/01/2022    | 42                      | –                  |
| USD 9,515      | EUR 8,400       | 1.1328        | 04/01/2022    | 37                      | –                  |
| USD 1,231      | GBP 918         | 1.3409        | 31/01/2022    | 12                      | –                  |
| USD 1,748      | EUR 1,546       | 1.1302        | 31/01/2022    | 12                      | –                  |
| USD 283        | GBP 213         | 1.3265        | 31/01/2022    | 6                       | –                  |
| USD 202        | GBP 153         | 1.3234        | 31/01/2022    | 5                       | –                  |
| USD 183        | GBP 138         | 1.3224        | 31/01/2022    | 4                       | –                  |
| USD 94         | GBP 71          | 1.3224        | 31/01/2022    | 2                       | –                  |
| USD 384        | EUR 340         | 1.1313        | 05/01/2022    | 2                       | –                  |
| USD 166        | GBP 124         | 1.3402        | 05/01/2022    | 2                       | –                  |
| USD 164        | GBP 123         | 1.3349        | 31/01/2022    | 2                       | –                  |
| USD 198        | GBP 148         | 1.3411        | 04/01/2022    | 2                       | –                  |
| USD 62         | GBP 46          | 1.3266        | 31/01/2022    | 1                       | –                  |



## Financial assets at fair value through profit or loss

## Open Forward Currency Contracts: 0.24% (2020: 0.16%) continued

| Currency Sold  | Currency Bought | Currency Rate | Maturity Date | Unrealised Gain<br>US\$ | % of<br>Net Assets |
|--|-----------------|---------------|---------------|-------------------------|--------------------|
| USD 92   | GBP 69          | 1.3411        | 04/01/2022    | 1                       | –                  |
| USD 112  | EUR 99          | 1.1286        | 31/01/2022    | 1                       | –                  |
| USD 108  | GBP 81          | 1.3409        | 31/01/2022    | 1                       | –                  |
| USD 102  | GBP 76          | 1.3409        | 05/01/2022    | 1                       | –                  |
| USD 77   | GBP 57          | 1.3347        | 04/01/2022    | 1                       | –                  |
| USD 374  | EUR 330         | 1.1334        | 31/01/2022    | 1                       | –                  |
| USD 94   | GBP 70          | 1.3402        | 05/01/2022    | 1                       | –                  |
| USD 369  | EUR 326         | 1.1337        | 31/01/2022    | 1                       | –                  |
| USD 73   | GBP 54          | 1.3496        | 31/01/2022    | –                       | –                  |
| USD 1  | GBP 1           | 1.3382        | 04/01/2022    | –                       | –                  |
| USD 8  | GBP 6           | 1.3416        | 31/01/2022    | –                       | –                  |
| USD 24   | GBP 18          | 1.3496        | 31/01/2022    | –                       | –                  |
| GBP –  | USD –           | 1.3500        | 31/01/2022    | –                       | –                  |
| USD –  | GBP –           | 1.3500        | 05/01/2022    | –                       | –                  |
| <b>Total unrealised gain on forward foreign currency contracts</b> |                 |               |               | 3,015,040               | 0.24               |
| <b>Total Financial Assets at fair value through profit or loss</b> |                 |               |               | 1,222,754,706           | 97.71              |

## Financial liabilities at fair value through profit or loss

## Open Forward Currency Contracts: Nil (2020: Nil)

| Currency Sold | Currency Bought | Currency Rate | Maturity Date | Unrealised Loss<br>US\$ | % of<br>Net Assets |
|---------------|-----------------|---------------|---------------|-------------------------|--------------------|
| EUR 987,429   | USD 1,113,150   | 1.1273        | 31/01/2022    | (10,247)                | –                  |
| EUR 694,680   | USD 787,376     | 1.1334        | 31/01/2022    | (2,960)                 | –                  |
| EUR 506,352   | USD 574,063     | 1.1337        | 31/01/2022    | (2,012)                 | –                  |
| GBP 80,446    | USD 107,841     | 1.3405        | 04/01/2022    | (1,119)                 | –                  |
| EUR 107,778   | USD 121,805     | 1.1301        | 31/01/2022    | (814)                   | –                  |
| GBP 14,344    | USD 18,965      | 1.3221        | 31/01/2022    | (463)                   | –                  |
| EUR 51,671    | USD 58,484      | 1.1319        | 31/01/2022    | (302)                   | –                  |
| EUR 50,220    | USD 56,810      | 1.1312        | 04/01/2022    | (300)                   | –                  |
| EUR 24,158    | USD 27,234      | 1.1273        | 31/01/2022    | (251)                   | –                  |
| GBP 12,369    | USD 16,585      | 1.3408        | 04/01/2022    | (168)                   | –                  |
| GBP 4,843     | USD 6,403       | 1.3221        | 31/01/2022    | (156)                   | –                  |
| GBP 3,494     | USD 4,684       | 1.3405        | 04/01/2022    | (49)                    | –                  |
| EUR 8,400     | USD 9,521       | 1.1334        | 31/01/2022    | (36)                    | –                  |
| EUR 4,465     | USD 5,046       | 1.1302        | 31/01/2022    | (34)                    | –                  |
| EUR 3,155     | USD 3,577       | 1.1337        | 31/01/2022    | (13)                    | –                  |

## North American Fund continued

### Financial liabilities at fair value through profit or loss

#### Open Forward Currency Contracts: Nil (2020: Nil) continued

| Currency Sold   | Currency Bought | Currency Rate | Maturity Date | Unrealised Loss<br>US\$ | % of<br>Net Assets |
|---|-----------------|---------------|---------------|-------------------------|--------------------|
| GBP 918   | USD 1,231       | 1.3408        | 04/01/2022    | (13)                    | –                  |
| GBP 1,234   | USD 1,666       | 1.3496        | 31/01/2022    | (6)                     | –                  |
| GBP 77  | USD 102         | 1.3265        | 31/01/2022    | (2)                     | –                  |
| EUR 340   | USD 384         | 1.1319        | 31/01/2022    | (2)                     | –                  |
| GBP 70  | USD 92          | 1.3234        | 31/01/2022    | (2)                     | –                  |
| GBP 81  | USD 108         | 1.3409        | 04/01/2022    | (1)                     | –                  |
| GBP 76  | USD 102         | 1.3409        | 31/01/2022    | (1)                     | –                  |
| GBP 57  | USD 77          | 1.3349        | 31/01/2022    | (1)                     | –                  |
| GBP 58  | USD 78          | 1.3402        | 04/01/2022    | (1)                     | –                  |
| EUR 330   | USD 374         | 1.1328        | 04/01/2022    | (1)                     | –                  |
| GBP 1   | USD 1           | 1.3382        | 31/01/2022    | –                       | –                  |
| GBP 7   | USD 10          | 1.3403        | 04/01/2022    | –                       | –                  |
| GBP 2   | USD 2           | 1.3256        | 31/01/2022    | –                       | –                  |
| GBP 6   | USD 8           | 1.3416        | 04/01/2022    | –                       | –                  |
| GBP 3   | USD 4           | 1.3224        | 31/01/2022    | –                       | –                  |
| <b>Total unrealised loss on forward foreign currency contracts</b>      |                 |               |               | (18,954)                | 0.00               |
| <b>Total Financial Liabilities at fair value through profit or loss</b> |                 |               |               | (18,954)                | 0.00               |

|  | Fair Value<br>US\$ | % of<br>Net Assets |
|--|--------------------|--------------------|
| <b>Total Value of Investments (Cost: US\$ 868,525,426)</b>                   | 1,222,735,752      | 97.71              |
| Cash at Bank   | 27,650,901         | 2.21               |
| Other Net Liabilities  | 1,047,388          | 0.08               |
| <b>Net Assets Attributable to Holders of Redeemable Participating Shares</b> | 1,251,434,041      | 100.00             |

All securities are transferable and are admitted to an official stock exchange or dealt on a regulated market at year end.

| Analysis of total assets  | 31 December 2021<br>% of Total Assets | 31 December 2020<br>% of Total Assets |
|---|---------------------------------------|---------------------------------------|
| Transferable securities admitted to official stock exchange listing | 97.16                                 | 97.09                                 |
| OTC Financial derivative instruments                                | 0.24                                  | 0.17                                  |
| Other assets  | 2.60                                  | 2.74                                  |
|   | 100.00                                | 100.00                                |

The % of Net Assets has been rounded to Nil if the amount is less than 0.01%.



## Smart Energy Fund

| Holdings                                 | Financial assets at fair value through profit or loss | Fair Value<br>US\$ | % of<br>Net Assets |
|--|---|--------------------|--------------------|
| <b>Equities: 99.58% (2020: Nil)</b>      |   |                    |                    |
| <b>Canada: 0.66% (2020: Nil)</b>         |   |                    |                    |
| 7,000                                    | Hydro One   | 182,377            | 0.66               |
| <b>Total Canada</b>                      |   | <b>182,377</b>     | <b>0.66</b>        |
| <b>Cayman Islands: 2.10% (2020: Nil)</b> |   |                    |                    |
| 3,200                                    | Silergy   | 581,198            | 2.10               |
| <b>Total Cayman Islands</b>              |   | <b>581,198</b>     | <b>2.10</b>        |
| <b>Denmark: 0.55% (2020: Nil)</b>        |   |                    |                    |
| 350                                      | Rockwool  | 153,052            | 0.55               |
| <b>Total Denmark</b>                     |   | <b>153,052</b>     | <b>0.55</b>        |
| <b>France: 11.99% (2020: Nil)</b>        |   |                    |                    |
| 4,700                                    | Air Liquide   | 819,471            | 2.97               |
| 20,900                                   | Alstom  | 742,021            | 2.68               |
| 5,800                                    | Nexans  | 566,246            | 2.05               |
| 6,050                                    | Schneider Electric                                    | 1,186,535          | 4.29               |
| <b>Total France</b>                      |   | <b>3,314,273</b>   | <b>11.99</b>       |
| <b>Germany: 6.93% (2020: Nil)</b>        |   |                    |                    |
| 19,000                                   | Infineon Technologies                                 | 880,693            | 3.18               |
| 30,000                                   | Nordex  | 474,554            | 1.72               |
| 8,000                                    | SMA Solar Technology                                  | 340,068            | 1.23               |
| 1,700                                    | Varta   | 221,356            | 0.80               |
| <b>Total Germany</b>                     |   | <b>1,916,671</b>   | <b>6.93</b>        |
| <b>Japan: 12.01% (2020: Nil)</b>         |   |                    |                    |
| 10,500                                   | Azbil   | 477,791            | 1.73               |
| 8,500                                    | Fuji Electric   | 463,549            | 1.68               |
| 7,400                                    | Mabuchi Motor   | 244,192            | 0.88               |
| 3,150                                    | Nidec   | 369,832            | 1.34               |
| 59,000                                   | Renesas Electronics                                   | 729,078            | 2.64               |
| 9,500                                    | RENOVA  | 171,760            | 0.62               |
| 9,500                                    | Rohm  | 863,749            | 3.12               |
| <b>Total Japan</b>                       |   | <b>3,319,951</b>   | <b>12.01</b>       |
| <b>Netherlands: 2.44% (2020: Nil)</b>    |   |                    |                    |
| 13,700                                   | STMicroelectronics                                    | 675,689            | 2.44               |
| <b>Total Netherlands</b>                 |   | <b>675,689</b>     | <b>2.44</b>        |


**Portfolio Statements** continued  
 As at 31 December 2021

**Smart Energy Fund** continued

| Holdings | Financial assets at fair value through profit or loss | Fair Value<br>US\$ | % of<br>Net Assets |
|----------|---|--------------------|--------------------|
|          | <b>Equities: 99.58% (2020: Nil)</b> continued         |                    |                    |
|          | <b>Norway: 1.60% (2020: Nil)</b>                      |                    |                    |
| 100,000  | Nel   | 172,482            | 0.62               |
| 8,000    | Nordic Semiconductor                                  | 269,984            | 0.98               |
|          | <b>Total Norway</b>                                   | <b>442,466</b>     | <b>1.60</b>        |
|          | <b>People's Republic of China: 4.76% (2020: Nil)</b>  |                    |                    |
| 12,000   | NIO ADR   | 380,160            | 1.37               |
| 18,600   | Xpeng Motors ADR                                      | 936,138            | 3.39               |
|          | <b>Total People's Republic of China</b>               | <b>1,316,298</b>   | <b>4.76</b>        |
|          | <b>South Africa: 1.25% (2020: Nil)</b>                |                    |                    |
| 20,000   | Scatec  | 346,439            | 1.25               |
|          | <b>Total South Africa</b>                             | <b>346,439</b>     | <b>1.25</b>        |
|          | <b>Spain: 0.94% (2020: Nil)</b>                       |                    |                    |
| 7,000    | Acciona Energias Renovables                           | 259,350            | 0.94               |
|          | <b>Total Spain</b>                                    | <b>259,350</b>     | <b>0.94</b>        |
|          | <b>Sweden: 1.26% (2020: Nil)</b>                      |                    |                    |
| 23,000   | Nibe Industrier                                       | 347,394            | 1.26               |
|          | <b>Total Sweden</b>                                   | <b>347,394</b>     | <b>1.26</b>        |
|          | <b>Switzerland: 2.14% (2020: Nil)</b>                 |                    |                    |
| 6,100    | ABB   | 233,650            | 0.84               |
| 8,200    | Stadler Rail  | 359,445            | 1.30               |
|          | <b>Total Switzerland</b>                              | <b>593,095</b>     | <b>2.14</b>        |
|          | <b>Taiwan: 0.54% (2020: Nil)</b>                      |                    |                    |
| 15,000   | Delta Electronics                                     | 149,095            | 0.54               |
|          | <b>Total Taiwan</b>                                   | <b>149,095</b>     | <b>0.54</b>        |
|          | <b>United Kingdom: 3.03% (2020: Nil)</b>              |                    |                    |
| 30,000   | ITM Power   | 160,096            | 0.58               |
| 1,950    | Linde   | 678,567            | 2.45               |
|          | <b>Total United Kingdom</b>                           | <b>838,663</b>     | <b>3.03</b>        |
|          | <b>United States: 47.38% (2020: Nil)</b>              |                    |                    |
| 1,400    | Albemarle   | 327,278            | 1.18               |
| 3,000    | Analog Devices  | 527,310            | 1.91               |
| 11,800   | EnerSys   | 932,908            | 3.37               |
| 3,600    | Itron   | 246,672            | 0.89               |
| 11,500   | Johnson Controls International                        | 935,065            | 3.38               |
| 11,000   | Lattice Semiconductor                                 | 847,660            | 3.07               |



| Holdings   | Financial assets at fair value through profit or loss | Fair Value<br>US\$ | % of<br>Net Assets |                         |                    |
|--|---|--------------------|--------------------|-------------------------|--------------------|
| <b>Equities: 99.58% (2020: Nil)</b> continued                      |   |                    |                    |                         |                    |
| <b>United States: 47.38% (2020: Nil)</b> continued                 |   |                    |                    |                         |                    |
| 6,500  | Lumentum  | 687,505            | 2.49               |                         |                    |
| 9,300  | Marvell Technology                                    | 813,657            | 2.94               |                         |                    |
| 1,650  | Monolithic Power Systems                              | 813,995            | 2.94               |                         |                    |
| 31,000   | Navitas Semiconductor                                 | 527,310            | 1.91               |                         |                    |
| 21,000   | ON Semiconductor                                      | 1,426,320          | 5.16               |                         |                    |
| 19,500   | Plug Power  | 550,485            | 1.99               |                         |                    |
| 14,750   | Power Integrations                                    | 1,370,128          | 4.95               |                         |                    |
| 4,850  | Qorvo   | 758,491            | 2.74               |                         |                    |
| 1,150  | Regal Rexnord   | 195,707            | 0.71               |                         |                    |
| 11,000   | Resideo Technologies                                  | 286,330            | 1.04               |                         |                    |
| 3,400  | Skyworks Solutions                                    | 527,476            | 1.91               |                         |                    |
| 800  | SolarEdge Technologies                                | 224,456            | 0.81               |                         |                    |
| 10,200   | Vertiv Holdings                                       | 254,694            | 0.92               |                         |                    |
| 4,000  | Xilinx  | 848,120            | 3.07               |                         |                    |
| <b>Total United States</b>   |   | <b>13,101,567</b>  | <b>47.38</b>       |                         |                    |
| <b>Total Equities</b>  |   | <b>27,537,578</b>  | <b>99.58</b>       |                         |                    |
| <b>Total Transferable Securities</b>                               |   | <b>27,537,578</b>  | <b>99.58</b>       |                         |                    |
| <b>Open Forward Currency Contracts: Nil (2020: Nil)</b>            |   |                    |                    |                         |                    |
| Currency Sold  | Currency Bought                                       | Currency Rate      | Maturity Date      | Unrealised Gain<br>US\$ | % of<br>Net Assets |
| USD 11   | GBP 8   | 1.3405             | 04/01/2022         | –                       | –                  |
| <b>Total unrealised gain on forward foreign currency contracts</b> |   |                    |                    | <b>0</b>                | <b>–</b>           |
| <b>Total Financial Assets at fair value through profit or loss</b> |   |                    |                    | <b>27,537,578</b>       | <b>99.58</b>       |

All securities are transferable and are admitted to an official stock exchange or dealt on a regulated market at year end.

|  | Fair Value<br>US\$ | % of<br>Net Assets |
|--|--------------------|--------------------|
| <b>Total Value of Investments (Cost: US\$ 27,524,884)</b>                    | <b>27,537,578</b>  | <b>99.58</b>       |
| Cash at Bank   | 386,949            | 1.40               |
| Other Net Liabilities  | (271,856)          | (0.98)             |
| <b>Net Assets Attributable to Holders of Redeemable Participating Shares</b> | <b>27,652,671</b>  | <b>100.00</b>      |

The % of Net Assets was rounded to Nil if the amount is less than 0.01.

## Smart Mobility Fund

| Holdings                              | Financial assets at fair value through profit or loss | Fair Value<br>US\$ | % of<br>Net Assets |
|---------------------------------------|---|--------------------|--------------------|
| <b>Equities: 99.53% (2020: Nil)</b>   |   |                    |                    |
| <b>Chile: 1.37% (2020: Nil)</b>       |   |                    |                    |
| 2,000                                 | Sociedad Quimica y Minera de Chile                    | 100,860            | 1.37               |
| <b>Total Chile</b>                    |   | <b>100,860</b>     | <b>1.37</b>        |
| <b>France: 12.69% (2020: Nil)</b>     |   |                    |                    |
| 1,200                                 | Air Liquide   | 209,227            | 2.84               |
| 8,000                                 | Alstom  | 284,027            | 3.85               |
| 2,500                                 | Dassault Systemes                                     | 148,717            | 2.02               |
| 500                                   | Legrand   | 58,509             | 0.79               |
| 1,200                                 | Schneider Electric                                    | 235,346            | 3.19               |
| <b>Total France</b>                   |   | <b>935,826</b>     | <b>12.69</b>       |
| <b>Germany: 4.71% (2020: Nil)</b>     |   |                    |                    |
| 7,500                                 | Infineon Technologies                                 | 347,642            | 4.71               |
| <b>Total Germany</b>                  |   | <b>347,642</b>     | <b>4.71</b>        |
| <b>Ireland: 2.83% (2020: Nil)</b>     |   |                    |                    |
| 600                                   | Linde   | 208,790            | 2.83               |
| <b>Total Ireland</b>                  |   | <b>208,790</b>     | <b>2.83</b>        |
| <b>Japan: 16.47% (2020: Nil)</b>      |   |                    |                    |
| 3,200                                 | Denso   | 264,798            | 3.59               |
| 1,800                                 | Fuji Electric   | 98,163             | 1.33               |
| 2,100                                 | GS Yuasa  | 46,648             | 0.63               |
| 1,300                                 | Nidec   | 152,629            | 2.07               |
| 16,000                                | Panasonic   | 175,763            | 2.38               |
| 18,000                                | Renesas Electronics                                   | 222,431            | 3.02               |
| 2,800                                 | Rohm  | 254,579            | 3.45               |
| <b>Total Japan</b>                    |   | <b>1,215,011</b>   | <b>16.47</b>       |
| <b>Jersey: 4.25% (2020: Nil)</b>      |   |                    |                    |
| 1,900                                 | Aptiv   | 313,405            | 4.25               |
| <b>Total Jersey</b>                   |   | <b>313,405</b>     | <b>4.25</b>        |
| <b>Netherlands: 3.22% (2020: Nil)</b> |   |                    |                    |
| 500                                   | NXP Semiconductors                                    | 113,890            | 1.55               |
| 2,500                                 | STMicroelectronics                                    | 123,301            | 1.67               |
| <b>Total Netherlands</b>              |   | <b>237,191</b>     | <b>3.22</b>        |
| <b>Norway: 0.70% (2020: Nil)</b>      |   |                    |                    |
| 30,000                                | NEL   | 51,745             | 0.70               |
| <b>Total Norway</b>                   |   | <b>51,745</b>      | <b>0.70</b>        |



| Holdings   | Financial assets at fair value through profit or loss | Fair Value<br>US\$ | % of<br>Net Assets |
|--|---|--------------------|--------------------|
| <b>Equities: 99.53% (2020: Nil)</b> continued        |   |                    |                    |
| <b>People's Republic of China: 6.91% (2020: Nil)</b> |   |                    |                    |
| 3,000  | BYD   | 102,587            | 1.39               |
| 3,000  | NIO   | 95,040             | 1.29               |
| 6,200  | XPeng   | 312,046            | 4.23               |
| <b>Total People's Republic of China</b>              |   | <b>509,673</b>     | <b>6.91</b>        |
| <b>Republic of South Korea: 2.54% (2020: Nil)</b>    |   |                    |                    |
| 500  | Hyundai Mobis   | 107,045            | 1.45               |
| 1,500  | Mando   | 80,000             | 1.09               |
| <b>Total Republic of South Korea</b>                 |   | <b>187,045</b>     | <b>2.54</b>        |
| <b>Switzerland: 6.38% (2020: Nil)</b>                |   |                    |                    |
| 5,200  | ABB   | 199,177            | 2.70               |
| 3,200  | Stadler Rail  | 140,271            | 1.90               |
| 450  | TE Connectivity                                       | 72,603             | 0.98               |
| 760  | u-blox  | 58,763             | 0.80               |
| <b>Total Switzerland</b>                             |   | <b>470,814</b>     | <b>6.38</b>        |
| <b>Taiwan: 4.08% (2020: Nil)</b>                     |   |                    |                    |
| 8,000  | Chroma ATE  | 57,831             | 0.79               |
| 5,000  | Delta Electronics                                     | 49,698             | 0.67               |
| 43,000   | Hota Industrial Manufacturing                         | 141,898            | 1.92               |
| 5,000  | Sinbon Electronics                                    | 51,325             | 0.70               |
| <b>Total Taiwan</b>                                  |   | <b>300,752</b>     | <b>4.08</b>        |
| <b>United Kingdom: 0.72% (2020: Nil)</b>             |   |                    |                    |
| 10,000   | ITM Power   | 53,365             | 0.72               |
| <b>Total United Kingdom</b>                          |   | <b>53,365</b>      | <b>0.72</b>        |
| <b>United States: 32.66% (2020: Nil)</b>             |   |                    |                    |
| 750  | Albemarle   | 175,328            | 2.38               |
| 1,200  | Analog Devices  | 210,924            | 2.86               |
| 12,000   | Livent  | 292,560            | 3.97               |
| 500  | Monolithic Power Systems                              | 246,665            | 3.34               |
| 6,500  | ON Semiconductor                                      | 441,480            | 5.99               |
| 4,500  | Plug Power  | 127,035            | 1.72               |
| 3,100  | Power Integrations                                    | 287,959            | 3.90               |
| 7,000  | Uber Technologies                                     | 293,510            | 3.98               |
| 3,000  | Visteon   | 333,420            | 4.52               |
| <b>Total United States</b>                           |   | <b>2,408,881</b>   | <b>32.66</b>       |
| <b>Total Equities</b>                                |   | <b>7,341,000</b>   | <b>99.53</b>       |
| <b>Total Transferable Securities</b>                 |   | <b>7,341,000</b>   | <b>99.53</b>       |



## Portfolio Statements continued

As at 31 December 2021

## Smart Mobility Fund continued

|  | Fair Value<br>US\$ | % of<br>Net Assets |
|--|--------------------|--------------------|
| <b>Total Value of Investments (Cost: US\$ 7,143,928)</b>                     | 7,341,000          | 99.53              |
| Cash at Bank   | 263,160            | 3.57               |
| Other Net Liabilities  | (228,290)          | (3.10)             |
| <b>Net Assets Attributable to Holders of Redeemable Participating Shares</b> | 7,375,870          | 100.00             |

All securities are transferable securities and are admitted to an official stock exchange or dealt on a regulated market at the financial year end.

| Analysis of total assets  | 31 December 2021<br>% of Total Assets | 31 December 2020<br>% of Total Assets |
|---|---------------------------------------|---------------------------------------|
| Transferable securities admitted to official stock exchange listing | 95.46                                 | –                                     |
| Other assets  | 4.54                                  | –                                     |
|   | 100.00                                | 100.00                                |

The % of Net Assets was rounded to Nil if the amount is less than 0.01.



## UK Absolute Equity Fund\*

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\* UK Absolute Equity Fund terminated on 15 May 2020. There were no investments held by the Fund on the last valuation day of the reporting period.

## UK Value Opportunities Fund

| Holdings   | Financial assets at fair value through profit or loss | Fair Value<br>GBP  | % of<br>Net Assets |
|--|---|--------------------|--------------------|
| <b>Equities: 97.51% (2020: 98.03%)</b>           |   |                    |                    |
| <b>Basic Materials: 6.52% (2020: 7.24%)</b>      |   |                    |                    |
| 838,076  | Anglo American  | 25,330,847         | 1.57               |
| 10,047,367                                       | Central Asia Metals                                   | 25,498,208         | 1.59               |
| 1,684,304  | Mondi   | 30,906,979         | 1.92               |
| 475,336  | Rio Tinto   | 23,127,473         | 1.44               |
|  | <b>Total Basic Materials</b>                          | <b>104,863,507</b> | <b>6.52</b>        |
| <b>Communications: 2.71% (2020: 1.01%)</b>       |   |                    |                    |
| 10,082,664                                       | Spirent Communications                                | 27,888,649         | 1.73               |
| 1,408,661  | WPP   | 15,777,003         | 0.98               |
|  | <b>Total Communications</b>                           | <b>43,665,652</b>  | <b>2.71</b>        |
| <b>Consumer Discretionary: 0.59% (2020: Nil)</b> |   |                    |                    |
| 690,752  | Dunelm  | 9,587,638          | 0.59               |
|  | <b>Total Consumer Discretionary</b>                   | <b>9,587,638</b>   | <b>0.59</b>        |
| <b>Consumer Staples: 2.26% (2020: Nil)</b>       |   |                    |                    |
| 8,123,103  | J Sainsbury   | 22,354,779         | 1.39               |
| 4,816,090  | Tesco   | 13,947,397         | 0.87               |
|  | <b>Total Consumer Staples</b>                         | <b>36,302,176</b>  | <b>2.26</b>        |
| <b>Consumer, Cyclical: 14.51% (2020: 19.84%)</b> |   |                    |                    |
| 3,579,478  | B&M European Value Retail                             | 22,901,500         | 1.42               |
| 1,028,399  | Bellway   | 34,451,367         | 2.14               |
| 2,541,361  | Grafton   | 31,284,154         | 1.95               |
| 5,554,133  | IG Design   | 14,440,746         | 0.90               |
| 2,367,352  | Inchcape  | 21,732,291         | 1.35               |
| 9,222,009  | Mitchells & Butlers                                   | 23,497,679         | 1.46               |
| 2,303,453  | MJ Gleeson  | 17,644,450         | 1.10               |
| 12,168,951                                       | Rank  | 19,275,618         | 1.20               |
| 13,051,107                                       | Taylor Wimpey   | 22,887,752         | 1.42               |
| 6,953,634  | Wincanton   | 25,311,228         | 1.57               |
|  | <b>Total Consumer, Cyclical</b>                       | <b>233,426,785</b> | <b>14.51</b>       |



| Holdings   | Financial assets at fair value through profit or loss | Fair Value<br>GBP  | % of<br>Net Assets |
|--|---|--------------------|--------------------|
| <b>Equities: 97.51% (2020: 98.03%)</b> continued     |   |                    |                    |
| <b>Consumer, Non-cyclical: 25.38% (2020: 23.85%)</b> |   |                    |                    |
| 3,893,180  | A.G. Barr   | 20,127,741         | 1.25               |
| 17,915,062   | Alliance Pharma                                       | 19,706,568         | 1.22               |
| 320,391  | AstraZeneca   | 27,610,404         | 1.72               |
| 825,915  | Cranswick   | 30,724,038         | 1.91               |
| 14,255,119   | Greencore   | 18,431,869         | 1.15               |
| 5,093,411  | Henry Boot  | 14,057,814         | 0.87               |
| 1,529,774  | Hikma Pharmaceuticals                                 | 33,716,219         | 2.10               |
| 2,669,911  | Hilton Food   | 30,383,587         | 1.89               |
| 14,932,494   | Marks & Spencer                                       | 34,553,791         | 2.15               |
| 30,362,344   | Premier Foods   | 33,769,272         | 2.10               |
| 9,386,801  | PZ Cussons  | 19,149,074         | 1.19               |
| 8,418,283  | QinetiQ   | 22,350,541         | 1.39               |
| 264,805  | Reckitt Benckiser                                     | 16,717,140         | 1.04               |
| 6,597,968  | Restore   | 32,257,466         | 2.01               |
| 38,942,013   | Speedy Hire   | 24,416,642         | 1.52               |
| 4,293,092  | SThree  | 20,005,809         | 1.24               |
| 657,721  | Young & Co's Brewery                                  | 10,194,675         | 0.63               |
| <b>Total Consumer, Non-cyclical</b>                  |   | <b>408,172,650</b> | <b>25.38</b>       |
| <b>Energy: 2.66% (2020: 2.08%)</b>                   |   |                    |                    |
| 22,440,273   | Jadestone Energy                                      | 19,060,768         | 1.19               |
| 10,045,466   | Serica Energy   | 23,709,419         | 1.47               |
| <b>Total Energy</b>                                  |   | <b>42,770,187</b>  | <b>2.66</b>        |
| <b>Financial: 22.79% (2020: 23.75%)</b>              |   |                    |                    |
| 2,309,474  | 3i  | 33,602,847         | 2.09               |
| 9,801,662  | Barclays  | 18,333,009         | 1.14               |
| 5,170,455  | Beazley   | 23,985,741         | 1.49               |
| 4,437,643  | Brewin Dolphin  | 16,308,338         | 1.01               |
| 4,774,192  | HSBC  | 21,321,541         | 1.33               |
| 5,065,514  | Investec  | 20,419,087         | 1.27               |
| 4,320,293  | Lancashire  | 22,919,154         | 1.43               |

## UK Value Opportunities Fund continued

| Holdings   | Financial assets at fair value through profit or loss | Fair Value<br>GBP    | % of<br>Net Assets |
|------------|---|----------------------|--------------------|
|            | <b>Equities: 97.51% (2020: 98.03%)</b> continued      |                      |                    |
|            | <b>Financial: 22.79% (2020: 23.75%)</b> continued     |                      |                    |
| 7,508,972  | Legal & General                                       | 22,226,557           | 1.38               |
| 13,029,943 | Natwest   | 29,330,402           | 1.82               |
| 4,528,736  | Numis   | 15,533,564           | 0.97               |
| 3,915,238  | OSB Group Plc   | 21,690,419           | 1.35               |
| 850,393    | Rathbone Brothers                                     | 16,888,805           | 1.05               |
| 1,068,003  | Schroders   | 24,777,670           | 1.54               |
| 4,998,652  | Standard Chartered                                    | 22,328,978           | 1.39               |
| 12,373,040 | Virgin Money UK                                       | 21,999,265           | 1.37               |
| 13,145,324 | Watkin Jones  | 34,769,382           | 2.16               |
|            | <b>Total Financial</b>                                | <b>366,434,759</b>   | <b>22.79</b>       |
|            | <b>Financials: 1.10% (2020: Nil)</b>                  |                      |                    |
| 6,645,654  | CMC Markets   | 17,655,509           | 1.10               |
|            | <b>Total Financials</b>                               | <b>17,655,509</b>    | <b>1.10</b>        |
|            | <b>Industrial: 14.03% (2020: 18.41%)</b>              |                      |                    |
| 33,752,166 | Breedon   | 32,267,071           | 2.01               |
| 6,712,478  | Forterra  | 18,325,065           | 1.14               |
| 1,207,409  | Hill & Smith  | 21,709,214           | 1.35               |
| 17,606,224 | Kier  | 19,437,271           | 1.21               |
| 8,930,995  | Morgan Advanced Materials                             | 31,838,997           | 1.98               |
| 1,407,712  | Morgan Sindall  | 35,615,113           | 2.21               |
| 2,639,153  | Renew   | 21,920,805           | 1.36               |
| 8,064,240  | TT Electronics  | 20,375,512           | 1.27               |
| 5,373,561  | Vesuvius  | 24,127,289           | 1.50               |
|            | <b>Total Industrial</b>                               | <b>225,616,337</b>   | <b>14.03</b>       |
|            | <b>Materials: 3.02% (2020: Nil)</b>                   |                      |                    |
| 6,537,603  | Atalaya Mining  | 26,712,646           | 1.66               |
| 25,983,914 | SigmaRoc  | 21,816,094           | 1.36               |
|            | <b>Total Materials</b>                                | <b>48,528,740</b>    | <b>3.02</b>        |
|            | <b>Technology: 1.94% (2020: 1.85%)</b>                |                      |                    |
| 1,073,214  | Computacenter   | 31,251,992           | 1.94               |
|            | <b>Total Technology</b>                               | <b>31,251,992</b>    | <b>1.94</b>        |
|            | <b>Total Equities</b>                                 | <b>1,568,275,932</b> | <b>97.51</b>       |
|            | <b>Total Transferable Securities</b>                  | <b>1,568,275,932</b> | <b>97.51</b>       |



|  | Fair Value<br>GBP | % of<br>Net Assets |
|--|-------------------|--------------------|
| <b>Total Value of Investments (Cost: GBP 1,387,909,965)</b>                  | 1,568,275,932     | 97.51              |
| Cash at Bank   | 42,216,589        | 2.62               |
| Margin Cash  | (2)               | –                  |
| Other Net Liabilities  | (2,234,730)       | (0.13)             |
| <b>Net Assets Attributable to Holders of Redeemable Participating Shares</b> | 1,608,257,789     | 100.00             |

| Analysis of total assets  | 31 December 2021<br>% of Total Assets | 31 December 2020<br>% of Total Assets |
|---|---------------------------------------|---------------------------------------|
| Transferable securities admitted to official stock exchange listing | 97.15                                 | 97.25                                 |
| Other assets  | 2.85                                  | 2.75                                  |
|   | 100.00                                | 100.00                                |

The % of Net Assets was rounded to Nil if the amount is less than 0.01.

# Statement of Financial Position

As at 31 December 2021

## As at 31 December 2021

|  | Notes | Asian Opportunities Fund*<br>US\$ | Asian Stars Fund<br>US\$ | Automation & Artificial Intelligence Fund<br>US\$ | Biotechnology Fund<br>US\$ |
|--|-------|-----------------------------------|--------------------------|---|----------------------------|
| <b>Assets</b>  |       |                                   |                          |   |                            |
| Transferable securities  | 10    | –                                 | 167,959,084              | 753,389,515                                       | 1,711,901,465              |
| Financial derivative instruments   | 10    | –                                 | –                        | 1,279   | 3,649,007                  |
| Dividends and interest receivable  |       | –                                 | 216,278                  | 196,295   | –                          |
| Amounts receivable on sale of securities   |       | –                                 | 84,771                   | –   | 347,928                    |
| Amounts receivable on sale of redeemable participating shares  |       | –                                 | 36,625                   | 757,164   | 4,405,693                  |
| Sundry debtors   |       | 279                               | 1,067                    | 7,848   | 20,040                     |
| Cash at bank   | 10    | 14,913                            | 2,707,513                | 23,037,351  | 11,989,544                 |
| Margin cash  | 10    | –                                 | –                        | –   | –                          |
| <b>Total Assets</b>  |       | 15,192                            | 171,005,338              | 777,389,452                                       | 1,732,313,677              |
| <b>Liabilities</b>   |       |                                   |                          |   |                            |
| Financial derivative instruments   | 10    | –                                 | –                        | –   | (3,664)                    |
| Bank overdraft   | 4     | –                                 | –                        | (5,772,695)                                       | (1,873,888)                |
| Amounts payable on redemption of redeemable participating shares   |       | –                                 | (118,089)                | (1,598,126)                                       | (5,703,086)                |
| Amounts payable on purchase of securities  |       | –                                 | –                        | (549,402)   | (623,580)                  |
| Dividends and interest payable   |       | –                                 | (51)                     | (5,313)   | (2,497)                    |
| Investment management fee payable  | 3     | –                                 | (55,024)                 | (444,026)   | (2,318,762)                |
| Performance fee payable  | 3     | –                                 | (992,104)                | –   | (7,476,886)                |
| Sundry creditors   | 3     | (15,192)                          | (916,856)                | (190,583)   | (407,215)                  |
| <b>Total liabilities (excluding net assets attributable to holders of redeemable participating shares)</b> |       | (15,192)                          | (2,082,124)              | (8,560,145)                                       | (18,409,578)               |
| <b>Net assets attributable to holders of redeemable participating shares</b>                               |       | –                                 | 168,923,214              | 768,829,307                                       | 1,713,904,099              |

\* Asian Opportunities Fund terminated on 01 March 2021.

\*\* Emerging Markets Income Fund terminated on 08 June 2021.



| China Stars Fund<br>US\$ | Emerging Markets Income Fund**<br>US\$ | Emerging Markets Stars Fund<br>US\$ | European (ex UK) Income Fund<br>EUR | Financial Opportunities Fund<br>US\$ | Global Absolute Return Fund<br>US\$ | Global Convertible Fund<br>US\$ | Global Insurance Fund<br>GBP |
|--------------------------|--|-------------------------------------|-------------------------------------|--------------------------------------|-------------------------------------|---------------------------------|------------------------------|
| 19,021,813               | –                                      | 1,269,055,378                       | 118,058,199                         | 22,023,268                           | 81,981,102                          | 1,248,184,340                   | 1,701,552,080                |
| –                        | –                                      | 760                                 | 19,171                              | 112                                  | 1,277,937                           | 13,590,081                      | 255                          |
| 6,412                    | –                                      | 1,591,009                           | –                                   | 14,416                               | 143,826                             | 2,905,181                       | 401,875                      |
| –                        | –                                      | –                                   | 3,770,524                           | –                                    | –                                   | –                               | 1,677,461                    |
| 1,624                    | –                                      | 402,108                             | –                                   | 60,356                               | –                                   | 699,087                         | 2,101,947                    |
| 32                       | –                                      | 7,233                               | 1,324                               | 161                                  | 70                                  | 51,883                          | 12,174                       |
| 986,829                  | 153,108                                | 25,601,477                          | 1,950,890                           | 1,447,277                            | 1,000,347                           | 39,982,640                      | 14,751,983                   |
| 6,461                    | –                                      | –                                   | –                                   | –                                    | 711,785                             | –                               | –                            |
| 20,023,171               | 153,108                                | 1,296,657,965                       | 123,800,108                         | 23,545,590                           | 85,115,067                          | 1,305,413,212                   | 1,720,497,775                |
| –                        | –                                      | –                                   | –                                   | –                                    | (1,270,948)                         | (8,019,278)                     | (222,337)                    |
| –                        | (26,670)                               | –                                   | (4,427,479)                         | –                                    | (13,015,839)                        | (228,309,056)                   | (9,052,423)                  |
| (782)                    | –                                      | (826,444)                           | –                                   | (18,932)                             | –                                   | (707,411)                       | (7,863,868)                  |
| (11,603)                 | –                                      | –                                   | –                                   | –                                    | –                                   | –                               | –                            |
| (175)                    | –                                      | (74)                                | (1,518)                             | (160)                                | (3,235)                             | (83,333)                        | (9,862)                      |
| (6,587)                  | (18,467)                               | (1,246,505)                         | (208,137)                           | (22,261)                             | (70,080)                            | (839,936)                       | (1,260,403)                  |
| –                        | –                                      | (1,023,961)                         | –                                   | –                                    | (382,160)                           | –                               | –                            |
| (24,695)                 | (107,971)                              | (5,207,566)                         | (23,471)                            | (7,475)                              | (47,421)                            | (549,792)                       | (256,158)                    |
| (43,842)                 | (153,108)                              | (8,304,550)                         | (4,660,605)                         | (48,828)                             | (14,789,683)                        | (238,508,806)                   | (18,665,051)                 |
| 19,979,329               | –                                      | 1,288,353,415                       | 119,139,503                         | 23,496,762                           | 70,325,384                          | 1,066,904,406                   | 1,701,832,724                |



# Statement of Financial Position continued

As at 31 December 2021

As at 31 December 2021

|  | Notes | Global<br>Technology<br>Fund<br>US\$ | Healthcare<br>Blue Chip<br>Fund<br>US\$ | Healthcare<br>Discovery<br>Fund<br>US\$ | Healthcare<br>Opportunities<br>Fund<br>US\$ |
|--|-------|--------------------------------------|---|---|---|
| <b>Assets</b>  |       |                                      |   |   |   |
| Transferable securities  | 10    | 8,679,284,866                        | 111,068,496                             | 69,379,995                              | 2,066,481,371                               |
| Financial derivative instruments   | 10    | 36,924,680                           | 7,345                                   | 1                                       | 52,093                                      |
| Dividends and interest receivable  |       | 2,732,465                            | 19,772                                  | 5,864                                   | 132,222                                     |
| Amounts receivable on sale of securities   |       | –                                    | 1,243,788                               | –                                       | –   |
| Amounts receivable on sale of redeemable participating shares  |       | 15,432,776                           | 422,226                                 | 179,472                                 | 15,449,126                                  |
| Sundry debtors   |       | 97,715                               | 2,523                                   | 16,950                                  | 35,345                                      |
| Cash at bank   | 10    | 406,286,817                          | 4,560,436                               | 4,037,118                               | 67,605,464                                  |
| Margin cash  | 10    | 14,322,512                           | –                                       | –                                       | 100   |
| <b>Total Assets</b>  |       | <b>9,155,081,831</b>                 | <b>117,324,586</b>                      | <b>73,619,400</b>                       | <b>2,149,755,721</b>                        |
| <b>Liabilities</b>   |       |                                      |   |   |   |
| Financial derivative instruments   | 10    | (624,035)                            | (930)                                   | (1)                                     | (21,350)                                    |
| Bank overdraft   | 4     | (1,414,870)                          | –                                       | –                                       | –   |
| Amounts payable on redemption of redeemable participating shares   |       | (50,206,824)                         | (598,426)                               | (148,305)                               | (4,907,452)                                 |
| Amounts payable on purchase of securities  |       | (9,038,809)                          | (480,580)                               | –                                       | –   |
| Dividends and interest payable   |       | (3,040)                              | (56)                                    | (10)                                    | (7,784)                                     |
| Investment management fee payable  | 3     | (13,243,240)                         | (58,470)                                | (41,785)                                | (2,109,763)                                 |
| Performance fee payable  | 3     | –                                    | –                                       | (678,160)                               | –   |
| Sundry creditors   | 3     | (2,153,867)                          | (37,999)                                | (131,547)                               | (4,485,928)                                 |
| <b>Total liabilities (excluding net assets attributable to holders of redeemable participating shares)</b> |       | <b>(76,684,685)</b>                  | <b>(1,176,461)</b>                      | <b>(999,808)</b>                        | <b>(11,532,277)</b>                         |
| <b>Net assets attributable to holders of redeemable participating shares</b>                               |       | <b>9,078,397,146</b>                 | <b>116,148,125</b>                      | <b>72,619,592</b>                       | <b>2,138,223,444</b>                        |

\* Smart Energy Fund launched on 30 September 2021.

\*\* Smart Mobility Fund launched on 30 September 2021.

The Financial Statements were approved by the Board of Directors of Polar Capital Funds plc on 31 March 2022 and signed on its behalf by:

**David Hammond**  
Director

**Karen Nolan**  
Director

The accompanying notes form an integral part of these Financial Statements.



| Income Opportunities Fund GBP | Japan Value Fund JPY | North American Fund US\$ | Smart Energy Fund * US\$ | Smart Mobility Fund** US\$ | UK Absolute Equity Fund GBP | UK Value Opportunities Fund GBP | Total GBP      |
|-------------------------------|----------------------|--------------------------|--------------------------|----------------------------|-----------------------------|---------------------------------|----------------|
| 49,015,285                    | 23,411,300,300       | 1,219,739,666            | 27,537,578               | 7,341,000                  | –                           | 1,568,275,932                   | 22,287,115,874 |
| 25,852                        | 187,441,853          | 3,015,040                | –                        | –                          | –                           | –                               | 60,203,242     |
| 213,000                       | 41,318,415           | 342,936                  | 6,754                    | 3,946                      | –                           | 3,092,484                       | 13,697,618     |
| –                             | –                    | –                        | 74,391                   | 55,793                     | –                           | 1,176                           | 8,368,145      |
| 12,750                        | 2,991,991            | 2,712,426                | 2,727,359                | 16,513                     | –                           | 639,295                         | 47,058,682     |
| 83                            | 81,735               | 6,796                    | 22,356                   | 9,640                      | 149                         | 2,688                           | 302,597        |
| 9,817,635                     | 106,030,217          | 29,548,576               | 471,527                  | 263,160                    | 96,447                      | 42,256,929                      | 713,477,267    |
| 97,949                        | –                    | –                        | –                        | –                          | –                           | (2)                             | 15,173,522     |
| 59,182,554                    | 23,749,164,511       | 1,255,365,440            | 30,839,965               | 7,690,052                  | 96,596                      | 1,614,268,502                   | 23,145,396,947 |
| (443,587)                     | (4,935,705)          | (18,954)                 | –                        | –                          | –                           | –                               | (10,903,982)   |
| –                             | (31,038,624)         | (1,897,676)              | (84,578)                 | –                          | (8,512)                     | (40,340)                        | (270,026,967)  |
| (84,508)                      | (2,370,088)          | (1,053,235)              | (1,394)                  | –                          | –                           | (4,304,983)                     | (82,505,650)   |
| (401,435)                     | (6,504,700)          | –                        | (3,069,677)              | (307,656)                  | –                           | (480,082)                       | (15,331,765)   |
| (135)                         | (128,665)            | (684)                    | (348)                    | (62)                       | (5)                         | (42)                            | (123,270)      |
| (92,919)                      | (24,273,156)         | (807,674)                | (16,645)                 | (4,675)                    | –                           | (900,930)                       | (24,804,653)   |
| (95,588)                      | –                    | –                        | –                        | –                          | –                           | –                               | (10,682,740)   |
| (11,683)                      | (11,460,115)         | (153,176)                | (14,652)                 | (1,789)                    | (88,079)                    | (284,336)                       | (15,447,130)   |
| (1,129,855)                   | (80,711,053)         | (3,931,399)              | (3,187,294)              | (314,182)                  | (96,596)                    | (6,010,713)                     | (429,826,157)  |
| 58,052,699                    | 23,668,453,458       | 1,251,434,041            | 27,652,671               | 7,375,870                  | –                           | 1,608,257,789                   | 22,715,570,790 |



## Comparative Statement of Financial Position

As at 31 December 2020

As at 31 December 2020

|  | Notes | Asian<br>Opportunities<br>Fund<br>US\$ | Asian Stars<br>Fund<br>US\$ | Automation<br>& Artificial<br>Intelligence<br>Fund<br>US\$ | Biotechnology<br>Fund<br>US\$ |
|--|-------|--|-----------------------------|--|-------------------------------|
| <b>Assets</b>  |       |  |                             |  |                               |
| Transferable securities  | 10    | 8,030,649                              | 17,352,888                  | 728,735,691  | 1,165,403,819                 |
| Financial derivative instruments   | 10    | 6,111                                  | –                           | –  | 245,891                       |
| Dividends and interest receivable  |       | 6,299                                  | 18,552                      | 183,041  | –                             |
| Amounts receivable on sale of securities   |       | –                                      | –                           | 2,023,185  | –                             |
| Amounts receivable on sale of redeemable participating shares  |       | –                                      | 1,279                       | 1,293,404  | 10,060,801                    |
| Sundry debtors   |       | 43                                     | 46                          | 14,348   | 39,174                        |
| Cash at bank   | 10    | 430,296                                | 323,398                     | 52,730,677   | 102,055,535                   |
| Margin cash  | 10    | –                                      | –                           | –  | –                             |
| <b>Total Assets</b>  |       | <b>8,473,398</b>                       | <b>17,696,163</b>           | <b>784,980,346</b>   | <b>1,277,805,220</b>          |
| <b>Liabilities</b>   |       |  |                             |  |                               |
| Financial derivative instruments   | 10    | (6)                                    | –                           | –  | (1,171)                       |
| Bank overdraft   | 4     | –                                      | –                           | (21,259,046)   | (1,994,610)                   |
| Amounts payable on redemption of redeemable participating shares   |       | (2,482)                                | –                           | (448,232)  | (2,250,899)                   |
| Amounts payable on purchase of securities  |       | –                                      | –                           | (2,008,097)  | (4,583,634)                   |
| Dividends and interest payable   |       | (1)                                    | (68)                        | (14,351)   | (2,010)                       |
| Investment management fee payable  | 3     | (8,054)                                | (5,779)                     | (354,188)  | (1,636,277)                   |
| Performance fee payable  | 3     | (83,075)                               | (160,566)                   | (7,253,623)  | (10,486,483)                  |
| Sundry creditors   | 3     | (7,417)                                | (82,155)                    | (281,709)  | (412,129)                     |
| <b>Total liabilities (excluding net assets attributable to holders of redeemable participating shares)</b> |       | <b>(101,035)</b>                       | <b>(248,568)</b>            | <b>(31,619,246)</b>  | <b>(21,367,213)</b>           |
| <b>Net Assets Attributable to holders of redeemable participating shares</b>                               |       | <b>8,372,363</b>                       | <b>17,447,595</b>           | <b>753,361,100</b>   | <b>1,256,438,007</b>          |



| China Stars Fund US\$ | Emerging Markets Income Fund US\$ | Emerging Markets Stars Fund US\$ | European ex UK Income Fund EUR | Financial Opportunities Fund US\$ | Global Absolute Return Fund US\$ | Global Convertible Fund US\$ | Global Insurance Fund GBP |
|-----------------------|-----------------------------------|----------------------------------|--------------------------------|-----------------------------------|----------------------------------|------------------------------|---------------------------|
| 13,305,341            | 103,152,112                       | 362,968,186                      | 189,728,564                    | 10,420,659                        | 51,610,726                       | 1,140,320,729                | 1,544,769,994             |
| 90                    | 7,030                             | –                                | 866,971                        | –                                 | 1,058,225                        | 7,252,796                    | 1,054                     |
| 4,974                 | 638,529                           | 354,073                          | –                              | 3,982                             | 111,299                          | 3,760,238                    | 433,150                   |
| 31,013                | –                                 | –                                | 961,717                        | –                                 | –                                | 13,694,099                   | –                         |
| 33,499                | 35,709                            | 738,923                          | –                              | 33,042                            | –                                | 1,277,215                    | 3,377,584                 |
| 187                   | 11,695                            | 7,256                            | 741                            | 323                               | 1,910                            | 125,141                      | 7,530                     |
| 924,488               | 1,426,888                         | 11,697,452                       | –                              | 383,063                           | 3,294,741                        | 51,960,950                   | 49,422,268                |
| 6,470                 | –                                 | –                                | –                              | –                                 | –                                | –                            | –                         |
| 14,306,062            | 105,271,963                       | 375,765,890                      | 191,557,993                    | 10,841,069                        | 56,076,901                       | 1,218,391,168                | 1,598,011,580             |
| –                     | (6,893)                           | –                                | –                              | –                                 | (4,278,042)                      | (45,346,789)                 | (354,981)                 |
| –                     | –                                 | –                                | (254,206)                      | –                                 | (3,080,696)                      | (116,048,142)                | –                         |
| (35,582)              | (690,235)                         | –                                | –                              | (12,541)                          | –                                | (408,974)                    | (6,310,305)               |
| (179,285)             | –                                 | –                                | –                              | –                                 | –                                | (7,289,691)                  | (2,077,659)               |
| (163)                 | (1)                               | (46)                             | (1,268)                        | (48)                              | (7,859)                          | (33,629)                     | (8,011)                   |
| (5,988)               | (125,445)                         | (174,775)                        | (298,072)                      | (9,654)                           | (50,689)                         | (797,714)                    | (1,176,074)               |
| (92,209)              | –                                 | (2,558,924)                      | –                              | (6,693)                           | (1,547,256)                      | (23)                         | –                         |
| (18,355)              | (36,920)                          | (2,428,396)                      | (26,215)                       | (6,640)                           | (46,018)                         | (636,605)                    | (252,119)                 |
| (331,582)             | (859,494)                         | (5,162,141)                      | (579,761)                      | (35,576)                          | (9,010,560)                      | (170,561,567)                | (10,179,149)              |
| 13,974,480            | 104,412,469                       | 370,603,749                      | 190,978,232                    | 10,805,493                        | 47,066,341                       | 1,047,829,601                | 1,587,832,431             |



## Comparative Statement of Financial Position continued

As at 31 December 2020

As at 31 December 2020

|  | Notes | Global<br>Technology<br>Fund<br>US\$ | Healthcare<br>Blue Chip<br>Fund<br>US\$ | Healthcare<br>Discovery<br>Fund*<br>US\$ | Healthcare<br>Opportunities<br>Fund<br>US\$ |
|--|-------|--------------------------------------|---|--|---|
| <b>Assets</b>  |       |                                      |   |  |   |
| Transferable securities  | 10    | 7,831,220,695                        | 86,369,420                              | 45,272,115                               | 2,104,298,240                               |
| Financial derivative instruments   | 10    | 56,877,906                           | 48                                      | –  | 92,664                                      |
| Dividends and interest receivable  |       | 2,418,410                            | 67,432                                  | 5,550                                    | 179,647                                     |
| Amounts receivable on sale of securities   |       | 132,571,861                          | 1,052,537                               | –  | 5,262,529                                   |
| Amounts receivable on sale of redeemable participating shares  |       | 28,245,040                           | 185,522                                 | 100,021                                  | 7,187,577                                   |
| Sundry debtors   |       | 86,603                               | 1,591                                   | 21,774                                   | 30,853                                      |
| Cash at bank   | 10    | 784,391,029                          | 6,553,011                               | 3,338,624                                | 1,941,735                                   |
| Margin cash  | 10    | 9,919,032                            | –                                       | –  | 20,502,228                                  |
| <b>Total Assets</b>  |       | <b>8,845,730,576</b>                 | <b>94,229,561</b>                       | <b>48,738,084</b>                        | <b>2,139,495,473</b>                        |
| <b>Liabilities</b>   |       |                                      |   |  |   |
| Financial derivative instruments   | 10    | (27,157)                             | –                                       | –  | (7)   |
| Bank overdraft   | 4     | –                                    | (1,980,003)                             | –  | –   |
| Amounts payable on redemption of redeemable participating shares   |       | (25,805,450)                         | (131,900)                               | (4,334)                                  | (10,523,130)                                |
| Amounts payable on purchase of securities  |       | (120,150,463)                        | –                                       | –  | (600,255)                                   |
| Dividends and interest payable   |       | (4,505)                              | (1,881)                                 | (104)                                    | (5,662)                                     |
| Investment management fee payable  | 3     | (11,075,893)                         | (46,553)                                | (26,423)                                 | (2,132,947)                                 |
| Performance fee payable  | 3     | (31,044,272)                         | –                                       | (234,272)                                | (766,974)                                   |
| Sundry creditors   | 3     | (1,827,007)                          | (38,977)                                | (16,155)                                 | (885,153)                                   |
| <b>Total liabilities (excluding net assets attributable to holders of redeemable participating shares)</b> |       | <b>(189,934,747)</b>                 | <b>(2,199,314)</b>                      | <b>(281,288)</b>                         | <b>(14,914,128)</b>                         |
| <b>Net Assets Attributable to holders of redeemable participating shares</b>                               |       | <b>8,655,795,829</b>                 | <b>92,030,247</b>                       | <b>48,456,796</b>                        | <b>2,124,581,345</b>                        |

\* Healthcare Discovery Fund launched on 31 January 2020.

\*\* UK Absolute Equity Fund terminated on 15 May 2020.

The accompanying notes form an integral part of these Financial Statements.



| Income Opportunities Fund GBP | Japan Value Fund JPY | North American Fund US\$ | UK Absolute Equity Fund** GBP | UK Value Opportunities Fund GBP | Total US\$     |
|-------------------------------|----------------------|--------------------------|-------------------------------|---------------------------------|----------------|
| 60,122,208                    | 17,653,006,900       | 1,027,053,531            | –                             | 1,125,618,319                   | 18,831,113,854 |
| –                             | 39,004,928           | 1,745,802                | –                             | –                               | 68,726,577     |
| 213,249                       | 42,189,325           | 462,904                  | –                             | 2,177,630                       | 12,483,873     |
| 210,122                       | –                    | –                        | –                             | 619,289                         | 156,945,699    |
| 2,200                         | 17,112,403           | 2,855,597                | –                             | 1,677,512                       | 59,126,451     |
| 2,201                         | 102,573              | 10,026                   | –                             | 3,512                           | 370,973        |
| 617,784                       | 331,247,746          | 25,721,198               | 97,914                        | 27,353,593                      | 1,156,308,632  |
| 71,626                        | –                    | –                        | –                             | 17,668                          | 30,549,791     |
| 61,239,390                    | 18,082,663,875       | 1,057,849,058            | 97,914                        | 1,157,467,523                   | 20,315,625,850 |
| (577,225)                     | (6,355,778)          | (578)                    | –                             | –                               | (50,996,483)   |
| –                             | (75,316,023)         | (378,941)                | (8,938)                       | (38,779)                        | (145,847,187)  |
| (359,467)                     | (13,877,794)         | (1,513,089)              | –                             | (549,034)                       | (51,829,020)   |
| –                             | –                    | –                        | –                             | (5,559,002)                     | (145,250,368)  |
| (138)                         | (153,087)            | (611)                    | –                             | (40)                            | (85,167)       |
| (77,222)                      | (19,822,035)         | (655,041)                | –                             | (633,968)                       | (20,241,915)   |
| (493,358)                     | –                    | –                        | –                             | (2,307,788)                     | (58,063,400)   |
| (52,366)                      | (13,843,719)         | (139,081)                | (88,976)                      | (185,006)                       | (7,819,615)    |
| (1,559,776)                   | (129,368,436)        | (2,687,341)              | (97,914)                      | (9,273,617)                     | (480,133,155)  |
| 59,679,614                    | 17,953,295,439       | 1,055,161,717            | –                             | 1,148,193,906                   | 19,835,492,695 |



## Statement of Comprehensive Income

For the financial year ended 31 December 2021

As at 31 December 2021

|  | Notes | Asian Opportunities Fund*<br>US\$ | Asian Stars Fund<br>US\$ | Automation & Artificial Intelligence Fund<br>US\$ | Biotechnology Fund<br>US\$ |
|--|-------|-----------------------------------|--------------------------|---|----------------------------|
| <b>Investment income</b>   |       |                                   |                          |   |                            |
| Investment income  | 2H    | 8,387                             | 1,143,496                | 6,178,847   | 815,821                    |
| Net realised and unrealised gain/(loss) on investments                                 | 2D    | 669,604                           | (1,460,143)              | 117,311,204                                       | 77,930,909                 |
| Income equalisation  | 2E    | –                                 | 27,640                   | (201,328)   | –                          |
| <b>Net investment income/(expense)</b>   |       | 677,991                           | (289,007)                | 123,288,723                                       | 78,746,730                 |
| <b>Expenses</b>  |       |                                   |                          |   |                            |
| Investment management fees   | 3     | (11,751)                          | (436,149)                | (3,792,408)                                       | (18,380,899)               |
| Administration fees  | 3     | (466)                             | (39,216)                 | (270,553)   | (549,759)                  |
| General expenses   | 3     | (10,556)                          | (104,949)                | (165,296)   | (317,061)                  |
| Performance fees   | 3     | (50,573)                          | (992,104)                | –   | (7,476,885)                |
| Depository's fees  | 3     | (909)                             | (59,537)                 | (178,739)   | (254,812)                  |
| Research fees  |       | –                                 | (5,647)                  | (132,640)   | (390,415)                  |
| Legal fees   |       | (13,288)                          | (5,636)                  | (32,266)  | (69,761)                   |
| Directors' fees  | 8     | (363)                             | (4,967)                  | (34,478)  | (68,565)                   |
| Auditor's fees   |       | 12                                | (1,503)                  | (6,950)   | (16,499)                   |
| <b>Operating expenses</b>  |       | (87,894)                          | (1,649,708)              | (4,613,330)                                       | (27,524,656)               |
| <b>Net income/(expense) from operations before finance costs</b>                       |       | 590,097                           | (1,938,715)              | 118,675,393                                       | 51,222,074                 |
| <b>Finance costs</b>   |       |                                   |                          |   |                            |
| Bank interest/financing charges  | 2H    | (4)                               | (1,864)                  | (194,259)   | (26,111)                   |
| Distributions to holders of redeemable participating shares                            | 13    | –                                 | –                        | –   | –                          |
| <b>Total finance costs</b>   |       | (4)                               | (1,864)                  | (194,259)   | (26,111)                   |
| <b>Profit/(loss) for the year before tax</b>   |       | 590,093                           | (1,940,579)              | 118,481,134                                       | 51,195,963                 |
| Withholding tax  |       | (1,793)                           | (174,323)                | (1,194,362)                                       | (110,250)                  |
| <b>Change in net assets attributable to holders of redeemable participating shares</b> |       | 588,300                           | (2,114,902)              | 117,286,772                                       | 51,085,713                 |

\* Asian Opportunities Fund terminated on 01 March 2021.

\*\* Emerging Markets Income Fund merged with the Emerging Markets Stars Fund on 08 June 2021.



| China Stars Fund<br>US\$ | Emerging Markets Income Fund**<br>US\$ | Emerging Markets Stars Fund<br>US\$ | European (ex UK) Income Fund<br>EUR | Financial Opportunities Fund<br>US\$ | Global Absolute Return Fund<br>US\$ | Global Convertible Fund<br>US\$ | Global Insurance Fund<br>GBP |
|--------------------------|--|-------------------------------------|-------------------------------------|--------------------------------------|-------------------------------------|---------------------------------|------------------------------|
| 201,167                  | 1,059,447                              | 6,582,210                           | 7,868,489                           | 415,229                              | 1,449,933                           | 44,744,020                      | 29,077,081                   |
| (2,757,930)              | 6,902,274                              | (38,335,045)                        | 23,303,166                          | 2,114,623                            | 1,118,434                           | (116,506,823)                   | 245,735,386                  |
| 58,924                   | (1,079,820)                            | 78,741                              | (965,317)                           | 98,959                               | 161,542                             | 3,523,299                       | (2,098,029)                  |
| (2,497,839)              | 6,881,901                              | (31,674,094)                        | 30,206,338                          | 2,628,811                            | 2,729,909                           | (68,239,504)                    | 272,714,438                  |
| (74,433)                 | (214,085)                              | (5,195,726)                         | (1,574,347)                         | (154,594)                            | (407,662)                           | (8,788,205)                     | (13,272,603)                 |
| (5,586)                  | (11,273)                               | (280,249)                           | (57,482)                            | (6,106)                              | (18,590)                            | (384,916)                       | (615,382)                    |
| (71,075)                 | (57,519)                               | (291,760)                           | (47,262)                            | (55,555)                             | (30,926)                            | (1,293,766)                     | (294,474)                    |
| –                        | –                                      | (1,023,961)                         | –                                   | –                                    | (382,160)                           | –                               | –                            |
| (4,869)                  | (35,929)                               | (388,697)                           | (36,518)                            | (4,289)                              | (8,758)                             | (169,230)                       | (288,769)                    |
| (1,286)                  | (18,830)                               | (33,860)                            | –                                   | (1,134)                              | (10,342)                            | (228,161)                       | (107,628)                    |
| (677)                    | (29,695)                               | (41,262)                            | (6,150)                             | (818)                                | (2,097)                             | (45,591)                        | (73,040)                     |
| (708)                    | (1,792)                                | (35,056)                            | (7,370)                             | (728)                                | (3,030)                             | (49,072)                        | (76,814)                     |
| (149)                    | (546)                                  | (11,786)                            | (974)                               | (197)                                | (475)                               | (9,633)                         | (14,902)                     |
| (158,783)                | (369,669)                              | (7,302,357)                         | (1,730,103)                         | (223,421)                            | (864,040)                           | (10,968,574)                    | (14,743,612)                 |
| (2,656,622)              | 6,512,232                              | (38,976,451)                        | 28,476,235                          | 2,405,390                            | 1,865,869                           | (79,208,078)                    | 257,970,826                  |
| (2,148)                  | (2)                                    | (6,471)                             | (12,365)                            | (1,107)                              | (75,231)                            | (528)                           | (96,010)                     |
| –                        | (2,012,462)                            | –                                   | (5,627,689)                         | (187,304)                            | –                                   | (34,011,104)                    | (11,359,000)                 |
| (2,148)                  | (2,012,464)                            | (6,471)                             | (5,640,054)                         | (188,411)                            | (75,231)                            | (34,011,632)                    | (11,455,010)                 |
| (2,658,770)              | 4,499,768                              | (38,982,922)                        | 22,836,181                          | 2,216,979                            | 1,790,638                           | (113,219,710)                   | 246,515,816                  |
| (13,670)                 | (196,109)                              | (1,085,592)                         | (834,422)                           | (75,538)                             | (3,127)                             | (206,109)                       | (4,226,581)                  |
| (2,672,440)              | 4,303,659                              | (40,068,514)                        | 22,001,759                          | 2,141,441                            | 1,787,511                           | (113,425,819)                   | 242,289,235                  |



# Statement of Comprehensive Income continued

For the financial year ended 31 December 2021

As at 31 December 2021

|  | Notes | Global<br>Technology<br>Fund<br>US\$ | Healthcare<br>Blue Chip<br>Fund<br>US\$ | Healthcare<br>Discovery<br>Fund<br>US\$ | Healthcare<br>Opportunities<br>Fund<br>US\$ |
|--|-------|--------------------------------------|---|---|---|
| <b>Investment income</b>   |       |                                      |   |   |   |
| Investment income  | 2H    | 45,816,041                           | 1,033,251                               | 141,646                                 | 10,235,725                                  |
| Net realised and unrealised gain/(loss) on investments                                 | 2D    | 852,947,428                          | 20,920,667                              | 2,399,074                               | 196,476,252                                 |
| Income equalisation  | 2E    | –                                    | 21,016                                  | –                                       | –   |
| <b>Net investment income/(expense)</b>   |       | <b>898,763,469</b>                   | <b>21,974,934</b>                       | <b>2,540,720</b>                        | <b>206,711,977</b>                          |
| <b>Expenses</b>  |       |                                      |   |   |   |
| Investment management fees   | 3     | (108,980,103)                        | (605,468)                               | (456,485)                               | (22,469,683)                                |
| Administration fees  | 3     | (3,331,496)                          | (37,137)                                | (23,409)                                | (761,442)                                   |
| General expenses   | 3     | (1,559,898)                          | (49,319)                                | (42,170)                                | (379,029)                                   |
| Performance fees   | 3     | –                                    | –                                       | (678,160)                               | –   |
| Depository's fees  | 3     | (2,008,346)                          | (18,209)                                | (12,798)                                | (424,241)                                   |
| Research fees  |       | (1,605,059)                          | (25,127)                                | (11,152)                                | (512,991)                                   |
| Legal fees   |       | (403,996)                            | (4,534)                                 | (3,050)                                 | (89,787)                                    |
| Directors' fees  | 8     | (423,805)                            | (4,707)                                 | (2,978)                                 | (97,824)                                    |
| Auditor's fees   |       | (88,756)                             | (993)                                   | (711)                                   | (17,902)                                    |
| <b>Operating expenses</b>  |       | <b>(118,401,459)</b>                 | <b>(745,494)</b>                        | <b>(1,230,913)</b>                      | <b>(24,752,899)</b>                         |
| <b>Net income/(expense) from operations before finance costs</b>                       |       | <b>780,362,010</b>                   | <b>21,229,440</b>                       | <b>1,309,807</b>                        | <b>181,959,078</b>                          |
| <b>Finance costs</b>   |       |                                      |   |   |   |
| Bank interest/financing charges  | 2H    | (56,128)                             | (5,082)                                 | (537)                                   | (282,985)                                   |
| Distributions to holders of redeemable participating shares                            | 13    | –                                    | (465,527)                               | –                                       | –   |
| <b>Total finance costs</b>   |       | <b>(56,128)</b>                      | <b>(470,609)</b>                        | <b>(537)</b>                            | <b>(282,985)</b>                            |
| <b>Profit/(loss) for the year before tax</b>   |       | <b>780,305,882</b>                   | <b>20,758,831</b>                       | <b>1,309,270</b>                        | <b>181,676,093</b>                          |
| Withholding tax  |       | (9,323,213)                          | (203,363)                               | (19,195)                                | (1,493,638)                                 |
| <b>Change in net assets attributable to holders of redeemable participating shares</b> |       | <b>770,982,669</b>                   | <b>20,555,468</b>                       | <b>1,290,075</b>                        | <b>180,182,455</b>                          |

\* Smart Energy Fund launched on 30 September 2021.

\*\* Smart Mobility Fund launched on 30 September 2021.

The accompanying notes form an integral part of these Financial Statements.



| Income Opportunities Fund GBP | Japan Value Fund JPY | North American Fund US\$ | Smart Energy Fund* US\$ | Smart Mobility Fund** US\$ | UK Absolute Equity Fund GBP | UK Value Opportunities Fund GBP | Total US\$    |
|-------------------------------|----------------------|--------------------------|-------------------------|----------------------------|-----------------------------|---------------------------------|---------------|
| 2,999,747                     | 558,437,951          | 7,906,250                | 17,242                  | 7,944                      | –                           | 39,974,138                      | 241,269,388   |
| 9,424,653                     | 3,245,942,241        | 240,381,092              | (27,321)                | 202,733                    | 427                         | 238,804,892                     | 2,096,945,477 |
| (536,356)                     | 29,975,676           | 1,286                    | –                       | –                          | –                           | (200,135)                       | (2,077,691)   |
| 11,888,044                    | 3,834,355,868        | 248,288,628              | (10,079)                | 210,677                    | 427                         | 278,578,895                     | 2,336,137,174 |
| (595,987)                     | (178,651,052)        | (7,908,691)              | (32,545)                | (12,294)                   | –                           | (8,774,340)                     | (212,559,903) |
| (21,259)                      | (8,036,420)          | (427,564)                | (1,332)                 | (532)                      | –                           | (534,191)                       | (7,901,488)   |
| (27,615)                      | (6,118,776)          | (236,439)                | (6,295)                 | (3,490)                    | (330)                       | (274,720)                       | (5,608,218)   |
| (22,595)                      | –                    | –                        | –                       | –                          | –                           | (3,195,129)                     | (15,030,176)  |
| (10,342)                      | (4,966,481)          | (203,052)                | (522)                   | (210)                      | –                           | (177,941)                       | (4,517,855)   |
| (2,444)                       | (3,681,733)          | –                        | (648)                   | (294)                      | –                           | (116,384)                       | (3,322,660)   |
| (2,327)                       | (999,011)            | (52,463)                 | (227)                   | (79)                       | –                           | (67,143)                        | (1,007,647)   |
| (2,680)                       | (1,010,679)          | (53,679)                 | (185)                   | (63)                       | –                           | (66,651)                        | (1,000,970)   |
| (355)                         | (225,013)            | (11,243)                 | (153)                   | (52)                       | –                           | (15,955)                        | (213,675)     |
| (685,604)                     | (203,689,165)        | (8,893,131)              | (41,907)                | (17,014)                   | (330)                       | (13,222,454)                    | (251,162,592) |
| 11,202,440                    | 3,630,666,703        | 239,395,497              | (51,986)                | 193,663                    | 97                          | 265,356,441                     | 2,084,974,582 |
| (4,118)                       | (2,072,070)          | (8,614)                  | (503)                   | (96)                       | (97)                        | (700)                           | (834,018)     |
| (1,037,712)                   | –                    | –                        | –                       | –                          | –                           | (4,455,214)                     | (66,515,716)  |
| (1,041,830)                   | (2,072,070)          | (8,614)                  | (503)                   | (96)                       | (97)                        | (4,455,914)                     | (67,349,734)  |
| 10,160,610                    | 3,628,594,633        | 239,386,883              | (52,489)                | 193,567                    | –                           | 260,900,527                     | 2,017,624,848 |
| (101,430)                     | (83,762,652)         | (1,929,035)              | (3,223)                 | (1,911)                    | –                           | (303,060)                       | (24,155,629)  |
| 10,059,180                    | 3,544,831,981        | 237,457,848              | (55,712)                | 191,656                    | –                           | 260,597,467                     | 1,993,469,219 |



## Comparative Statement of Comprehensive Income

For the financial year ended 31 December 2020

As at 31 December 2020

|  | Notes | Asian Opportunities Fund US\$ | Asian Stars Fund US\$ | Automation & Artificial Intelligence Fund US\$ | Biotechnology Fund US\$ |
|--|-------|-------------------------------|-----------------------|--|-------------------------|
| <b>Investment income</b>   |       |                               |                       |  |                         |
| Investment income  | 2H    | 437,574                       | 80,795                | 4,799,510                                      | 599,331                 |
| Net realised and unrealised (loss)/gain on investments                                 | 2D    | (749,750)                     | 3,886,334             | 214,911,072                                    | 322,029,287             |
| Income equalisation  | 2E    | (119,908)                     | –                     | (117,181)                                      | –                       |
| <b>Net investment (loss)/income</b>  |       | <b>(432,084)</b>              | <b>3,967,129</b>      | <b>219,593,401</b>                             | <b>322,628,618</b>      |
| <b>Expenses</b>  |       |                               |                       |  |                         |
| Investment management fees   | 3     | (194,896)                     | (38,668)              | (2,226,400)                                    | (9,161,955)             |
| Administration fees  | 3     | (9,183)                       | (4,102)               | (242,359)                                      | (346,295)               |
| General expenses   | 3     | (55,182)                      | (37,556)              | (130,713)                                      | (184,339)               |
| Performance fees   | 3     | (83,074)                      | (160,566)             | (7,253,623)                                    | (10,485,339)            |
| Depository's fees  | 3     | (15,535)                      | (6,641)               | (184,995)                                      | (184,694)               |
| Research fees  |       | (1,215)                       | (2,306)               | (118,337)                                      | (277,298)               |
| Legal fees   |       | (513)                         | (655)                 | (39,553)                                       | (57,368)                |
| Directors' fees  | 8     | (1,248)                       | (579)                 | (34,819)                                       | (48,603)                |
| Auditor's fees   |       | (28)                          | (127)                 | (7,492)  | (12,168)                |
| <b>Operating expenses</b>  |       | <b>(360,874)</b>              | <b>(251,200)</b>      | <b>(10,238,291)</b>                            | <b>(20,758,059)</b>     |
| <b>Net (expense)/income from operations before finance costs</b>                       |       | <b>(792,958)</b>              | <b>3,715,929</b>      | <b>209,355,110</b>                             | <b>301,870,559</b>      |
| <b>Finance costs</b>   |       |                               |                       |  |                         |
| Bank interest/financing charges  | 2H    | (3)                           | (109)                 | (114,985)                                      | (162,900)               |
| Distributions to holders of redeemable participating shares                            | 13    | –                             | –                     | –  | –                       |
| <b>Total finance costs</b>   |       | <b>(3)</b>                    | <b>(109)</b>          | <b>(114,985)</b>                               | <b>(162,900)</b>        |
| <b>(Loss)/profit for the year before tax</b>   |       | <b>(792,961)</b>              | <b>3,715,820</b>      | <b>209,240,125</b>                             | <b>301,707,659</b>      |
| Withholding tax  |       | (58,383)                      | (13,224)              | (874,539)                                      | (173,221)               |
| <b>Change in net assets attributable to holders of redeemable participating shares</b> |       | <b>(851,344)</b>              | <b>3,702,596</b>      | <b>208,365,586</b>                             | <b>301,534,438</b>      |



| China Stars Fund US\$ | Emerging Markets Income Fund US\$ | Emerging Markets Stars Fund US\$ | European ex UK Income Fund EUR | Financial Opportunities Fund US\$ | Global Absolute Return Fund US\$ | Global Convertible Fund US\$ | Global Insurance Fund GBP |
|-----------------------|-----------------------------------|----------------------------------|--------------------------------|-----------------------------------|----------------------------------|------------------------------|---------------------------|
| 140,652               | 5,561,678                         | 1,243,440                        | 10,413,745                     | 191,845                           | 1,411,662                        | 37,600,109                   | 25,894,077                |
| 3,856,231             | (9,968,960)                       | 84,620,064                       | (46,227,604)                   | (2,587,321)                       | 9,874,176                        | 200,646,391                  | (115,141,003)             |
| 5,246                 | (453,589)                         | 21,883                           | 328,898                        | (25,174)                          | (18,315)                         | (3,839,501)                  | (433,302)                 |
| 4,002,129             | (4,860,871)                       | 85,885,387                       | (35,484,961)                   | (2,420,650)                       | 11,267,523                       | 234,406,999                  | (89,680,228)              |
| (42,879)              | (743,034)                         | (745,066)                        | (1,910,808)                    | (95,142)                          | (325,743)                        | (7,276,903)                  | (10,832,795)              |
| (4,316)               | (48,484)                          | (69,426)                         | (101,854)                      | (4,415)                           | (19,432)                         | (402,662)                    | (630,712)                 |
| (57,734)              | (87,093)                          | (106,213)                        | (28,195)                       | (46,540)                          | (117,918)                        | (448,146)                    | (211,886)                 |
| (92,209)              | –                                 | (2,558,924)                      | –                              | (6,693)                           | (1,521,702)                      | (23)                         | 933                       |
| (4,815)               | (94,842)                          | (113,329)                        | (75,575)                       | (3,741)                           | (9,262)                          | (205,511)                    | (341,719)                 |
| (2,220)               | (97,653)                          | (32,273)                         | –                              | (770)                             | (4,456)                          | (113,828)                    | (147,280)                 |
| (690)                 | (8,418)                           | (11,711)                         | (17,013)                       | (490)                             | (3,352)                          | (67,150)                     | (107,937)                 |
| (623)                 | (6,885)                           | (9,866)                          | (14,932)                       | (629)                             | (2,954)                          | (72,878)                     | (92,075)                  |
| (142)                 | (613)                             | (4,166)                          | (1,199)                        | –                                 | (470)                            | (9,249)                      | (14,353)                  |
| (205,628)             | (1,087,022)                       | (3,650,974)                      | (2,149,576)                    | (158,420)                         | (2,005,289)                      | (8,596,350)                  | (12,377,824)              |
| 3,796,501             | (5,947,893)                       | 82,234,413                       | (37,634,537)                   | (2,579,070)                       | 9,262,234                        | 225,810,649                  | (102,058,052)             |
| (14,440)              | (4,772)                           | (10,699)                         | (34,969)                       | (424)                             | (32,267)                         | (385,857)                    | (132,293)                 |
| –                     | (5,186,709)                       | –                                | (8,438,293)                    | (160,699)                         | –                                | (27,795,727)                 | (8,820,811)               |
| (14,440)              | (5,191,481)                       | (10,699)                         | (8,473,262)                    | (161,123)                         | (32,267)                         | (28,181,584)                 | (8,953,104)               |
| 3,782,061             | (11,139,374)                      | 82,223,714                       | (46,107,799)                   | (2,740,193)                       | 9,229,967                        | 197,629,065                  | (111,011,156)             |
| (10,417)              | (523,953)                         | (203,592)                        | (921,913)                      | (2,145)                           | (556)                            | (192,494)                    | (3,428,612)               |
| 3,771,644             | (11,663,327)                      | 82,020,122                       | (47,029,712)                   | (2,742,338)                       | 9,229,411                        | 197,436,571                  | (114,439,768)             |



## Comparative Statement of Comprehensive Income continued

For the financial year ended 31 December 2020

As at 31 December 2020

|  | Notes | Global<br>Technology<br>Fund<br>US\$ | Healthcare<br>Blue Chip<br>Fund<br>US\$ | Healthcare<br>Discovery<br>Fund*<br>US\$ | Healthcare<br>Opportunities<br>Fund<br>US\$ |
|--|-------|--------------------------------------|---|--|---|
| <b>Investment income</b>   |       |                                      |   |  |   |
| Investment income  | 2H    | 27,928,268                           | 841,185                                 | 45,003                                   | 11,825,151                                  |
| Net realised and unrealised (loss)/gain on investments                                 | 2D    | 2,972,566,278                        | 5,383,498                               | 12,421,781                               | 347,906,439                                 |
| Income equalisation  | 2E    | –                                    | 12,996                                  | (82)                                     | 2,576                                       |
| <b>Net investment (loss)/income</b>  |       | <b>3,000,494,546</b>                 | <b>6,237,679</b>                        | <b>12,466,702</b>                        | <b>359,734,166</b>                          |
| <b>Expenses</b>  |       |                                      |   |  |   |
| Investment management fees   | 3     | (67,064,282)                         | (495,178)                               | (164,311)                                | (18,826,064)                                |
| Administration fees  | 3     | (2,634,022)                          | (37,142)                                | (11,088)                                 | (810,177)                                   |
| General expenses   | 3     | (1,452,301)                          | (49,356)                                | (34,495)                                 | (324,172)                                   |
| Performance fees   | 3     | (30,980,309)                         | –                                       | (234,272)                                | (766,974)                                   |
| Depository's fees  | 3     | (1,815,837)                          | (20,554)                                | (6,961)                                  | (456,692)                                   |
| Research fees  |       | (1,243,996)                          | (27,468)                                | (10,029)                                 | (691,014)                                   |
| Legal fees   |       | (417,627)                            | (6,416)                                 | (1,712)                                  | (132,147)                                   |
| Directors' fees  | 8     | (382,549)                            | (5,476)                                 | (1,511)                                  | (116,255)                                   |
| Auditor's fees   |       | (93,185)                             | (784)                                   | (494)                                    | (21,203)                                    |
| <b>Operating expenses</b>  |       | <b>(106,084,108)</b>                 | <b>(642,374)</b>                        | <b>(464,873)</b>                         | <b>(22,144,698)</b>                         |
| <b>Net (expense)/income from operations before finance costs</b>                       |       | <b>2,894,410,438</b>                 | <b>5,595,305</b>                        | <b>12,001,829</b>                        | <b>337,589,468</b>                          |
| <b>Finance costs</b>   |       |                                      |   |  |   |
| Bank interest/financing charges  | 2H    | (20,542)                             | (23,769)                                | (1,406)                                  | (32,068)                                    |
| Distributions to holders of redeemable participating shares                            | 13    | –                                    | (652,419)                               | –  | –   |
| <b>Total finance costs</b>   |       | <b>(20,542)</b>                      | <b>(676,188)</b>                        | <b>(1,406)</b>                           | <b>(32,068)</b>                             |
| <b>(Loss)/profit for the year before tax</b>   |       | <b>2,894,389,896</b>                 | <b>4,919,117</b>                        | <b>12,000,423</b>                        | <b>337,557,400</b>                          |
| Withholding tax  |       | (6,172,526)                          | (223,601)                               | (9,300)                                  | (2,575,580)                                 |
| <b>Change in net assets attributable to holders of redeemable participating shares</b> |       | <b>2,888,217,370</b>                 | <b>4,695,516</b>                        | <b>11,991,123</b>                        | <b>334,981,820</b>                          |

\* Healthcare Discovery Fund launched on 31 January 2020.

\*\* UK Absolute Equity Fund terminated on 15 May 2020.

The accompanying notes form an integral part of these Financial Statements.



| Income Opportunities Fund GBP | Japan Value Fund JPY | North American Fund US\$ | UK Absolute Equity Fund** GBP | UK Value Opportunities Fund GBP | Total US\$    |
|-------------------------------|----------------------|--------------------------|-------------------------------|---------------------------------|---------------|
| 4,651,824                     | 528,860,051          | 12,923,667               | 1,184,070                     | 17,721,458                      | 185,946,566   |
| (10,348,013)                  | (7,383,010,406)      | 17,044,522               | (133,051,055)                 | (121,386,972)                   | 3,572,235,308 |
| (2,365,581)                   | (80,346,555)         | (340,848)                | –                             | 46,591                          | (8,782,043)   |
| (8,061,770)                   | (6,934,496,910)      | 29,627,341               | (131,866,985)                 | (103,618,923)                   | 3,749,399,831 |
| (814,752)                     | (191,444,593)        | (8,283,049)              | (1,291,041)                   | (5,590,386)                     | (143,104,974) |
| (38,068)                      | (10,811,425)         | (587,194)                | (65,792)                      | (461,529)                       | (6,983,156)   |
| (34,261)                      | (7,332,295)          | (112,771)                | 148,846                       | (179,290)                       | (4,137,927)   |
| (498,569)                     | –                    | –                        | –                             | (2,307,788)                     | (57,744,766)  |
| (20,254)                      | (7,559,631)          | (309,647)                | (21,159)                      | (151,463)                       | (4,175,789)   |
| (8,482)                       | (12,136,281)         | –                        | (260,264)                     | (132,536)                       | (3,440,693)   |
| (7,484)                       | (2,125,814)          | (107,836)                | (14,971)                      | (78,730)                        | (1,163,401)   |
| (5,416)                       | (1,591,610)          | (85,954)                 | (23,706)                      | (67,397)                        | (1,044,863)   |
| 844                           | (108,651)            | 619                      | (2,080)                       | (9,642)                         | (184,275)     |
| (1,426,442)                   | (233,110,300)        | (9,485,832)              | (1,530,167)                   | (8,978,761)                     | (221,979,844) |
| (9,488,212)                   | (7,167,607,210)      | 20,141,509               | (133,397,152)                 | (112,597,684)                   | 3,527,419,987 |
| (9,519)                       | (5,056,256)          | (1,669)                  | (1,846,404)                   | (613)                           | (3,446,063)   |
| (1,723,491)                   | –                    | –                        | –                             | (15,656,304)                    | (77,058,211)  |
| (1,733,010)                   | (5,056,256)          | (1,669)                  | (1,846,404)                   | (15,656,917)                    | (80,504,274)  |
| (11,221,222)                  | (7,172,663,466)      | 20,139,840               | (135,243,556)                 | (128,254,601)                   | 3,446,915,713 |
| 210,078                       | (95,611,526)         | (3,102,389)              | –                             | (150,770)                       | (20,408,736)  |
| (11,011,144)                  | (7,268,274,992)      | 17,037,451               | (135,243,556)                 | (128,405,371)                   | 3,426,506,977 |



## Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares

For the financial year ended 31 December 2021

As at 31 December 2021

|   | Notes | Asian Opportunities Fund US\$ | Asian Stars Fund US\$ | Automation & Artificial Intelligence Fund US\$ | Biotechnology Fund US\$ |
|---|-------|-------------------------------|-----------------------|--|-------------------------|
| <b>Net assets attributable to holders of redeemable participating shares at the beginning of the financial year</b> |       | 8,372,363                     | 17,447,595            | 753,361,100                                    | 1,256,438,007           |
| Issue of redeemable shares during the financial year  | 9     | 72,598                        | 195,670,182           | 124,475,620                                    | 851,579,878             |
| Fx gain on consolidation  | 9     | –                             | –                     | –  | –                       |
| Redemption of redeemable shares during the financial year   | 9     | (9,033,261)                   | (42,079,661)          | (226,294,185)                                  | (445,199,499)           |
| Change in net assets attributable to holders of redeemable participating shares                                     |       | 588,300                       | (2,114,902)           | 117,286,772                                    | 51,085,713              |
| <b>Net assets attributable to holders of redeemable participating shares at the end of the financial year</b>       |       | –                             | 168,923,214           | 768,829,307                                    | 1,713,904,099           |

|   | Notes | Global Technology Fund US\$ | Healthcare Blue Chip Fund US\$ | Healthcare Discovery Fund US\$ | Healthcare Opportunities Fund US\$ |
|---|-------|-----------------------------|--------------------------------|--------------------------------|------------------------------------|
| <b>Net assets attributable to holders of redeemable participating shares at the beginning of the financial year</b> |       | 8,655,795,829               | 92,030,247                     | 48,456,796                     | 2,124,581,345                      |
| Issue of redeemable shares during the financial year  | 9     | 2,932,766,804               | 21,571,885                     | 28,843,889                     | 485,125,747                        |
| Fx gain on consolidation  | 2     | –                           | –                              | –                              | –                                  |
| Redemption of redeemable shares during the financial year   | 9     | (3,281,148,156)             | (18,009,475)                   | (5,971,168)                    | (651,666,103)                      |
| Change in net assets attributable to holders of redeemable participating shares                                     |       | 770,982,669                 | 20,555,468                     | 1,290,075                      | 180,182,455                        |
| <b>Net assets attributable to holders of redeemable participating shares at the end of the financial year</b>       |       | 9,078,397,146               | 116,148,125                    | 72,619,592                     | 2,138,223,444                      |

\* Asian Opportunities Fund terminated on 01 March 2021.

\*\* Emerging Markets Income Fund merged with the Emerging Markets Stars Fund on 08 June 2021.

\*\*\* Smart Energy Fund launched on 30 September 2021.

\*\*\*\* Smart Mobility Fund launched on 30 September 2021.

The accompanying notes form an integral part of these Financial Statements.



| China Stars Fund US\$ | Emerging Markets Income Fund US\$ | Emerging Markets Stars Fund US\$ | European (ex UK) Income Fund EUR | Financial Opportunities Fund US\$ | Global Absolute Return Fund US\$ | Global Convertible Fund US\$ | Global Insurance Fund GBP |
|-----------------------|-----------------------------------|----------------------------------|----------------------------------|-----------------------------------|----------------------------------|------------------------------|---------------------------|
| 13,974,480            | 104,412,469                       | 370,603,749                      | 190,978,232                      | 10,805,493                        | 47,066,341                       | 1,047,829,601                | 1,587,832,431             |
| 12,041,071            | 3,676,063                         | 1,081,577,517                    | 23,512,624                       | 21,924,862                        | 41,585,735                       | 361,783,823                  | 464,751,344               |
| –                     | –                                 | –                                | –                                | –                                 | –                                | –                            | –                         |
| (3,363,782)           | (112,392,191)                     | (123,759,337)                    | (117,353,112)                    | (11,375,034)                      | (20,114,203)                     | (229,283,199)                | (593,040,286)             |
| (2,672,440)           | 4,303,659                         | (40,068,514)                     | 22,001,759                       | 2,141,441                         | 1,787,511                        | (113,425,819)                | 242,289,235               |
| 19,979,329            | –                                 | 1,288,353,415                    | 119,139,503                      | 23,496,762                        | 70,325,384                       | 1,066,904,406                | 1,701,832,724             |

| Income Opportunities Fund GBP | Japan Value Fund JPY | North American Fund US\$ | Smart Energy Fund*** US\$ | Smart Mobility Fund**** US\$ | UK Absolute Equity Fund GBP | UK Value Opportunities Fund GBP | Total US\$      |
|-------------------------------|----------------------|--------------------------|---------------------------|------------------------------|-----------------------------|---------------------------------|-----------------|
| 59,679,614                    | 17,953,295,439       | 1,055,161,717            | –                         | –                            | –                           | 1,148,193,906                   | 19,835,492,695  |
| 3,417,299                     | 7,741,047,267        | 318,303,304              | 28,201,501                | 7,184,214                    | –                           | 692,866,173                     | 8,211,891,229   |
| –                             | –                    | –                        | –                         | –                            | –                           | –                               | (80,709,370)    |
| (15,103,394)                  | (5,570,721,229)      | (359,488,828)            | (493,118)                 | –                            | –                           | (493,399,757)                   | (7,244,572,983) |
| 10,059,180                    | 3,544,831,981        | 237,457,848              | (55,712)                  | 191,656                      | –                           | 260,597,467                     | 1,993,469,219   |
| 58,052,699                    | 23,668,453,458       | 1,251,434,041            | 27,652,671                | 7,375,870                    | –                           | 1,608,257,789                   | 22,715,570,790  |



## Comparative Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares

For the financial year ended 31 December 2020

As at 31 December 2020

|   | Notes | Asian Opportunities Fund US\$ | Asian Stars Fund US\$ | Automation & Artificial Intelligence Fund US\$ | Biotechnology Fund US\$ |
|---|-------|-------------------------------|-----------------------|--|-------------------------|
| <b>Net assets attributable to holders of redeemable participating shares at the beginning of the financial year</b> |       | 29,530,051                    | 7,204,135             | 432,973,479                                    | 545,642,821             |
| Issue of redeemable shares during the financial year  | 9     | 1,022,912                     | 6,900,069             | 423,128,837                                    | 724,138,196             |
| Fx gain on consolidation  | 2     | –                             | –                     | –  | –                       |
| Redemption of redeemable shares during the financial year   | 9     | (21,329,256)                  | (359,205)             | (311,106,802)                                  | (314,877,448)           |
| Change in net assets attributable to holders of redeemable participating shares                                     |       | (851,344)                     | 3,702,596             | 208,365,586                                    | 301,534,438             |
| <b>Net assets attributable to holders of redeemable participating shares at the end of the financial year</b>       |       | 8,372,363                     | 17,447,595            | 753,361,100                                    | 1,256,438,007           |

|   | Notes | Global Technology Fund US\$ | Healthcare Blue Chip Fund US\$ | Healthcare Discovery Fund* US\$ | Healthcare Opportunities Fund US\$ |
|---|-------|-----------------------------|--------------------------------|---------------------------------|------------------------------------|
| <b>Net assets attributable to holders of redeemable participating shares at the beginning of the financial year</b> |       | 3,650,300,379               | 92,465,732                     | –                               | 1,628,715,705                      |
| Issue of redeemable shares during the financial year  | 9     | 4,640,789,043               | 38,845,916                     | 38,114,584                      | 664,961,029                        |
| Fx gain on consolidation  | 2     | –                           | –                              | –                               | –                                  |
| Redemption of redeemable shares during the financial year   | 9     | (2,523,510,963)             | (43,976,917)                   | (1,648,911)                     | (504,077,209)                      |
| Change in net assets attributable to holders of redeemable participating shares                                     |       | 2,888,217,370               | 4,695,516                      | 11,991,123                      | 334,981,820                        |
| <b>Net assets attributable to holders of redeemable participating shares at the end of the financial year</b>       |       | 8,655,795,829               | 92,030,247                     | 48,456,796                      | 2,124,581,345                      |

\* Healthcare Discovery Fund launched on 31 January 2020.

\*\* UK Absolute Equity Fund terminated on 15 May 2020.

The accompanying notes form an integral part of these Financial Statements.



| China Stars Fund US\$ | Emerging Markets Income Fund US\$ | Emerging Markets Stars Fund US\$ | European ex UK Income Fund EUR | Financial Opportunities Fund US\$ | Global Absolute Return Fund US\$ | Global Convertible Fund US\$ | Global Insurance Fund GBP |
|-----------------------|-----------------------------------|----------------------------------|--------------------------------|-----------------------------------|----------------------------------|------------------------------|---------------------------|
| 7,415,096             | 147,974,671                       | 42,996,000                       | 270,262,166                    | 18,801,517                        | 45,417,356                       | 918,616,595                  | 1,552,466,425             |
| 3,207,732             | 24,573,792                        | 270,313,451                      | 101,405,735                    | 5,575,870                         | 14,576,654                       | 336,588,482                  | 677,780,754               |
| –                     | –                                 | –                                | –                              | –                                 | –                                | –                            | –                         |
| (419,992)             | (56,472,667)                      | (24,725,824)                     | (133,659,957)                  | (10,829,555)                      | (22,157,080)                     | (404,812,047)                | (527,974,980)             |
| 3,771,644             | (11,663,327)                      | 82,020,122                       | (47,029,712)                   | (2,742,338)                       | 9,229,411                        | 197,436,571                  | (114,439,768)             |
| 13,974,480            | 104,412,469                       | 370,603,749                      | 190,978,232                    | 10,805,494                        | 47,066,341                       | 1,047,829,601                | 1,587,832,431             |

| Income Opportunities Fund GBP | Japan Value Fund JPY | North American Fund US\$ | UK Absolute Equity Fund** GBP | UK Value Opportunities Fund GBP | Total US\$      |
|-------------------------------|----------------------|--------------------------|-------------------------------|---------------------------------|-----------------|
| 164,158,552                   | 40,871,864,753       | 2,072,514,390            | 509,468,363                   | 1,266,549,127                   | 14,945,202,724  |
| 3,728,959                     | 3,067,091,170        | 226,981,775              | 70,466,797                    | 672,390,411                     | 9,392,520,275   |
| –                             | –                    | –                        | –                             | –                               | 124,308,697     |
| (97,196,753)                  | (18,717,385,492)     | (1,261,371,899)          | (444,691,604)                 | (662,340,261)                   | (8,053,045,977) |
| (11,011,144)                  | (7,268,274,992)      | 17,037,451               | (135,243,556)                 | (128,405,371)                   | 3,426,506,977   |
| 59,679,614                    | 17,953,295,439       | 1,055,161,717            | –                             | 1,148,193,906                   | 19,835,492,696  |

# Statement of Cash Flows

For the financial year ended 31 December 2021

As at 31 December 2021

|  | Asian<br>Opportunities<br>Fund<br>US\$ | Asian Stars<br>Fund<br>US\$ | Automation<br>& Artificial<br>Intelligence<br>Fund<br>US\$ | Biotechnology<br>Fund<br>US\$ |
|--|--|-----------------------------|--|-------------------------------|
| <b>Cash flows from operating activities</b>                          |  |                             |  |                               |
| Purchase of financial assets   | (56,395)                               | (210,468,260)               | (343,927,031)  | (1,489,781,314)               |
| Proceeds from sale of financial assets                               | 8,745,483                              | 59,436,090                  | 435,181,694  | 1,021,032,334                 |
| Inflow/(outflow) from forward foreign currency contracts and futures | 17,270                                 | (1,118,940)                 | 1,965,928  | (7,526,362)                   |
| Decrease/(increase) in margin accounts                               | –                                      | –                           | –  | –                             |
| Dividends and interest received                                      | 14,681                                 | 943,957                     | 5,962,296  | 790,197                       |
| Operating expenses paid  | (173,277)                              | (109,636)                   | (13,056,103)   | (29,947,798)                  |
| <b>Net cash inflow/(outflow) from operating activities</b>           | <b>8,547,762</b>                       | <b>(151,316,789)</b>        | <b>86,126,784</b>  | <b>(505,432,943)</b>          |
| <b>Cash flows from financing activities</b>                          |  |                             |  |                               |
| Distributions  | –                                      | –                           | –  | –                             |
| Income equalisation  | –                                      | 27,640                      | (201,328)  | –                             |
| Proceeds from redeemable participating shares                        | 72,598                                 | 195,634,836                 | 125,011,860  | 857,234,986                   |
| Redemptions of redeemable participating shares                       | (9,035,743)                            | (41,961,572)                | (225,144,291)  | (441,747,312)                 |
| <b>Net cash (outflow)/inflow from financing activities</b>           | <b>(8,963,145)</b>                     | <b>153,700,904</b>          | <b>(100,333,759)</b>                                       | <b>415,487,674</b>            |
| <b>Net (decrease)/increase in cash</b>                               | <b>(415,383)</b>                       | <b>2,384,115</b>            | <b>(14,206,975)</b>  | <b>(89,945,269)</b>           |
| <b>Foreign exchange adjustment on aggregation</b>                    | <b>–</b>                               | <b>–</b>                    | <b>–</b>   | <b>–</b>                      |
| <b>Cash at beginning of the financial year</b>                       | <b>430,296</b>                         | <b>323,398</b>              | <b>31,471,631</b>  | <b>100,060,925</b>            |
| <b>Cash at end of the financial year</b>                             | <b>14,913</b>                          | <b>2,707,513</b>            | <b>17,264,656</b>  | <b>10,115,656</b>             |
| <b>Supplementary cash flow information</b>                           |  |                             |  |                               |
| <b>Cash flows from operating activities include:</b>                 |  |                             |  |                               |
| Cash received during the financial year for dividend income          | 14,686                                 | 945,770                     | 6,157,754  | 815,738                       |
| Cash received during the financial year for bond interest income     | –                                      | –                           | –  | –                             |
| Cash received during the financial year for bank interest income     | –                                      | –                           | 7,839  | 83                            |
| Cash paid during the financial year for interest expense             | (5)                                    | (1,813)                     | (203,297)  | (25,624)                      |
|  | 14,681                                 | 943,957                     | 5,962,296  | 790,197                       |

\* Asian Opportunities Fund terminated on 01 March 2021.

\*\* Emerging Markets Income Fund merged with the Emerging Markets Stars Fund on 08 June 2021.



| China Stars Fund US\$ | Emerging Markets Income Fund US\$ | Emerging Markets Star Fund US\$ | European (ex UK) Income Fund EUR | Financial Opportunities Fund US\$ | Global Absolute Return Fund US\$ | Global Convertible Fund US\$ | Global Insurance Fund GBP |
|-----------------------|-----------------------------------|---------------------------------|----------------------------------|-----------------------------------|----------------------------------|------------------------------|---------------------------|
| (19,504,775)          | (20,861,087)                      | (1,223,068,530)                 | (22,350,540)                     | (27,462,184)                      | (379,977,560)                    | (4,264,451,756)              | (106,897,932)             |
| 10,878,989            | 130,994,162                       | 283,187,097                     | 113,172,207                      | 17,972,220                        | 352,982,824                      | 4,061,237,609                | 193,389,064               |
| 14,805                | (78,552)                          | (4,541,564)                     | 2,190,857                        | 1,866                             | (5,484,012)                      | (58,416,675)                 | (1,424,797)               |
| 9                     | –                                 | –                               | –                                | –                                 | (711,785)                        | –                            | –                         |
| 197,593               | 1,697,973                         | 5,338,831                       | 7,856,374                        | 403,800                           | 1,337,551                        | 45,648,253                   | 29,014,197                |
| (257,568)             | (590,010)                         | (6,071,989)                     | (2,657,787)                      | (292,048)                         | (2,009,629)                      | (11,146,039)                 | (18,886,469)              |
| (8,670,947)           | 111,162,486                       | (945,156,155)                   | 98,211,111                       | (9,376,346)                       | (33,862,611)                     | (227,128,608)                | 95,194,063                |
| –                     | (2,012,462)                       | –                               | (5,627,689)                      | (187,304)                         | –                                | (34,011,104)                 | (11,359,000)              |
| 58,924                | (1,079,820)                       | 78,741                          | (965,317)                        | 98,959                            | 161,542                          | 3,523,299                    | (2,098,029)               |
| 12,072,946            | 3,711,772                         | 1,081,914,332                   | 23,512,624                       | 21,897,548                        | 41,585,735                       | 362,361,951                  | 466,026,981               |
| (3,398,582)           | (113,082,426)                     | (122,932,893)                   | (117,353,112)                    | (11,368,643)                      | (20,114,203)                     | (228,984,762)                | (591,486,723)             |
| 8,733,288             | (112,462,936)                     | 959,060,180                     | (100,433,494)                    | 10,440,560                        | 21,633,074                       | 102,889,384                  | (138,916,771)             |
| 62,341                | (1,300,450)                       | 13,904,025                      | (2,222,383)                      | 1,064,214                         | (12,229,537)                     | (124,239,224)                | (43,722,708)              |
| –                     | –                                 | –                               | –                                | –                                 | –                                | –                            | –                         |
| 924,488               | 1,426,888                         | 11,697,452                      | (254,206)                        | 383,063                           | 214,045                          | (64,087,192)                 | 49,422,268                |
| 986,829               | 126,438                           | 25,601,477                      | (2,476,589)                      | 1,447,277                         | (12,015,492)                     | (188,326,416)                | 5,699,560                 |
| 199,727               | 1,697,812                         | 5,344,271                       | 7,868,335                        | 404,794                           | 1,178,423                        | 37,144,413                   | 29,108,356                |
| –                     | –                                 | –                               | –                                | –                                 | 238,983                          | 6,671,125                    | –                         |
| 2                     | 164                               | 1,003                           | 154                              | 1                                 | –                                | 1,833,243                    | –                         |
| (2,136)               | (3)                               | (6,443)                         | (12,115)                         | (995)                             | (79,855)                         | (528)                        | (94,159)                  |
| 197,593               | 1,697,973                         | 5,338,831                       | 7,856,374                        | 403,800                           | 1,337,551                        | 45,648,253                   | 29,014,197                |



## Statement of Cash Flows continued

For the financial year ended 31 December 2021

As at 31 December 2021

|  | Global Technology<br>Fund<br>US\$ | Healthcare<br>Blue Chip<br>Fund<br>US\$ | Healthcare<br>Discovery<br>Fund<br>US\$ | Healthcare<br>Opportunities<br>Fund<br>US\$ |
|--|-----------------------------------|---|---|---|
| <b>Cash flows from operating activities</b>                          |                                   |   |   |   |
| Purchase of financial assets   | (10,913,464,357)                  | (157,295,808)                           | (66,811,344)                            | (1,680,908,650)                             |
| Proceeds from sale of financial assets                               | 11,020,930,683                    | 153,849,098                             | 45,250,023                              | 1,925,258,930                               |
| Inflow/(outflow) from forward foreign currency contracts and futures | (60,572,758)                      | (48,737)                                | (147,485)                               | (5,332,971)                                 |
| Decrease/(increase) in margin accounts                               | (4,403,480)                       | –                                       | –                                       | 20,502,128                                  |
| Dividends and interest received                                      | 45,444,393                        | 1,074,004                               | 140,701                                 | 10,002,287                                  |
| Operating expenses paid  | (156,285,849)                     | (938,850)                               | (670,642)                               | (23,440,412)                                |
| <b>Net cash inflow/(outflow) from operating activities</b>           | <b>(68,351,368)</b>               | <b>(3,360,293)</b>                      | <b>(22,238,747)</b>                     | <b>246,081,312</b>                          |
| <b>Cash flows from financing activities</b>                          |                                   |   |   |   |
| Distributions  | –                                 | (465,527)                               | –                                       | –   |
| Income equalisation  | –                                 | 21,016                                  | –                                       | –   |
| Proceeds from redeemable participating shares                        | 2,945,579,068                     | 21,335,181                              | 28,764,438                              | 476,864,198                                 |
| Redemptions of redeemable participating shares                       | (3,256,746,782)                   | (17,542,949)                            | (5,827,197)                             | (657,281,781)                               |
| <b>Net cash (outflow)/inflow from financing activities</b>           | <b>(311,167,714)</b>              | <b>3,347,721</b>                        | <b>22,937,241</b>                       | <b>(180,417,583)</b>                        |
| <b>Net (decrease)/increase in cash</b>                               | <b>(379,519,082)</b>              | <b>(12,572)</b>                         | <b>698,494</b>                          | <b>65,663,729</b>                           |
| <b>Foreign exchange adjustment on aggregation</b>                    | <b>–</b>                          | <b>–</b>                                | <b>–</b>                                | <b>–</b>                                    |
| <b>Cash at beginning of the financial year</b>                       | <b>784,391,029</b>                | <b>4,573,008</b>                        | <b>3,338,624</b>                        | <b>1,941,735</b>                            |
| <b>Cash at end of the financial year</b>                             | <b>404,871,947</b>                | <b>4,560,436</b>                        | <b>4,037,118</b>                        | <b>67,605,464</b>                           |
| <b>Supplementary cash flow information</b>                           |                                   |   |   |   |
| <b>Cash flows from operating activities include:</b>                 |                                   |   |   |   |
| Cash received during the financial year for dividend income          | 45,499,505                        | 1,080,911                               | 141,332                                 | 10,283,150                                  |
| Cash received during the financial year for bond interest income     | –                                 | –                                       | –                                       | –   |
| Cash received during the financial year for bank interest income     | 2,481                             | –                                       | –                                       | –   |
| Cash paid during the financial year for interest expense             | (57,593)                          | (6,907)                                 | (631)                                   | (280,863)                                   |
|  | 45,444,393                        | 1,074,004                               | 140,701                                 | 10,002,287                                  |

\* Smart Energy Fund launched on 30 September 2021.

\*\* Smart Mobility Fund launched on 30 September 2021.

The accompanying notes form an integral part of these Financial Statements.



| Income Opportunities Fund GBP | Japan Value Fund JPY | North American Fund US\$ | Smart Energy Fund* US\$ | Smart Mobility Fund** US\$ | UK Absolute Equity Fund GBP | UK Value Opportunities Fund GBP | Total US\$       |
|-------------------------------|----------------------|--------------------------|-------------------------|----------------------------|-----------------------------|---------------------------------|------------------|
| (17,618,520)                  | (15,712,558,217)     | (452,803,033)            | (34,398,582)            | (9,333,364)                | –                           | (904,250,552)                   | (22,879,372,534) |
| 38,967,293                    | 12,361,844,691       | 508,320,394              | 9,818,753               | 2,444,901                  | –                           | 695,886,311                     | 21,257,332,481   |
| (365,130)                     | 695,010,069          | (9,073,266)              | 10,216                  | 2,059                      | 427                         | 50,713                          | (143,666,400)    |
| (26,323)                      | –                    | –                        | –                       | –                          | –                           | 17,670                          | 15,376,269       |
| 2,995,875                     | 557,212,369          | 8,017,677                | 10,333                  | 3,964                      | (92)                        | 39,058,586                      | 239,259,727      |
| (1,207,672)                   | (285,363,462)        | (10,652,208)             | (36,189)                | (22,101)                   | (1,376)                     | (15,466,186)                    | (310,052,080)    |
| 22,745,523                    | (2,383,854,550)      | 43,809,564               | (24,595,469)            | (6,904,541)                | (1,041)                     | (184,703,458)                   | (1,821,122,537)  |
| (1,037,712)                   | –                    | –                        | –                       | –                          | –                           | (4,455,214)                     | (66,515,715)     |
| (536,356)                     | 29,975,676           | 1,286                    | –                       | –                          | –                           | (200,135)                       | (2,077,691)      |
| 3,406,749                     | 7,755,167,679        | 318,446,475              | 25,474,142              | 7,167,701                  | –                           | 693,904,390                     | 8,223,958,999    |
| (15,378,353)                  | (5,582,228,935)      | (359,948,682)            | (491,724)               | –                          | –                           | (489,643,808)                   | (7,214,536,181)  |
| (13,545,672)                  | 2,202,914,420        | (41,500,921)             | 24,982,418              | 7,167,701                  | –                           | 199,605,233                     | 940,829,412      |
| 9,199,851                     | (180,940,130)        | 2,308,643                | 386,949                 | 263,160                    | (1,041)                     | 14,901,775                      | (880,293,125)    |
| –                             | –                    | –                        | –                       | –                          | –                           | –                               | 313,281,980      |
| 617,784                       | 255,931,723          | 25,342,257               | –                       | –                          | 88,976                      | 27,314,814                      | 1,010,461,445    |
| 9,817,635                     | 74,991,593           | 27,650,900               | 386,949                 | 263,160                    | 87,935                      | 42,216,589                      | 443,450,300      |
| 1,946,133                     | 559,288,590          | 8,026,218                | 10,488                  | 3,998                      | –                           | 39,059,280                      | 229,898,051      |
| 894,204                       | –                    | –                        | –                       | –                          | –                           | –                               | 8,143,793        |
| 159,659                       | 20,271               | –                        | –                       | –                          | –                           | 5                               | 2,063,145        |
| (4,121)                       | (2,096,492)          | (8,541)                  | (155)                   | (34)                       | (92)                        | (699)                           | (845,262)        |
| 2,995,875                     | 557,212,369          | 8,017,677                | 10,333                  | 3,964                      | (92)                        | 39,058,586                      | 239,259,727      |

## Comparative Statement of Cash Flows

For the financial year ended 31 December 2020

As at 31 December 2020

|  | Asian<br>Opportunities<br>Fund<br>US\$ | Asian Stars<br>Fund<br>US\$ | Automation<br>& Artificial<br>Intelligence<br>Fund<br>US\$ | Biotechnology<br>Fund<br>US\$ |
|--|--|-----------------------------|--|-------------------------------|
| <b>Cash flows from operating activities</b>                          |  |                             |  |                               |
| Purchase of financial assets   | (10,501,096)                           | (9,459,051)                 | (423,642,542)  | (1,245,201,213)               |
| Proceeds from sale of financial assets                               | 29,981,063                             | 3,200,155                   | 343,613,991  | 936,998,207                   |
| Inflow/(outflow) from forward foreign currency contracts and futures | 69,006                                 | (42,963)                    | (942,311)  | (138,362)                     |
| Decrease in margin accounts  | –                                      | –                           | –  | –                             |
| Dividends and interest received                                      | 459,381                                | 72,141                      | 4,666,446  | 439,083                       |
| Operating expenses paid  | (560,114)                              | (130,378)                   | (13,868,614)   | (12,534,135)                  |
| <b>Net cash inflow/(outflow) from operating activities</b>           | <b>19,448,240</b>                      | <b>(6,360,096)</b>          | <b>(90,173,030)</b>  | <b>(320,436,420)</b>          |
| <b>Cash flows from financing activities</b>                          |  |                             |  |                               |
| Distributions  | –                                      | –                           | –  | –                             |
| Income equalisation  | (119,908)                              | –                           | (117,181)  | –                             |
| Proceeds from redeemable participating shares issued                 | 1,443,986                              | 6,898,790                   | 422,065,609  | 726,611,159                   |
| Redemptions paid to shareholders                                     | (21,326,774)                           | (359,205)                   | (311,120,214)  | (325,471,604)                 |
| <b>Net cash (outflow)/inflow from financing activities</b>           | <b>(20,002,696)</b>                    | <b>6,539,585</b>            | <b>110,828,214</b>   | <b>401,139,555</b>            |
| <b>Net (decrease)/increase in cash</b>                               | <b>(554,456)</b>                       | <b>179,489</b>              | <b>20,655,184</b>  | <b>80,703,135</b>             |
| <b>Foreign exchange adjustment on aggregation</b>                    | <b>–</b>                               | <b>–</b>                    | <b>–</b>   | <b>–</b>                      |
| <b>Cash at beginning of the financial year</b>                       | <b>984,752</b>                         | <b>143,909</b>              | <b>3,562,824</b>   | <b>19,357,790</b>             |
| <b>Cash at end of the financial year</b>                             | <b>430,296</b>                         | <b>323,398</b>              | <b>24,218,008</b>  | <b>100,060,925</b>            |
| <b>Supplementary cash flow information</b>                           |  |                             |  |                               |
| <b>Cash flows from operating activities include:</b>                 |  |                             |  |                               |
| Cash received during the financial year for dividend income          | 458,846                                | 72,197                      | 4,778,770  | 599,202                       |
| Cash received during the financial year for bond interest income     | –                                      | –                           | –  | –                             |
| Cash received during the financial year for bank interest income     | 534                                    | –                           | 10,680   | 3,208                         |
| Cash paid during the financial year for interest expense             | 1                                      | (56)                        | (123,004)  | (163,327)                     |
|  | 459,381                                | 72,141                      | 4,666,446  | 439,083                       |



| China Stars Fund US\$ | Emerging Markets Income Fund US\$ | Emerging Markets Stars Fund US\$ | European ex UK Income Fund EUR | Financial Opportunities Fund US\$ | Global Absolute Return Fund US\$ | Global Convertible Fund US\$ | Global Insurance Fund GBP |
|-----------------------|-----------------------------------|----------------------------------|--------------------------------|-----------------------------------|----------------------------------|------------------------------|---------------------------|
| (7,504,259)           | (25,403,493)                      | (276,876,408)                    | (132,764,828)                  | (7,624,406)                       | (441,759,227)                    | (3,831,853,787)              | (357,869,162)             |
| 5,575,743             | 56,291,639                        | 39,557,425                       | 167,018,399                    | 13,027,731                        | 489,278,040                      | 3,838,551,642                | 220,584,354               |
| (2,626)               | (86,229)                          | (1,658,199)                      | (6,224,626)                    | 1,002                             | (21,161,774)                     | 4,316,495                    | 113,740                   |
|                       |                                   | –                                | –                              | –                                 | 3,640,834                        | 8,994,826                    | –                         |
| 121,897               | 5,522,035                         | 924,798                          | 10,378,596                     | 189,618                           | 1,408,620                        | 36,210,506                   | 25,781,795                |
| (116,074)             | (1,666,008)                       | 285,180                          | (3,225,658)                    | (165,859)                         | (571,416)                        | (8,523,995)                  | (15,941,264)              |
| (1,925,319)           | 34,657,944                        | (237,767,204)                    | 35,181,883                     | 5,428,086                         | 30,835,077                       | 47,695,687                   | (127,330,537)             |
| –                     | (5,186,709)                       | –                                | (8,438,293)                    | (160,699)                         | –                                | (27,795,727)                 | (8,820,811)               |
| 5,246                 | (453,589)                         | 21,883                           | 328,898                        | (25,174)                          | (18,314)                         | (3,839,501)                  | (433,302)                 |
| 3,174,240             | 24,693,006                        | 272,735,384                      | 101,441,181                    | 5,566,395                         | 14,613,019                       | 336,090,402                  | 687,175,601               |
| (384,410)             | (55,937,471)                      | (24,086,693)                     | (133,679,316)                  | (10,837,661)                      | (22,157,607)                     | (405,843,988)                | (535,576,901)             |
| 2,788,606             | (36,884,763)                      | 248,670,574                      | (40,347,530)                   | (5,457,139)                       | (7,562,902)                      | (101,388,814)                | 142,344,587               |
| 863,287               | (2,226,819)                       | 10,903,370                       | (5,165,647)                    | (29,053)                          | 23,272,175                       | (53,693,127)                 | 15,014,050                |
| –                     | –                                 | –                                | –                              | –                                 | –                                | –                            | –                         |
| 61,201                | 3,653,707                         | 794,082                          | 4,911,441                      | 412,116                           | (23,058,130)                     | (10,394,065)                 | 34,408,218                |
| 924,488               | 1,426,888                         | 11,697,452                       | (254,206)                      | 383,063                           | 214,045                          | (64,087,192)                 | 49,422,268                |
| 136,288               | 5,526,470                         | 935,349                          | 10,413,395                     | 189,884                           | 891,833                          | 22,682,443                   | 25,917,586                |
| –                     | –                                 | –                                | –                              | –                                 | 541,240                          | 13,978,456                   | –                         |
| 1,523                 | 345                               | 148                              | 350                            | 151                               | 166                              | (64,536)                     | 22,992                    |
| (15,914)              | (4,780)                           | (10,699)                         | (35,149)                       | (417)                             | (24,619)                         | (385,857)                    | (158,783)                 |
| 121,897               | 5,522,035                         | 924,798                          | 10,378,596                     | 189,618                           | 1,408,620                        | 36,210,506                   | 25,781,795                |

## Comparative Statement of Cash Flows continued

For the financial year ended 31 December 2020

As at 31 December 2020

|  | Global<br>Technology<br>Fund<br>US\$ | Healthcare<br>Blue Chip<br>Fund<br>US\$ | Healthcare<br>Discovery<br>Fund*<br>US\$ | Healthcare<br>Opportunities<br>Fund<br>US\$ |
|--|--------------------------------------|---|--|---|
| <b>Cash flows from operating activities</b>                          |                                      |   |  |   |
| Purchase of financial assets   | (9,081,297,226)                      | (249,008,670)                           | (64,419,819)                             | (4,914,728,369)                             |
| Proceeds from sale of financial assets                               | 7,602,817,059                        | 257,406,916                             | 31,570,918                               | 4,783,035,552                               |
| Inflow/(outflow) from forward foreign currency contracts and futures | 48,120,322                           | (59,478)                                | (1,433)                                  | (1,621,723)                                 |
| Decrease/(increase) in margin accounts                               | 22,817,732                           | –                                       | –  | (71,197)                                    |
| Dividends and interest received                                      | 26,955,770                           | 812,991                                 | 38,151                                   | 12,514,720                                  |
| Operating expenses paid  | (74,432,737)                         | (883,590)                               | (219,097)                                | (23,438,522)                                |
| <b>Net cash inflow/(outflow) from operating activities</b>           | <b>(1,455,019,080)</b>               | <b>8,268,169</b>                        | <b>(33,031,280)</b>                      | <b>(144,309,539)</b>                        |
| <b>Cash flows from financing activities</b>                          |                                      |   |  |   |
| Distributions  | –                                    | (652,419)                               | –  | –   |
| Income equalisation  | –                                    | 12,996                                  | –  | 2,576                                       |
| Proceeds from redeemable participating shares issued                 | 4,623,576,050                        | 39,069,659                              | 38,014,563                               | 665,791,946                                 |
| Redemptions paid to shareholders                                     | (2,508,120,746)                      | (44,161,871)                            | (1,644,577)                              | (496,983,024)                               |
| <b>Net cash (outflow)/inflow from financing activities</b>           | <b>2,115,455,304</b>                 | <b>(5,731,635)</b>                      | <b>36,369,904</b>                        | <b>168,811,498</b>                          |
| <b>Net (decrease)/increase in cash</b>                               | <b>660,436,224</b>                   | <b>2,536,534</b>                        | <b>3,338,624</b>                         | <b>24,501,959</b>                           |
| <b>Foreign exchange adjustment on aggregation</b>                    | <b>–</b>                             | <b>–</b>                                | <b>–</b>                                 | <b>–</b>                                    |
| <b>Cash at beginning of the financial year</b>                       | <b>123,954,805</b>                   | <b>2,036,474</b>                        | <b>–</b>                                 | <b>(22,560,224)</b>                         |
| <b>Cash at end of the financial year</b>                             | <b>784,391,029</b>                   | <b>4,573,008</b>                        | <b>3,338,624</b>                         | <b>1,941,735</b>                            |
| <b>Supplementary cash flow information</b>                           |                                      |   |  |   |
| <b>Cash flows from operating activities include:</b>                 |                                      |   |  |   |
| Cash received during the financial year for dividend income          | 26,765,402                           | 834,596                                 | 39,453                                   | 12,514,405                                  |
| Cash received during the financial year for bond interest income     | –                                    | –                                       | –  | –   |
| Cash received during the financial year for bank interest income     | 190,368                              | 3,015                                   | –  | 315   |
| Cash paid during the financial year for interest expense             | –                                    | (24,620)                                | (1,302)                                  | –   |
|  | 26,955,770                           | 812,991                                 | 38,151                                   | 12,514,720                                  |

\* Healthcare Discovery Fund launched on 31 January 2020.

\*\* UK Absolute Equity Fund terminated on 15 May 2020.

The accompanying notes form an integral part of these Financial Statements.



| Income Opportunities Fund GBP | Japan Value Fund JPY | North American Fund US\$ | UK Absolute Fund** GBP | UK Value Opportunities Fund GBP | Total US\$       |
|-------------------------------|----------------------|--------------------------|------------------------|---------------------------------|------------------|
| (22,928,527)                  | (15,175,873,003)     | (786,314,992)            | (136,483,552)          | (680,412,251)                   | (23,206,540,088) |
| 103,883,254                   | 28,181,493,092       | 1,793,342,485            | 417,568,011            | 630,530,616                     | 22,440,623,825   |
| (235,433)                     | (417,162,500)        | 2,554,557                | 8,411,562              | 452                             | 29,513,567       |
| 2,440,108                     | –                    | –                        | 36,599,396             | 22                              | 87,089,569       |
| 5,269,466                     | 563,317,865          | 13,501,811               | 511,819                | 17,576,413                      | 183,990,551      |
| (1,177,327)                   | (363,842,560)        | (13,814,783)             | (7,266,261)            | (7,538,600)                     | (196,121,925)    |
| 87,251,541                    | 12,787,932,894       | 1,009,269,078            | 319,340,975            | (39,843,348)                    | (661,444,501)    |
| (1,723,491)                   | –                    | –                        | –                      | (15,656,304)                    | (77,058,211)     |
| (2,367,781)                   | (80,346,555)         | (340,848)                | –                      | 46,591                          | (8,785,049)      |
| 3,750,570                     | 4,140,447,286        | 226,060,158              | 72,700,160             | 673,275,311                     | 9,405,727,404    |
| (96,992,387)                  | (18,773,190,074)     | (1,277,223,767)          | (448,262,552)          | (662,764,953)                   | (8,071,843,242)  |
| (97,333,089)                  | (14,713,089,343)     | (1,051,504,457)          | (375,562,392)          | (5,099,355)                     | 1,248,040,903    |
| (10,081,548)                  | (1,925,156,449)      | (42,235,379)             | (56,221,417)           | (44,942,703)                    | 586,596,402      |
| –                             | –                    | –                        | –                      | –                               | 1,532,425        |
| 10,699,332                    | 2,181,088,172        | 67,577,636               | 56,310,393             | 72,257,517                      | 422,332,618      |
| 617,784                       | 255,931,723          | 25,342,257               | 88,976                 | 27,314,814                      | 1,010,461,445    |
| 2,410,082                     | 568,652,885          | 13,491,855               | 2,318,511              | 17,577,064                      | 169,237,627      |
| 2,859,384                     | –                    | –                        | –                      | –                               | 18,219,253       |
| –                             | –                    | 11,604                   | 349,238                | –                               | 423,583          |
| –                             | (5,335,020)          | (1,648)                  | (2,155,930)            | (651)                           | (3,889,912)      |
| 5,269,466                     | 563,317,865          | 13,501,811               | 511,819                | 17,576,413                      | 183,990,551      |



## Notes to the Financial Statements

For the financial year ended 31 December 2021

### 1. Organisation and nature of business

Polar Capital Funds plc (the 'Company') is an open-ended investment company with variable capital and segregated liability between its sub-funds (the 'Funds'), organised under the laws of Ireland. The Company has been authorised by the Central Bank of Ireland (the 'Central Bank') as an Undertaking for Collective Investment in Transferable Securities ('UCITS') pursuant to the UCITS Regulations and structured as an umbrella fund in that different sub-funds thereof may be established with the prior approval of the Central Bank. The redeemable participating shares of the Funds are listed on Euronext Dublin (formerly The Irish Stock Exchange). At 31 December 2021, the Company had twenty active Funds.

The following Funds are currently authorised:

|   | Date of first issue of share class | Investment management fee | Performance fee |
|---|------------------------------------|---------------------------|-----------------|
| Asian Opportunities Fund*                 | 30/03/2012                         | Up to 1.00%               | 10%             |
| Asian Stars Fund                          | 21/12/2018                         | Up to 1.25%               | 10%             |
| Automation & Artificial Intelligence Fund | 06/10/2017                         | Up to 1.30%               | 10%             |
| Biotechnology Fund                        | 31/10/2013                         | Up to 1.50%               | 10%             |
| China Stars Fund                          | 31/08/2018                         | Up to 1.25%               | 10%             |
| Emerging Markets Income Fund**            | 21/01/2011                         | Up to 1.50%               | 10%             |
| Emerging Markets Stars Fund               | 29/06/2018                         | Up to 1.25%               | 10%             |
| European ex UK Income Fund                | 01/07/2015                         | Up to 1.50%               | –               |
| Financial Opportunities Fund              | 03/05/2011                         | Up to 1.50%               | 10%             |
| Global Absolute Return Fund               | 31/12/2018                         | Up to 1.00%               | 15%             |
| Global Convertible Fund                   | 30/08/2013                         | Up to 1.50%               | 10%             |
| Global Insurance Fund                     | 27/05/2011                         | Up to 1.25%               | 10%             |
| Global Technology Fund                    | 22/10/2001                         | Up to 1.50%               | 10%             |
| Healthcare Blue Chip Fund                 | 11/09/2014                         | Up to 0.85%               | 10%             |
| Healthcare Discovery Fund                 | 31/01/2020                         | Up to 1.00%               | 10%             |
| Healthcare Opportunities Fund             | 03/12/2007                         | Up to 1.50%               | 10%             |
| Income Opportunities Fund                 | 30/03/2012                         | Up to 1.25%               | 10%             |
| Japan Value Fund                          | 01/11/2012                         | Up to 1.35%               | 10%             |
| North American Fund                       | 14/11/2011                         | Up to 1.25%               | –               |
| Smart Energy Fund***                      | 30/09/2021                         | Up to 1.50%               | –               |
| Smart Mobility Fund***                    | 30/09/2021                         | Up to 1.50%               | –               |
| UK Absolute Equity Fund****               | 29/09/2014                         | Up to 1.50%               | 20%             |
| UK Value Opportunities Fund               | 31/01/2017                         | Up to 0.75%               | 10%             |

\* Asian Opportunities Fund terminated on 1 March 2021.

\*\* Emerging Markets Income Fund merged with Emerging Markets Stars Fund on 8 June 2021.

\*\*\* Smart Energy Fund and Smart Mobility Fund launched on 30 September 2021.

\*\*\*\*UK Absolute Equity Fund terminated on 15 May 2020.

For each fund, share classes are available to both Institutional and Retail investors to which different fee rates may apply. For further information regarding the investment management fee and performance fee relating to each Fund please refer to the Prospectus and Supplements to the Prospectus.



The following table details the investment objectives for each Fund. Investors should note that there can be no guarantee that any Fund will achieve its investment objectives.

| Fund Name   | Investment Objective   |
|---|--|
| <b>Asian Stars Fund</b>                                 | The investment objective of the Asian Stars Fund is to achieve medium to long term growth and to primarily invest in a diversified portfolio of equity securities and equity related securities of, or relating to companies, which are domiciled, or exercise the predominant part of their economic activity, in Asian developed and emerging markets. The Fund will generally not invest more than 30% of its Net Asset Value in securities issued by companies in Japan or outside of Asia (such as Australia or New Zealand).   |
| <b>Automation &amp; Artificial Intelligence Fund</b>    | The investment objective of Automation & Artificial Intelligence Fund is to achieve long-term capital appreciation by primarily investing in a diversified portfolio of global equity securities which may be listed or traded on a Regulated Market. The Fund is not expected to invest more than 20% of its Net Asset Value in emerging markets. The securities in which the Fund will primarily invest will include equity and equity related securities including, but not limited to, ordinary and preference shares and financial derivative instruments.  |
| <b>Biotechnology Fund</b>                               | The investment objective of the Biotechnology Fund is to preserve capital and achieve long-term capital appreciation. The Fund will seek to achieve its investment objective by investing in a globally diversified portfolio of biotechnology, diagnostics and life sciences tools companies and will invest in transferable securities including shares, equity warrants and other types of equity related securities such as preferred shares, which will be listed and/or traded on a Regulated Market, and issued by biotechnology, diagnostics and life sciences tools companies. The Fund may also invest in Global depository receipts and American and European depository receipts to gain exposure to biotechnology companies. The Fund may invest in unlisted securities subject to a limit of 10% of its Net Asset Value in unlisted securities. The Fund will seek to outperform the NASDAQ Biotechnology Index.   |
| <b>China Stars Fund</b>                                 | The investment objective of China Stars Fund is to achieve long-term capital growth by primarily investing in a diversified portfolio of equity securities and equity related securities of, or relating to companies, which are domiciled, or exercise the predominant part of their economic activity, in The Peoples' Republic of China, Hong Kong and Taiwan (together 'Greater China'). The Fund is not expected to invest more than 40% of its Net Asset Value in securities issued by companies outside of Greater China. The securities in which the Fund will invest will include transferable securities, to include shares, equities, equity warrants, preferred shares, shares in collective investment schemes with investment policies that are consistent with the Fund's investment objective and securities convertible into shares, which may be listed on a Regulated Market or unlisted (subject to a limit of 10% of the Net Asset Value of the Fund in unlisted securities) and issued by companies. |
| <b>Emerging Markets Income Fund</b>                     | The investment objective of each of the Emerging Markets Income Funds was to achieve both income and long term capital growth by investing in securities of issuers that are incorporated, have their headquarters, or exercise a significant part of their economic activities in markets/countries which are, in the Investment Manager's opinion, emerging markets/developing countries.  |
| Merged with Emerging Markets Stars Fund on 8 June 2021. |  |
| <b>Emerging Markets Stars Fund</b>                      | The investment objective of the Emerging Markets Stars Fund is to achieve long term capital growth. The Fund will seek to achieve its investment objective by primarily investing in a diversified portfolio of equity securities and equity related securities of, or relating to companies, which are domiciled, or exercise the predominant part of their economic activity, in emerging markets. The Fund is not expected to invest more than 30% of its Net Asset Value in securities issued by companies outside of the emerging markets. The securities in which the Fund will invest will include transferable securities, such as shares, equities, equity warrants, preferred shares, and shares in collective investment schemes.   |
| <b>European ex UK Income Fund</b>                       | The investment objective of the European ex UK Income Fund is to deliver strong long term risk adjusted returns to achieve both income and capital growth by investing in securities of issuers that are incorporated, have their headquarters, or exercise a significant part greater than 20% of their economic activities in European markets/ countries excluding the United Kingdom. It is anticipated to target an overall yield of 10% higher than that of the Index (MSCI Daily Net Total Return Europe ex UK EUR); however, this cannot be guaranteed.  |
| <b>Financial Opportunities Fund</b>                     | The investment objective of the Financial Opportunities Fund is to achieve long term capital growth, and in order to achieve its objective the Fund will invest in the securities of financial sector companies and companies related to the financial sector worldwide. These companies primarily include commercial and investment banks, life and non-life insurance and reinsurance companies, asset management and brokerage companies.   |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

## 1. Organisation and nature of business continued

| Fund Name                            | Investment Objective   |
|--------------------------------------|--|
| <b>Global Absolute Return Fund</b>   | The investment objective of the Global Absolute Return Fund is to deliver capital growth over rolling 12-month periods, in all market conditions. There is no guarantee the Fund will achieve this objective over any given period.  |
| <b>Global Convertible Fund</b>       | The investment objective of the Global Convertible Fund is to generate both income and long term capital growth by investing in a diversified portfolio of convertible bonds (the underlying of which will be equity securities) and financial derivative instruments. Such securities will be listed and/or traded on a Recognised Exchange. The Fund will have a global geographical focus, and may invest more than 20% of its Net Asset Value in emerging markets.   |
| <b>Global Insurance Fund</b>         | The investment objective of the Global Insurance Fund is to provide an attractive total return irrespective of broader economic and financial market conditions. In order to achieve its investment objective the Fund will invest primarily in securities of insurance related companies worldwide. These companies include insurance and reinsurance companies, life assurance companies, insurance brokerage companies and other insurance related businesses including, but not limited to, insurance claims administration companies, insurance support service companies and companies that own insurance related assets.  |
| <b>Global Technology Fund</b>        | The investment objective of the Global Technology Fund is long term capital appreciation by way of investing in a globally diversified portfolio of technology companies. Although the Fund may receive income in the form of dividends, interest and from other sources, income is not a primary consideration. The Fund will invest at least two thirds of its net asset value in technology-related companies worldwide. The Fund will take a geographically diversified approach and operate within broad asset allocation ranges, but there are no specified limits on investing in any geographical region or single country.  |
| <b>Healthcare Blue Chip Fund</b>     | The investment objective of the Healthcare Blue Chip Fund is to achieve long term capital appreciation. The Fund will seek to achieve its investment objective by investing in a globally diversified portfolio of healthcare companies. The Fund will invest in transferable securities including, shares, equity warrants and other types of equity related securities such as preferred shares, which will be listed and/or traded on a Regulated Market, and issued by healthcare companies, to include, but not limited to, pharmaceutical, biotechnology, medical device and healthcare services companies. The Healthcare Blue Chip Fund may also invest in Global depository receipts and American and European depository receipts to gain exposure to healthcare companies.  |
| <b>Healthcare Discovery Fund</b>     | The investment objective of the Healthcare Discovery Fund is to achieve long term capital appreciation by way of investing in a globally diversified portfolio of healthcare companies which may be listed on traded on a Regulated Market. The securities in which the Fund will primarily invest will include equity and equity related securities including, but not limited to, ordinary and preference shares and financial derivative instruments. The Fund will typically invest in small capitalisation issues depending on market liquidity and as it judges the available opportunities. The Fund will take a geographically diversified approach. There are no specified limits on investing in any geographical region or in any sub-sector of healthcare.   |
| <b>Healthcare Opportunities Fund</b> | The investment objective of the Healthcare Opportunities Fund is to preserve capital and achieve long term capital appreciation by investing in a globally diversified portfolio of healthcare companies. The Fund will seek to outperform the MSCI Global Healthcare Index whilst striving to limit the volatility of the Fund's returns. The Fund will take a geographically diversified approach and operate within broad asset allocation ranges, but there are no specified limits on investing in any geographical region or in any sub-sector of healthcare. Non-healthcare related securities will not exceed one third of the Fund's total assets.  |
| <b>Income Opportunities Fund</b>     | The investment objective of the Income Opportunities Fund is to provide an attractive level of income together with capital growth. In order to achieve its objective the Fund will invest primarily in the equity, debt and other securities of listed financial companies. The debt securities in which the Fund will invest will be fixed and floating rate and include, but are not limited to, preference shares, convertible bonds, debentures and bonds with the restriction that unrated debt securities will not be greater than 25% of the Net Asset Value of the Fund. The other securities in which the Fund may invest will be securities with equity characteristics, including but not limited to preferred stocks, as well as depository receipts (including global depository receipts traded) for such securities. |



| Fund Name   | Investment Objective  |
|---|---|
| <b>Japan Value Fund</b>   | The investment objective of the Japan Value Fund is to achieve long term capital appreciation. The Fund will seek to achieve its investment objective by investing primarily in equity securities of issuers that exercise a significant part of their economic activities in Japan or are organised under the laws of Japan. The Fund intends to primarily invest its assets in securities listed on the Tokyo and regional Japanese exchanges that are Regulated Markets. Investment will primarily be concentrated in securities listed on the Tokyo Stock Exchange, however, the Fund may also, to a limited extent, invest in securities listed on regional Japanese exchanges. In addition, the Fund may also, to a limited extent, invest in securities listed and/or traded globally on Regulated Markets which securities provide exposure to the Japanese market. |
| <b>North American Fund</b>  | The investment objective of the North American Fund is to achieve long term capital appreciation. The Fund invests in a diversified portfolio of securities of North American companies. The Investment Manager will invest in large, medium and small capitalisation companies depending on market liquidity and as it judges the available opportunities.   |
| <b>Smart Energy Fund</b><br><br>Fund launched on 30 September 2021. | The investment objective of the Fund is to provide long-term capital growth. The Fund invests in a global portfolio of selected publicly listed companies with exposure to the themes of smart energy, with at least 51% of its gross assets invested on a continuous basis in Equity Participations. Investments will be made in transferable securities including, but not limited to, shares, equity warrants and other types of securities such as preferred shares, which will be listed on a Regulated Market, and issued by companies, and Global, American and European depository receipts.  |
| <b>Smart Energy Fund</b><br><br>Fund launched on 30 September 2021. | The investment objective of the Fund is to provide long-term capital growth. The Fund invests in a global portfolio of selected publicly listed companies with exposure to the themes of smart mobility, with at least 51% of its gross assets invested on a continuous basis in Equity Participations. Investments will be made in transferable securities including, but not limited to, shares, equity warrants and other types of securities such as preferred shares, which will be listed on a Regulated Market, and issued by companies, and Global, American and European depository receipts.  |
| <b>UK Value Opportunities Fund</b>                                  | The investment objective of UK Value Opportunities Fund is to achieve long term capital appreciation. The Fund will seek to achieve its investment objective by primarily investing in a diversified portfolio of equity securities listed in the UK. The securities in which the Fund will invest will primarily include equity securities including, but not limited to ordinary and preference shares and equity warrants. The Fund will aim to outperform the FTSE All-Share Total Return Index by investing in undervalued companies or shares, whilst striving to reduce the volatility of the Fund's return by investing in a diversified portfolio.   |

## 2. Principal Accounting Policies

The principal accounting policies applied in the preparation of these Financial Statements are set out below.

### A. Basis of Preparation

These Financial Statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ('IFRS'), with Irish Statute comprising the Companies Act 2014 and with the Central Bank UCITS Regulations.

The financial statements have been prepared on a fair value basis for financial assets and financial liabilities at fair value through profit or loss and derivative financial instruments in accordance with the relevant accounting standards. All other assets and liabilities are short term in nature and their carrying value approximates fair value. Redeemable participating shares are stated at redemption amount (redeemable participating shares).



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

## 2. Principal Accounting Policies continued

### A. Basis of Preparation continued

The format and certain wording of the financial statements have been adapted from those contained in the Companies Act 2014 so that, in the opinion of the Directors, they more appropriately reflect the nature of the Company's business as an investment fund.

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Where applicable, information about assumptions and estimation uncertainties that have an impact on the financial statements are disclosed in note 2 (D) and note 10 and relate to the determination of fair value of financial instruments with significant unobservable inputs. As at 31 December 2021 and 31 December 2020, the Sub-Funds do not hold any financial instruments with significant unobservable inputs.

The UK Absolute Equity Fund financial information has been prepared on a non-going concern basis of accounting where all assets are stated at their estimated recoverable amounts. As the assets of the Funds were already carried at amounts which approximate their recoverable amounts the re-measurement has not resulted in any adjustments to their value.

The Asian Opportunities Fund financial information has been prepared on a non-going concern basis of accounting as the Fund was terminated on 1 March 2021.

The Emerging Markets Income Fund financial information has been prepared on a non-going concern basis of accounting as the Fund merged with the Emerging Markets Stars Fund on 8 June 2021.

### International Financial Reporting Standards

The Company has adopted all applicable International Financial Reporting Standards as endorsed by the European Union.

The Company classifies its redeemable shares as financial liabilities in accordance with IAS 32. The financial statements of the Company also include qualitative disclosure which indicates how the net asset value attributable to redeemable shareholders is calculated.

The combination of the above disclosures is considered, in this instance, to be sufficient to address the requirements of the amendments

### IFRIC interpretation 23 Uncertainty or Income Tax Treatment

On 7 June 2017, the international Accounting Standards Board issued IFRIC Interpretation 23 – uncertainty over Income Tax Treatments (the 'Interpretation'). The Interpretation clarifies application of recognition and measurement requirements in IAS 12 Income Taxes when there is uncertainty over the income tax treatments. The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

### IFRIC interpretation 23 Uncertainty or Income Tax Treatment

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The Company applies significant judgement in identifying uncertainties over income tax treatments. Since the Company operates in a complex multinational environment, it assessed whether the Interpretation had an impact on its financial statements.

The accounting policies have been applied consistently by the Company.

### B. Swing pricing/dilution levy

A Fund may suffer dilution of the net asset value per share due to investors buying or selling shares in a Fund at a price that does not reflect dealing and other costs that arise when security trades are undertaken by the Investment Manager to accommodate cash inflows or outflows.



In order to counter this impact, a swing pricing mechanism has been adopted to protect the long-term interests of shareholders of the Funds. If, on any valuation date, the aggregate net capital activity of a Fund exceeds a pre-determined threshold, as established and reviewed by the Board of Directors of the Company, the net asset value per share will be adjusted upwards or downwards to reflect costs associated with the net capital inflows/(outflows) respectively.

The swing factor is impacted by three factors:

1. Adjustment for the spread between the bid and offer price of the underlying securities (currently a Fund will only swing to bid on material net redemptions).
2. An adjustment for broker fees and other market charges.
3. An adjustment for governmental taxes and duties payable on securities transactions

As a result of capital activity at the financial year end on the Income Opportunities Fund and UK Value Opportunities Fund, this Funds' net asset value per share at the financial year end was adjusted to reflect factors two and three above. The level of activity was not sufficiently material to justify applying factor one, or to require adjustment for any other Funds.

For financial reporting purposes, the net assets of each Fund at 31 December 2021 as disclosed in the Statement of Financial Position and Statement of Changes in Net Assets attributable to Holders of Redeemable Participating Shares, does not reflect any swing pricing or duties and charges adjustment. The net asset value per share at 31 December 2021 used for dealing purposes, which is shown in Note 8 and Note 12, includes any swing price adjustments.

The following tables set out a reconciliation of the financial reporting net asset value per share and the dealing Net Asset Value per share for the two Funds affected:

| <b>Income Opportunities Fund</b>      | <b>Dealing NAV<br/>per share</b> | <b>Swing Pricing<br/>Adjustment</b> | <b>Financial Statements<br/>NAV per share</b> |
|---------------------------------------|----------------------------------|-------------------------------------|---|
| Class A1 Sterling Distribution        | £1.48                            | £0.00                               | £1.48   |
| Class A2 Sterling Accumulation        | £2.71                            | £0.00                               | £2.71   |
| Class B1 Sterling Distribution        | £1.57                            | £0.00                               | £1.57   |
| Class B2 Sterling Accumulation        | £2.85                            | £0.00                               | £2.85   |
| Class I Euro Accumulation             | €3.39                            | €0.00                               | €3.39   |
| Class I Euro Distribution             | €1.87                            | €0.00                               | €1.87   |
| Class I Euro Hedged Accumulation      | €16.29                           | €0.02                               | €16.27  |
| Class I Euro Hedged Distribution      | €12.59                           | €0.02                               | €12.57  |
| Class I US Dollar Accumulation        | \$3.86                           | \$0.01                              | \$3.85  |
| Class I US Dollar Distribution        | \$2.13                           | \$0.00                              | \$2.13  |
| Class R Euro Accumulation             | €3.23                            | €0.00                               | €3.23   |
| Class R Euro Distribution             | €1.76                            | €0.00                               | €1.76   |
| Class R Euro Hedged Accumulation      | €15.87                           | €0.02                               | €15.85  |
| Class R Euro Hedged Distribution      | €12.28                           | €0.02                               | €12.26  |
| Class R US Dollar Accumulation        | \$3.67                           | \$0.01                              | \$3.66  |
| Class R US Dollar Distribution        | \$2.00                           | \$0.00                              | \$2.00  |
| Class R US Dollar Hedged Accumulation | \$13.89                          | \$0.02                              | \$13.87                                       |
| Class R US Dollar Hedged Distribution | \$11.33                          | \$0.02                              | \$11.31                                       |
| Class Z Sterling Accumulation*        | £0.00                            | £0.00                               | £0.00   |
| Class Z Sterling Distribution*        | £0.00                            | £0.00                               | £0.00   |

\* The swing price adjustment had insignificant impact on NAV per share.

## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

## 2. Principal Accounting Policies continued

### B. Swing pricing/dilution levy continued

| UK Value Opportunities Fund    | Dealing NAV per share | Swing Pricing Adjustment | Financial Statements NAV per share |
|--------------------------------|-----------------------|--------------------------|------------------------------------|
| Class I Sterling Accumulation  | £14.64                | £0.07                    | £14.57                             |
| Class I Sterling Distribution  | £13.83                | £0.06                    | £13.77                             |
| Class R Sterling Accumulation  | £12.25                | £0.05                    | £12.20                             |
| Class S Sterling Accumulation  | £14.72                | £0.07                    | £14.65                             |
| Class S Sterling Distribution  | £13.86                | £0.07                    | £13.79                             |
| Class Z Sterling Accumulation  | £13.30                | £0.06                    | £13.24                             |
| Class Z Sterling Distribution* | £0.00                 | £0.00                    | £0.00                              |

### C. Foreign exchange translation

#### (i) Presentational currency

Items included in the Company's Financial Statements are measured using the currency of the primary economic environment in which it operates (the 'presentational currency'). The presentation currency for the Company is US Dollars ('\$' or 'US\$'). The functional currency for each Fund is driven by the investment policy of each Fund. This is US\$ for all Funds with the exception of European ex UK Income Fund and European Income Fund, for which the functional currency is Euro ('EUR' or '€'), Global Insurance Fund, Income Opportunities Fund, UK Absolute Equity Fund and UK Value Opportunities Fund, the functional currency of which is Sterling ('GBP' or '£') and Japan Fund and Japan Value Fund, for which the functional currency is Japanese yen ('JPY' or '¥').

#### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income. For the purposes of aggregation, the amounts in the financial statements for the European ex UK Income Fund, Global Insurance Fund, Income Opportunities Fund, Japan Value Fund, UK Absolute Equity Fund and UK Value Opportunities Fund have been translated to US\$ at the exchange rate ruling at the financial year end.

The foreign currency translation adjustment of US\$78,418,120 (31 December 2020: US\$124,308,697) included in the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares is due to the movement in exchange rates between 1 January 2021 and 31 December 2021 and the rate difference arising on the translation of the Statement of Comprehensive Income and the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares at average rates. The translation is in relation to the notional value for the Company only and has no impact on any individual Fund.

Proceeds from subscriptions and amounts paid on redemption of redeemable participating shares are translated at daily rates, which approximate the rates prevailing at the dates of the transactions.

### D. Investments at fair value

#### (i) Classification of financial assets

On initial recognition, the Company classifies financial assets as measured at amortised cost or fair value through profit or loss (FVTPL). A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are Solely Payments of Principal and Interest ('SPPI').

The Company's financial assets include equity investments, debt securities, investments in unlisted open-ended investment funds and derivatives. These financial assets are managed and their performance is evaluated, on a fair value basis, with frequent sales taking place, other than short term receivables held for collection and which meet the criteria for measurement at amortised cost.



The Company's financial assets and liabilities are measured as follows:

| <b>Financial Assets</b>                | <b>Measurement</b> |
|--|--------------------|
| Equities                               | FVTPL              |
| Debt securities                        | FVTPL              |
| Investment funds                       | FVTPL              |
| Financial derivative instruments       | FVTPL              |
| Cash and cash equivalents              | Amortised cost     |
| Other assets                           | Amortised cost     |
| <b>Financial Liabilities</b>           |                    |
| Financial derivative instruments       | FVPTL              |
| Other liabilities                      | Amortised cost     |
| Net assets attributable to unitholders | Amortised cost     |

#### **(ii) Recognition and derecognition of financial liabilities**

Purchases and sales of investments are recognised on trade date, which is the date on which the Company commits to purchase or sell the asset. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

#### **(iii) Measurement**

Financial instruments are measured initially at fair value (transaction price). Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately. Subsequent to initial recognition, all instruments classified at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the Statement of Comprehensive Income. Other financial assets are carried at amortised cost using the effective interest rate method, less impairment losses, if any.

Financial liabilities, other than those at fair value through profit or loss, are measured at amortised cost using the effective interest rate method. Financial liabilities arising from the redeemable participating shares issued by the Funds are carried at the redemption amount representing the investors' right to a residual interest in the Funds' assets.

#### **Gains and losses on investments**

Gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the Statement of Comprehensive Income in the period in which they arise.

Investment transactions are accounted for on a trade date basis. Profits and losses on the disposal of investments are calculated by reference to the net proceeds received on disposal and the cost attributable to those investments based on the first in first out basis and are included in the Statement of Comprehensive Income.

#### **(iv) Fair value measurement principles**

The fair value of financial instruments traded in active markets (such as publicly traded derivatives and trading securities) is based on quoted market prices at the Statement of Financial Position date. The value of financial assets and liabilities which is quoted, listed or normally dealt in on a regulated market shall be the last traded price on such regulated market as at the valuation point or the mid-price, where no trades occurred on such day where relevant.

If a quoted market price is not available on a recognised stock exchange or from a broker/dealer for non-exchange-traded financial instruments, the value of any investment which is not quoted, listed or normally dealt in on a regulated market shall be the probable realisable value estimated with care and in good faith by a competent person, firm or association making a market in such investment (approved for the purpose by the Depositary) and/or any other competent person, in the opinion of the Directors (and approved for the purpose by the Depositary).



## 2. Principal Accounting Policies continued

### D. Investments at fair value continued

#### (iv) Fair value measurement principles continued

##### Investment funds

Open-ended Investment funds are included in the accounts at the last reported NAV at close of business on the last dealing day of the reporting period. The changes in the daily net asset value of these Units are recognised in the Statement of Comprehensive Income.

##### Contracts for difference and swaps

Contracts for difference and equity swaps are agreements between the Company and third parties which allow the Company to acquire an exposure to the price movement of specific securities without actually purchasing the securities. The changes in contract values are recorded as unrealised gains or losses and the Company recognises a realised gain or loss when the contract is closed. Realised and unrealised gains and losses on contracts for difference and equity swaps are recognised in the Statement of Comprehensive Income.

##### Futures

A futures contract is an agreement between two parties to buy or sell a security, index or currency at a specific price or rate at a future date. Upon entering into a futures contract, the Company is required to deposit with a broker an amount of cash or cash equivalents equal to a certain percentage of the contract amount. This is known as 'initial cash margin'. Subsequent payments ('variation margin') are made or received by the Company each day, depending upon the daily fluctuation in the value of the contract. The daily changes in contract value are recorded as unrealised gains or losses and the Company recognises a realised gain or loss when the contract is closed. Realised and unrealised gains and losses on futures contracts are recognised in the Statement of Comprehensive Income.

##### Forward foreign currency contracts

A forward foreign currency contract ('FFCC') involves an obligation to purchase or sell a specific currency at a future date at a price set at the time the contract is made. FFCCs will be valued by reference to the forward price at which a new FFCC of the same size and maturity could be undertaken at the valuation date. The realised and unrealised gain or loss on open FFCC is calculated as the difference between the contract rate and this FFCC price and the Company recognises a realised gain or loss when the contract is closed. Realised and unrealised gains and losses on FFCCs are recognised in the Statement of Comprehensive Income. Where a FFCC is purchased to hedge the currency risk of a specific class which is issued in a currency other than the measurement currency of the Company, all gains or losses on that contract are allocated to that class.

##### Options

As part of the Company's investment strategy, it enters into options which are recognised in the Statement of Financial Position at fair value. The premium on purchased put options exercised is subtracted from the proceeds of the sale of the underlying security or foreign currency in determining the realised gain or loss. The premium on purchased call options exercised is added to the cost of the securities or foreign currency purchased. Premiums paid on the purchase of options which expire unexercised are treated as realised losses. Unrealised gains or losses on options are included in assets or liabilities on the Statement of Financial Position and movements are dealt with through the Statement of Comprehensive Income.

##### Warrants

Warrants are sometimes used to gain exposure to emerging market equities where custody, liquidity, or other issues make ownership of local shares sub-optimal. The valuation of warrants depends on the level of trading. If the warrants are actively traded in the market then the market price is used. If the warrants are not actively traded in the market then the intrinsic value of the warrant based on the underlying equity price and the warrant strike price is used.

### E. Other measurement principles

#### Cash and bank overdrafts

Cash, other liquid assets and bank overdrafts are valued at their face value with interest accrued, where applicable. Cash at bank and bank overdraft balances are comprised of cash balances held with The Northern Trust Company (TNTC) and includes investors' money held in collection accounts.

#### Margin cash and margin receivable

Cash provided by the Funds to a counterparty in relation to futures and option contracts is identified in the Statement of Financial Position as Margin Cash. Margin Cash is not included as a component of cash and cash equivalents in the Statement of Financial Position and is not available to the Funds on demand.

Margin receivable or payable is held with or due to Credit Suisse Securities (Europe) Limited ('Credit Suisse') and UBS AG.



### Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are recognised initially at amortised cost plus transaction costs that are directly attributable to their acquisition.

### Payables

Payables are recognised initially at fair value and subsequently stated at amortised cost. The difference between proceeds and amount payable is recognised over the period of the payable using the effective interest method.

### Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

The Company has an ISDA Master Agreement (the 'Agreement') with Credit Suisse and UBS AG. Under certain conditions, as set out under the Agreement, amounts payable by one party to the other in respect of derivative contracts covered by the Agreement may be off-set against any other amounts payable by the payee to the payer.

### Redeemable participating shares

Redeemable participating shares are redeemable at the shareholder's option and are classified as financial liabilities. Distributions on these redeemable participating shares are recognised in the Statement of Comprehensive Income as finance costs.

Redeemable participating shares can be put back to the Company at any time for cash equal to a proportionate share of the Company's net asset value. The redeemable participating shares are carried at the present value of the redemption amount that is payable at the Statement of Financial Position date if the shareholders exercised their rights to put the shares back to the Company.

### Transaction costs

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

Transaction costs on the purchase and sale of bonds, forward foreign currency contracts, CFDs, investment funds and warrants are included in the purchase and sale price of the investment. They cannot be practically or reliably gathered as they are embedded in the cost of the investment and cannot be separately verified or disclosed.

Transaction costs on purchases and sales of equities, futures and options are included in net gains/(losses) on financial assets at fair value through profit or loss in the Statement of Comprehensive Income for each Fund. These costs are separately identifiable and are disclosed in Note 15.

### Income Equalisation

Income equalisation is a process by which accrued income included in the price of shares purchased and redeemed during the accounting financial year is reported to Shareholders. The subscription price of Shares is deemed to include an equalisation payment calculated by reference to the accrued income of the relevant Fund and the first distribution in respect of any Share will include a payment of income usually equal to or greater than the amount of such equalisation payment. The redemption price of each Share will also include an equalisation payment in respect of the accrued income of the relevant Fund up to the date of redemption. Income equalisation is classified as investment income in the Statement of Comprehensive Income.

### F. Distribution policy

The share classes of certain Funds have been approved by the United Kingdom HM Revenue and Customs as Reporting Funds in accordance with the UK Offshore Funds (Tax) Regulations 2009. The Directors intend to continue the distribution policy as outlined below unless otherwise specified in the relevant fund supplement. Dividends, if declared, will only be paid out of the Company's net investment income return (i.e. income from dividends, interest or otherwise, less the Company's accrued expenses to be certified for the accounting period), realised and unrealised profits on the disposal/revaluation of investments and other assets less realised and unrealised losses of the Company, although the amount available for distribution in respect of certain Funds may be effectively increased by the charging of expenses to capital. Funds which can avail of this facility are identified in the relevant Fund supplement.



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 2. Principal Accounting Policies continued

#### F. Distribution policy continued

Dividends will normally be paid in May of each financial year for all of the Funds except for the Distributing Share Classes of the Emerging Markets Income Fund, European ex UK Income Fund, Global Convertible Fund and Financial Opportunities Fund for which dividends will be paid in July and January and for the Distributing Share Classes of the Global Insurance Fund and Income Opportunities Fund for which dividends are to be declared at the beginning of each calendar quarter in respect of the preceding quarter, and paid by the end of the month in which they are declared. Any dividend paid on a redeemable participating share that is not claimed will not earn interest and, if not claimed within six years of its declaration, shall be forfeited for the benefit of the Company.

#### G. Operating expenses

The Company is responsible for all normal operating expenses including investment management fees, depositary fees, performance fees, administration fees, audit fees, stamp duties and accruals and other duties and charges incurred on the acquisition and realisation of investments. These are accounted for on an accruals basis. The Investment Manager, Polar Capital LLP ('the Investment Manager'), meets all other operating expenses incurred by it in connection with its services.

#### H. Interest and dividend income

Interest income and expense is recognised in the Statement of Comprehensive Income for all the relevant instruments using the effective interest method. The effective interest method is a method of calculating the amortised cost of the financial asset or the financial liability and of allocating the interest income or expense over the relevant period.

Dividends are recognised to the Statement of Comprehensive Income on the dates on which the relevant securities are listed as 'ex-dividend'. Dividend income is recorded gross of irrecoverable dividend withholding tax which is disclosed separately in the Statement of Comprehensive Income. Bank interest income is recognised on an accruals basis.

### 3. Fees and Expenses

The Investment Manager is entitled to receive an investment management fee and a performance fee in respect of each Fund together with any extraordinary out of pocket expenses. The investment management fee is accrued daily and is payable monthly in arrears. Please see note 1 for a breakdown of investment management and performance fee rates for each Fund. Investment management fees are calculated before deduction for any accrued performance fees. An initial payment of the investment management fee based on the most recently published Net Asset Value will be made on the last day of each month, with an adjustment being made where necessary, on the last day of the next month.

In general, the performance fee is calculated separately for each class of shares in a Fund and is equal to a percentage of the amount by which the increase in the Net Asset Value (prior to the provision for a performance fee) during the relevant performance period exceeds the increase in the Indexed Net Asset Value (the specific established index that the respective Fund is aiming to track) over the same period. However, the precise method of calculation may differ in each case. Full details are set out in the Prospectus supplement for each Fund. The performance fee is accrued daily and payable annually on 31 December, where there is a performance fee payable.

All fees paid to the Investment Manager, including any performance fees, are disclosed separately in the Statement of Comprehensive Income. US\$35,487,393 (31 December 2020: US\$78,305,315) was due to the Investment Manager at 31 December 2021, which includes both investment management and performance fees. Please refer to Note 3 for further details.

The Administrator is entitled to receive a fee of 0.09% of the first US\$1.5 billion of the Company's Net Asset Value, 0.07% of the next US\$3.5 billion of the Company's Net Asset Value, 0.04% of the next US\$5 billion of the Company's Net Asset Value and 0.02% of the Company's Net Asset Value thereafter, subject to a monthly minimum fee of US\$3,500 in respect of each Fund, which shall be accrued daily and paid monthly in arrears.

The Administrator shall also be entitled to be repaid out of the assets of the Company or relevant Fund all of its reasonable out-of-pocket expenses incurred on behalf of the Company (which shall include legal fees, couriers' fees and telecommunication costs and expenses).

The Depositary is entitled to an annual fee from the Company accrued daily and paid monthly in arrears of 0.015% of the Company's Net Asset Value, subject to a monthly minimum fee of US\$1,200 in respect of each Fund, which shall be accrued daily and paid monthly in arrears. The Depositary shall also be entitled to be repaid out of the assets of each Fund all reasonable out-of-pocket expenses incurred by it on behalf of the relevant Fund (such as telephone, postage, printing, legal and fax expenses) including stamp duties and registration fees and the fees and expenses of sub-custodians, at normal commercial rates.



The Management Company is entitled to receive an annual management fee from the relevant Fund. This fee will not exceed 0.02% of the Net Asset Value of the relevant Fund.

The Austrian Paying Agent, Meindl Bank AG, is entitled to receive an annual fee of €3,000 and is entitled to receive reimbursement of agreed costs incurred in transmitting dividends, redemption proceeds and documentation to Shareholders in Austria.

The German Paying and Information Agent, Deutsche Bank AG, is entitled to receive an annual fee of €18,000, a proportional handling fee for each new Fund and agreed costs in transmitting dividends, redemption proceeds and documentation to Shareholders in Germany.

The French paying and information agent, BNP Paribas Securities Services, is entitled to receive an annual fee of €7,000, a proportional handling fee for each new Fund and agreed costs in transmitting dividends, redemption proceeds and documentation to Shareholders in France.

BNP Paribas Securities Services also acts as the Swiss Representative and Swiss Paying Agent and for the financial year ended 31 December 2021 was entitled to receive the following fees for this service:

- (i) an annual fee of CHF 34,000;
- (ii) additional hours for extraordinary expenditures which are not covered by the agreement and which are billed at CHF 250 per hour;
- (iii) reimbursement for all external costs, such as the publication of rates or other publication costs, charges levied by the Swiss Financial Market Supervisory Authority ('FINMA') and any amounts charged by external lawyers on behalf of the Company.

The Austrian, German, French and Swiss paying agents are also entitled to receive reimbursement of any reasonable out of pocket expenses incurred by them in the performance of their duties.

The Directors fees are disclosed in the Statement of Comprehensive Income.

### Auditor's Remuneration

The remuneration for all work carried out by the statutory auditors in respect of the financial year is as follows:

|                          | 2021<br>EUR | 2020<br>EUR |
|--------------------------|-------------|-------------|
| Statutory audit fee      | 187,211     | 154,000     |
| Other assurance services | 7,000       | –           |
| Tax advisory services    | –           | –           |
| Other non audit services | –           | –           |
|                          | 194,211     | 154,000     |

Amounts payable at the year-end to the Administrator, Depositary, Directors, Auditors and other general expenses are included in sundry creditors on the Statement of Financial Position.



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 4. Bank Overdraft

The Company has an overdraft facility with The Northern Trust Company for liquidity purposes. The assets of the relevant Fund are held as collateral for the overdraft when it is utilised. As at the financial year end the following Funds had bank overdrafts:

Automation & Artificial Intelligence Fund: US\$5,772,695 (31 December 2020: US\$21,259,046)

Biotechnology Fund: US\$1,873,888 (31 December 2020: US\$1,994,610)

Emerging Markets Income Fund: US\$26,670 (31 December 2020: US\$Nil)

European (ex UK) Income Fund: US\$4,427,479 (31 December 2020: US\$Nil)

Global Absolute Return Fund: US\$13,015,839 (31 December 2020: US\$3,080,696)

Global Convertible Fund: US\$228,309,056 (31 December 2020: US\$116,048,142)

Global Insurance Fund: GBP£9,052,423 (31 December 2020: GBP£ Nil)

Global Technology Fund: GBP£1,414,870 (31 December 2020: GBP Nil)

Japan Value Fund: JPY¥31,038,624 (31 December 2020: JPY¥75,316,023)

North American Fund: US\$1,897,676 (31 December 2020: US\$378,941)

Small Energy Fund: US\$84,578 (31 December 2020: US\$Nil)

UK Absolute Equity fund: GBP£8,512 (31 December 2020: GBP£8,938)

UK Value Opportunities Fund: GBP£40,340 (31 December 2020: GBP£38,779)

### 5. Soft Commissions and investment research

The Investment Manager has committed to the Company that it will bear the cost of all general written research consumed by its investment teams. For certain strategies where the consumption of specialised research is regarded as critical to the investment process, the Company will pay for such costs up to a level pre-agreed with the Directors. These costs are included on the Statement of Comprehensive Income. The Funds that paid for the cost of specialised research are listed below:

|   |                               |
|---|-------------------------------|
| Asian Opportunities Fund                  | Global Insurance Fund         |
| Asian Stars Fund                          | Global Technology Fund        |
| Automation & Artificial Intelligence Fund | Healthcare Blue Chip Fund     |
| Biotechnology Fund                        | Healthcare Discovery Fund     |
| China Stars Fund                          | Healthcare Opportunities Fund |
| Emerging Markets Income Fund              | Income Opportunities Fund     |
| Emerging Markets Stars Fund               | Japan Value Fund              |
| Financial Opportunities Fund              | Smart Energy Fund             |
| Global Absolute Return Fund               | Smart Mobility Fund           |
| Global Convertible Fund                   | UK Value Opportunities Fund   |

The Investment Manager received no soft commissions during the year.



## 6. Exchange Rates

The exchange rates used at 31 December 2021 and 31 December 2020 were as follows:

| Exchange Rate     | 31 December 2021<br>to US\$ | 31 December 2020<br>to US\$ |
|-------------------|-----------------------------|-----------------------------|
| Australian dollar | 1.3754                      | 1.2959                      |
| Brazilian real    | 5.5700                      | 5.1942                      |
| Canadian dollar   | 1.2632                      | 1.2740                      |
| Czech koruna      | 21.8519                     | 21.4638                     |
| Danish krone      | 6.5403                      | 6.0835                      |
| Egyptian pound    | 15.7100                     | 15.7300                     |
| Euro              | 0.8794                      | 0.8173                      |
| Hong Kong dollar  | 7.7963                      | 7.7539                      |
| Hungary forint    | 324.0987                    | 296.4203                    |
| Indian rupee      | 74.3357                     | 73.0675                     |
| Indonesian rupiah | 14,252.5000                 | 14,050.0000                 |
| Japanese yen      | 115.1550                    | 103.2450                    |
| Korean won        | 1,188.7500                  | 1,086.3000                  |
| Malaysian ringgit | 4.1660                      | 4.0225                      |
| Mexican peso      | 20.4650                     | 19.9255                     |
| Norwegian krone   | 8.8183                      | 8.5620                      |
| Pakistani rupee   | 176.5000                    | 159.8000                    |
| Philippine peso   | 50.9925                     | 48.0235                     |
| Polish zloty      | 4.0304                      | 3.7260                      |
| Qatari riyal      | 3.6410                      | 3.6410                      |
| Romanian leu      | 4.3517                      | 3.9782                      |
| Singapore dollar  | 1.3482                      | 1.3217                      |
| South Africa rand | 15.9600                     | 14.6888                     |
| Sri Lanka rupee   | 202.7850                    | 185.2500                    |
| Sterling          | 0.7383                      | 0.7316                      |
| Swedish krona     | 9.0539                      | 8.2126                      |
| Swiss franc       | 0.9112                      | 0.8840                      |
| Taiwan dollar     | 27.6670                     | 28.0980                     |
| Thai baht         | 33.4050                     | 29.9600                     |
| Turkish lira      | 13.2798                     | 7.4325                      |
| UAE dirham        | 3.6731                      | 3.6732                      |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 6. Exchange Rates continued

| Exchange Rate        | 31 December 2021<br>to EUR | 31 December 2020<br>to EUR |
|----------------------|----------------------------|----------------------------|
| Danish krone         | 7.4376                     | 7.4435                     |
| Japanese yen         | 130.9544                   | 126.3256                   |
| Norwegian krone      | 10.0282                    | 10.4760                    |
| Sterling             | 0.8396                     | 0.8951                     |
| Swedish krona        | 10.2960                    | 10.0485                    |
| Swiss franc          | 1.0362                     | 1.0816                     |
| United States dollar | 1.1372                     | 1.2236                     |

| Exchange Rate        | 31 December 2021<br>to GBP | 31 December 2020<br>to GBP |
|----------------------|----------------------------|----------------------------|
| Australian dollar    | 1.8629                     | 1.7715                     |
| Brazilian real       | 7.5443                     | 7.1002                     |
| Canadian dollar      | 1.7109                     | 1.7415                     |
| Danish krone         | 8.8584                     | 8.3158                     |
| Euro                 | 1.1910                     | 1.1172                     |
| Hong Kong dollar     | 10.5597                    | 10.5991                    |
| Indian rupee         | 100.6839                   | 99.8797                    |
| Indonesian rupiah    | 19,304.3002                | 19,205.6646                |
| Japanese yen         | 155.9717                   | 141.1309                   |
| Malaysian ringgit    | 5.6426                     | 5.4986                     |
| Norwegian krone      | 11.9439                    | 11.7038                    |
| Singapore dollar     | 1.8260                     | 1.8066                     |
| South Africa rand    | 21.6170                    | 20.0788                    |
| Swedish krona        | 12.2630                    | 11.2262                    |
| Swiss franc          | 1.2341                     | 1.2083                     |
| Thai baht            | 45.2454                    | 40.9539                    |
| United States dollar | 1.3545                     | 1.3670                     |

| Exchange Rate        | 31 December 2021<br>to JPY | 31 December 2020<br>to JPY |
|----------------------|----------------------------|----------------------------|
| Euro                 | 0.0076                     | 0.0079                     |
| Sterling             | 0.0064                     | 0.0071                     |
| Swiss franc          | 0.0079                     | 0.0086                     |
| United States dollar | 0.0087                     | 0.0097                     |

All exchange rates are official rates and come from quoted sources.



## 7. Taxation

Under current Irish law and practice the Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended (the 'TCA'). On that basis, it is not chargeable to Irish tax on its income or gains.

However, Irish tax may arise if a 'chargeable event' occurs. A chargeable event includes any distribution payments to shareholders or any encashment, redemption, cancellation, transfer or deemed disposal of shares for Irish tax purposes, arising as a result of holding shares in the Company for a period of eight years or more, or the appropriation or cancellation of shares of a shareholder by the Company for the purposes of meeting the amount of tax payable on a gain arising on a transfer.

No Irish tax will arise on the Company in respect of chargeable events in respect of:

- (iv) transactions by a shareholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided that a relevant declaration is in place (in accordance with Schedule 2b of the TCA) and the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct; or
- (v) transactions by a shareholder who is an exempt Irish investor (as defined in Section 739D TCA).

Dividends, interest and capital gains (if any) received on investments made by the Company may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Company or its shareholders.

During the financial year ended 31 December 2021, the following Funds were subject to Indian and Brazilian capital gain taxes on sale of investments: Asian Opportunities, Automation & Artificial Intelligence, Asian Stars, Emerging Markets Stars fund, Healthcare Discoveries and Healthcare Opportunities. Such charges are included in Net realised and unrealised gain/(loss) on investments in Statement of Comprehensive Income.

## 8. Related Party Transactions

A number of the Directors held interests directly or indirectly in the Funds during the financial year. At the end of the year, their interests were as follows:

| Director  | Fund  | Share Class                    | Number of Holdings |                  |
|---|---|--------------------------------|--------------------|------------------|
|   |   |                                | 31 December 2021   | 31 December 2020 |
| David Astor   | Financial Opportunities Fund                | Class I Sterling Distribution  | 4,685              | 4,685            |
|   | Income Opportunities Fund                   | Class B1 Sterling Distribution | 9,531              | 9,531            |
|   | Japan Value Fund                            | Class S Hedged                 | 1,125              | 1,125            |
| Charles Scott   | Biotechnology Fund                          | Class I US Dollar Distribution | –                  | 10,707           |
|   | Global Insurance Fund                       | Class R US Dollar Accumulation | 69,977             | 69,977           |
|   | Income Opportunitites Fund                  | Class B2 Sterling Accumulation | 184,233            | 184,233          |
|   | Emerging Markets Stars                      | Class I Sterling Accumulation  | –                  | 9,275            |
|   | Automation and Artificial Intelligence Fund | Class I Sterling Accumulation  | –                  | 8,010            |
| Robert Bovet  | Biotechnology Fund                          | Class I US Dollar Distribution | 8,000              | 8,000            |
| Karen Nolan and Richard Dunne   | Emerging Markets Stars Fund                 | Class I Euro Accumulation      | 3,816              | –                |
|   | Automation & Artificial Intelligence Fund   | Class I Euro Accumulation      | 2,729              | –                |
| The Cayzer Trust Company Limited (Jamie Cayzer-Colvin listed Director of the Company) | Global Insurance Fund                       | Class I Sterling Distribution  | 523,654            | –                |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

**8. Related Party Transactions** continued

No other Director had any interest in the redeemable participating shares of the Company during the financial year.

The remuneration of the Directors of the Company may not, in the aggregate, exceed €1,000,000. Directors fees earned during the financial year ended 31 December 2021 and 31 December 2020 are disclosed in the Statement of Comprehensive Income.

James Cayzer-Colvin is a Director of both the Company and the holding company of Polar Capital LLP.

Polar Capital LLP is the Investment Manager of Polar Capital Funds plc and Polar Capital Partners Limited is a controlling partner of Polar Capital LLP. As at 31 December 2021 and 31 December 2020, Polar Capital Partners Limited held shares in the Funds listed below.

Partners, managers, employees and associated persons of the Investment Manager are the holders of the below shares in the Company. The number of Shares in a Fund owned by any of these persons individually is not considered to be material.

| Fund   | Number of Shares |                  |
|--|------------------|------------------|
|  | 31 December 2021 | 31 December 2020 |
| <b>Asian Opportunities Fund*</b>                     |                  |                  |
| Class A US Dollar Distribution                       | –                | 146              |
| Class I Euro Distribution                            | –                | 11               |
| Class I Euro Hedged Distribution                     | –                | 100              |
| Class I Sterling Distribution                        | –                | 12               |
| Class I Sterling Hedged Distribution                 | –                | 100              |
| Class I US Dollar Distribution                       | –                | 108              |
| <b>Asian Stars Fund</b>                              |                  |                  |
| Class I Euro Accumulation                            | 114              | 114              |
| Class I Sterling Accumulation                        | 127              | 127              |
| Class I US Dollar Accumulation                       | 100              | 100              |
| Class R Euro Accumulation                            | 114              | 114              |
| Class R Sterling Accumulation                        | 127              | 127              |
| Class R US Dollar Accumulation                       | 100              | 100              |
| Class S Euro Accumulation                            | 114              | 114              |
| Class S Sterling Accumulation                        | 127              | 127              |
| Class S US Dollar Accumulation                       | –                | 545,500          |
| Class S US Dollar Distribution                       | 100              | –                |
| <b>Automation &amp; Artificial Intelligence Fund</b> |                  |                  |
| Class I Euro Accumulation                            | 117              | 117              |
| Class I Sterling Accumulation                        | 130              | 130              |
| Class I US Dollar Accumulation                       | 100              | 100              |
| Class R Euro Accumulation                            | 117              | 117              |
| Class R US Dollar Accumulation                       | 100              | 100              |
| Class S Euro Accumulation                            | 117              | 117              |
| Class S Sterling Accumulation                        | 289,417          | 156,947          |
| Class S US Dollar Accumulation                       | 11,937           | 10,867           |
| Class Z Sterling Accumulation                        | 100              | 100              |

\* Asian Opportunities Fund terminated on 1 March 2021.



| Fund                                 | Number of Shares |                  |
|--------------------------------------|------------------|------------------|
|                                      | 31 December 2021 | 31 December 2020 |
| <b>Biotechnology Fund</b>            |                  |                  |
| Class I Sterling Distribution        | 740              | –                |
| Class I Sterling Hedged Distribution | 3,125            | 100              |
| Class I US Dollar Distribution       | 856              | –                |
| Class S Sterling Distribution        | 7,295            | 4,060            |
| <b>China Stars Fund</b>              |                  |                  |
| Class I Euro Accumulation            | 116              | 116              |
| Class I Sterling Accumulation        | 1,060            | 130              |
| Class I US Dollar Accumulation       | 100              | 100              |
| Class R Euro Accumulation            | 116              | 116              |
| Class R Sterling Accumulation        | 130              | 130              |
| Class R US Dollar Accumulation       | 100              | 100              |
| Class S Euro Accumulation            | 308              | 404              |
| Class S Sterling Accumulation        | 1,736            | 1,736            |
| Class S US Dollar Accumulation       | 842,941          | 601,196          |
| <b>Emerging Markets Stars Fund</b>   |                  |                  |
| Class I Euro Accumulation            | 12               | 12               |
| Class I Sterling Accumulation        | 13               | 13               |
| Class I US Dollar Accumulation       | 10               | 10               |
| Class R Euro Accumulation            | 12               | 12               |
| Class R Sterling Accumulation        | 13               | 13               |
| Class R US Dollar Accumulation       | 10               | 10               |
| Class R US Dollar Distribution*      | 100              | –                |
| Class S Euro Accumulation            | 24               | 12               |
| Class S Euro Distribution*           | 116              | –                |
| Class S Sterling Accumulation        | 121,491          | 32,035           |
| Class S US Dollar Accumulation       | 1,386            | 21,867           |
| Class S US Dollar Distribution       | 100              | 100              |
| Class SX Euro Accumulation           | 100              | 100              |
| Class SX Sterling Accumulation       | 100              | 100              |
| Class SX Sterling Distribution*      | 100              | –                |
| Class SX US Dollar Accumulation      | 100              | 100              |
| Class SX US Dollar Distribution*     | 100              | –                |
| Class X US Dollar Accumulation       | 100              | 100              |
| Class X Euro Accumulation            | 113              | 113              |
| Class X Swedish Krona Accumulation   | 11               | 11               |

\* New Share Classes launched during the year.



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

## 8. Related Party Transactions continued

| Fund                                  | Number of Shares |                  |
|---------------------------------------|------------------|------------------|
|                                       | 31 December 2021 | 31 December 2020 |
| <b>Emerging Markets Income Fund**</b> | –                | –                |
| Class I Euro Accumulation             | –                | –                |
| Class I Euro Distribution             | –                | –                |
| Class I Sterling Accumulation         | –                | –                |
| Class I Sterling Distribution         | –                | –                |
| Class I US Dollar Accumulation        | –                | –                |
| Class I US Dollar Distribution        | –                | –                |
| Class R Euro Accumulation             | –                | –                |
| Class R Euro Distribution             | –                | –                |
| Class R Sterling Accumulation         | –                | –                |
| Class R Sterling Distribution         | –                | –                |
| Class R US Dollar Accumulation        | –                | –                |
| Class R US Dollar Distribution        | –                | –                |
| Class S Euro Accumulation             | –                | 13               |
| Class S Euro Distribution             | –                | 19               |
| Class S Sterling Accumulation         | –                | 103,402          |
| Class S Sterling Distribution         | –                | –                |
| Class S US Dollar Accumulation        | –                | 10               |
| Class S US Dollar Distribution        | –                | –                |
| <b>European ex UK Income Fund</b>     |                  |                  |
| Class I Euro Accumulation             | 103              | 103              |
| Class I Sterling Distribution         | 180              | 173              |
| Class I Sterling Hedged Accumulation  | 100              | 100              |
| Class I Sterling Hedged Distribution  | 128              | 123              |
| Class S Sterling Accumulation         | 14,097           | 28,054           |
| Class S Sterling Hedged Accumulation  | 100              | 100              |
| Class S Sterling Hedged Distribution  | 128              | 123              |
| Class X Sterling Accumulation         | 100              | 100              |
| Class X Sterling Distribution         | 110              | 105              |

\*\* Emerging Markets Income Fund merged with the Emerging Markets Stars Fund on 8 June 2021.



| Fund  | Number of Shares |                  |
|---|------------------|------------------|
|   | 31 December 2021 | 31 December 2020 |
| <b>Financial Opportunities Fund</b>                     |                  |                  |
| Class I Euro Accumulation                               | 11               | 11               |
| Class I Euro Distribution                               | 6                | 6                |
| Class I US Dollar Accumulation                          | 5                | 5                |
| Class I US Dollar Distribution                          | 6                | 6                |
| Class R Euro Accumulation                               | 10               | 10               |
| Class R Euro Distribution                               | 6                | 6                |
| Class R Sterling Accumulation                           | 17               | 17               |
| Class R US Dollar Accumulation                          | 11               | 11               |
| Class R US Dollar Distribution                          | 9                | 9                |
| Class S Sterling Distribution                           | 13               | 13               |
| Class S US Dollar Distribution                          | 3,413            | 10               |
| <b>Global Absolute Return Fund</b>                      |                  |                  |
| Class I Hedged Euro Accumulation                        | 10               | 10               |
| Class I Hedged Sterling Accumulation                    | 10               | 10               |
| Class I US Dollar Accumulation                          | 10               | 10               |
| Class S Hedged Euro Accumulation                        | 109              | 10               |
| Class S Hedged Sterling Accumulation                    | 139,032          | 99,689           |
| Class S US Dollar Accumulation                          | 63,952           | 48,577           |
| <b>Global Convertible Fund</b>                          |                  |                  |
| Class I Hedged Euro Accumulation                        | 100              | 100              |
| Class I Hedged Sterling Accumulation                    | 494              | –                |
| Class I Hedged Swiss Franc Accumulation                 | 50               | 50               |
| Class Portfolio Currency Hedged Euro I Accumulation     | 20,500           | 20,500           |
| Class Portfolio Currency Hedged Sterling I Distribution | 1,210            | 1,161            |
| Class Portfolio Currency Hedged Sterling S Distribution | 108              | 104              |
| Class R Euro Distribution                               | 182              | 174              |
| Class R Sterling Accumulation                           | 155              | 155              |
| Class R Sterling Distribution                           | 213              | 205              |
| Class R US Dollar Accumulation                          | 100              | 100              |
| Class R US Dollar Distribution                          | 138              | 132              |
| Class S Euro Accumulation                               | 137              | 137              |
| Class S Hedged Sterling Accumulation                    | 36,469           | 36,469           |
| Class S Hedged Sterling Distribution                    | 133              | 128              |
| Class S Hedged Swiss Franc Accumulation                 | 50               | 50               |
| Class S US Dollar Accumulation                          | 100              | 100              |
| Class S US Dollar Distribution                          | 135              | 130              |
| Class SI Sterling Accumulation                          | 100              | 100              |
| Class S Euro Distribution                               | 185              | 178              |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

## 8. Related Party Transactions continued

| Fund                                    | Number of Shares |                  |
|---|------------------|------------------|
|   | 31 December 2021 | 31 December 2020 |
| <b>Global Insurance Fund</b>            |                  |                  |
| Class F Sterling Accumulation           | 2,455            | 1,064            |
| Class I Euro Distribution               | 53               | 52               |
| Class I Hedged Euro Accumulation        | 100              | 100              |
| Class I Hedged US Dollar Accumulation   | 100              | 100              |
| Class I Sterling Accumulation           | 348,630          | 126,154          |
| Class R Euro Distribution               | 53               | 52               |
| Class R US Dollar Distribution          | 37               | 36               |
| <b>Global Technology Fund</b>           |                  |                  |
| Class I Euro Accumulation               | 11               | 11               |
| Class I Euro Distribution               | 29               | 44               |
| Class I Hedged Euro Distribution        | 100              | 100              |
| Class I Hedged Sterling Distribution    | 1,127            | 1,127            |
| Class I Hedged Swiss Franc Distribution | 100              | 100              |
| Class I Sterling Distribution           | 19,455           | 21,086           |
| Class R Euro Accumulation               | 11               | 11               |
| Class R Hedged Euro Accumulation        | 100              | 100              |
| Class R Hedged Swiss Franc Distribution | 100              | 100              |
| <b>Healthcare Blue Chip Fund</b>        |                  |                  |
| Class I Euro Accumulation               | 65               | 65               |
| Class I Euro Distribution               | 69               | 68               |
| Class I US Dollar Distribution          | 53               | 53               |
| Class S Sterling Hedged Distribution    | 103              | 102              |
| Class S US Dollar Accumulation          | 8                | 8                |
| Class S US Dollar Distribution          | 53               | 53               |
| Class SI Sterling Distribution          | 145              | 144              |
| Class SI US Dollar Distribution         | 102              | 102              |
| <b>Healthcare Discovery Fund</b>        |                  |                  |
| Class I Sterling Accumulation           | 132              | 100              |
| Class I US Dollar Accumulation          | 100              | 132              |
| Class S Sterling Accumulation           | 213,913          | 1,556            |
| Class S US Dollar Accumulation          | 1,071            | 206,760          |



| Fund                                    | Number of Shares |                  |
|---|------------------|------------------|
|   | 31 December 2021 | 31 December 2020 |
| <b>Healthcare Opportunities Fund</b>    |                  |                  |
| Class I Euro Accumulation               | 100              | 100              |
| Class I Euro Hedged Accumulation        | 100              | 100              |
| Class I Sterling Distribution           | 17,086           | 17,763           |
| Class I US Dollar Distribution          | 172              | 343              |
| Class I US Dollar Accumulation          | 576              | 23               |
| Class R Euro Accumulation               | 26               | 26               |
| Class R Sterling Distribution           | 2,640            |                  |
| Class R US Dollar Accumulation          | 24               | 24               |
| <b>Income Opportunities Fund</b>        |                  |                  |
| Class B2 Sterling Accumulation          | 222,623          | 183,462          |
| Class I Euro Accumulation               | 414              | 414              |
| Class I Euro Distribution               | 746              | 714              |
| Class I Euro Hedged Accumulation        | 100              | 100              |
| Class I Euro Hedged Distribution        | 128              | 123              |
| Class I US Dollar Accumulation          | 371              | 371              |
| Class I US Dollar Distribution          | 669              | 641              |
| Class R Euro Accumulation               | 424              | 424              |
| Class R Euro Distribution               | 776              | 743              |
| Class R Euro Hedged Accumulation        | 100              | 100              |
| Class R Euro Hedged Distribution        | 129              | 123              |
| Class R US Dollar Accumulation          | 381              | 381              |
| Class R US Dollar Distribution          | 696              | 667              |
| Class R US Dollar Hedged Accumulation   | 100              | 100              |
| Class R US Dollar Hedged Distribution   | 121              | 115              |
| <b>Japan Value Fund</b>                 |                  |                  |
| Class I Euro Distribution               | 1,038            | 1,038            |
| Class I Hedged Euro Distribution        | 100              | 100              |
| Class I Hedged Sterling Distribution    | 5,726            | 100              |
| Class I Hedged Swiss Franc Distribution | 100              | 100              |
| Class I Hedged US Dollar Distribution   | 100              | 100              |
| Class I Japanese Yen Distribution       | 1,415            | 1,415            |
| Class I Sterling Distribution           | 1,168            | 1,168            |
| Class I US Dollar Distribution          | 846              | 846              |
| Class R Euro Distribution               | 509              | 509              |


**Notes to the Financial Statements** continued  
 For the financial year ended 31 December 2021
**8. Related Party Transactions** continued

| Fund                                    | Number of Shares |                  |
|---|------------------|------------------|
|   | 31 December 2021 | 31 December 2020 |
| <b>Japan Value Fund</b> continued       |                  |                  |
| Class R Hedged Sterling Distribution    | 1,288            | 1,288            |
| Class R Hedged Swiss Franc Distribution | 100              | 100              |
| Class R Hedged US Dollar Distribution   | 38               | 38               |
| Class R Japanese Yen Distribution       | 120              | 120              |
| Class R Sterling Distribution           | 575              | 575              |
| Class R US Dollar Distribution          | 80               | 80               |
| Class S Euro Distribution               | 960              | 960              |
| Class S Hedged Euro Distribution        | 4,668            | 4,668            |
| Class S Hedged Swiss Franc Distribution | 100              | 100              |
| Class S Hedged US Dollar Distribution   | 3,021            | 3,021            |
| Class S Japanese Yen Distribution       | 364              | 364              |
| Class S Sterling Distribution           | 10,463           | 667              |
| Class S US Dollar Distribution          | 825              | 825              |
| <b>North American Fund</b>              |                  |                  |
| Class I Hedged Swiss Franc Distribution | 100              | 100              |
| Class I Sterling Distribution           | 413              | –                |
| Class R Hedged Euro Distribution        | 100              | 100              |
| Class S Euro Distribution               | 14               | 14               |
| Class S Hedged Euro Distribution        | 100              | 100              |
| Class S Hedged Sterling Distribution    | –                | 12,919           |
| Class S Sterling Distribution           | 18,458           | 32,383           |
| Class S US Dollar Distribution          | 1,039            | 1,732            |
| <b>Smart Energy Fund*</b>               |                  |                  |
| Class I Euro Accumulation               | 116              | –                |
| Class I Sterling Accumulation           | 135              | –                |
| Class I Swedish Krona Accumulation      | 11               | –                |
| Class I Swiss Franc Accumulation        | 107              | –                |
| Class I US Dollar Accumulation          | 1,400,090        | –                |
| Class R Euro Accumulation               | 116              | –                |
| Class R Sterling Accumulation           | 135              | –                |
| Class R Swedish Krona Accumulation      | 11               | –                |
| Class R Swiss Franc Accumulation        | 107              | –                |
| Class R US Dollar Accumulation          | 100              | –                |

\* Smart Energy Fund launched on 30 September 2021.



| Fund                               | Number of Shares |                  |
|------------------------------------|------------------|------------------|
|                                    | 31 December 2021 | 31 December 2020 |
| <b>Smart Mobility Fund*</b>        |                  |                  |
| Class I Euro Accumulation          | 116              | –                |
| Class I GBP Accumulation           | 135              | –                |
| Class I Swedish Krona Accumulation | 11               | –                |
| Class I Swiss Franc Accumulation   | 107              | –                |
| Class I US Dollar Accumulation     | 500,000          | –                |
| Class R Euro Accumulation          | 116              | –                |
| Class R GBP Accumulation           | 135              | –                |
| Class R Swedish Krona Accumulation | 11               | –                |
| Class R Swiss Franc Accumulation   | 107              | –                |
| Class R US Dollar Accumulation     | 100              | –                |
| <b>UK Value Opportunities Fund</b> |                  |                  |
| Class I Sterling Accumulation      | 100              | 100              |
| Class I Sterling Distribution      | 106              | 105              |
| Class R Sterling Accumulation      | 100              | 100              |
| Class S Sterling Accumulation      | 110,745          | 82,938           |
| Class S Sterling Distribution      | 106              | 105              |
| Class Z Sterling Accumulation      | 100              | 100              |
| Class Z Sterling Distribution      | –                | –                |

\* Smart Mobility Fund launched on 30 September 2021.



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 8. Related Party Transactions continued

| Fund                                      | Number of Shares |                  |
|---|------------------|------------------|
|   | 31 December 2021 | 31 December 2020 |
| Asian Opportunities Fund*                 | –                | 254              |
| Asian Stars Fund                          | 26,313           | 23,944           |
| Automation & Artificial Intelligence Fund | 170,626          | 147,728          |
| Biotechnology Fund                        | 90,710           | 52,317           |
| China Stars Fund                          | 33,320           | 20,393           |
| Emerging Markets Income Fund**            | –                | 34,859           |
| Emerging Markets Stars Fund               | 25,592           | 19,681           |
| European ex UK Income Fund                | 85,606           | 83,858           |
| Financial Opportunities Fund              | 3,918            | 11,385           |
| Global Absolute Return Fund               | 16,941           | 4,827            |
| Global Convertible Fund                   | 74,188           | 74,190           |
| Global Insurance Fund                     | 286,800          | 262,294          |
| Global Technology Fund                    | 61,554           | 42,702           |
| Healthcare Blue Chip Fund                 | 15,212           | 15,212           |
| Healthcare Discovery Fund                 | 3,498            | 2,272            |
| Healthcare Opportunities Fund             | 23,471           | 23,385           |
| Income Opportunities Fund                 | 309,295          | 304,236          |
| Japan Value Fund                          | 1,590,839        | 854,010          |
| North American Fund                       | 96,206           | 63,763           |
| Smart Energy Fund***                      | 8,644            | –                |
| Smart Mobility Fund***                    | 144              | –                |
| UK Value Opportunities Fund               | 183,225          | 333,784          |

\* Asian Opportunities Fund terminated on 1 March 2021.

\*\* Emerging Markets Income Fund merged with the Emerging Markets Stars Fund on 8 June 2021

\*\*\* Smart Energy Fund and Smart Mobility Fund launched on 30 September 2021.



## 9. Shareholders' Funds

On incorporation, the authorised share capital of the Company was US\$40,000 divided into 40,000 Subscriber Shares with a par value of US\$1 each and 500,000,000,000 redeemable participating shares of no par value. There are 7 Subscriber Shares currently in issue which are held by the Investment Manager and nominees of the Investment Manager. These subscriber shares do not participate in any of the Company's Funds and are not included as part of the net asset value of the Company. The Directors consider this treatment is appropriate, given the nature of the Company as an investment Fund.

### Number of redeemable participating shares outstanding and net asset value per redeemable participating share

|                                      | 31 December 2021 |           | 31 December 2020 |           |
|--------------------------------------|------------------|-----------|------------------|-----------|
|                                      | Number of shares | NAV/Share | Number of shares | NAV/Share |
| <b>Asian Opportunities Fund*</b>     |                  |           |                  |           |
| Class A US Dollar Distribution       | –                | \$0.00    | 15,298           | \$456.12  |
| Class I Euro Distribution            | –                | €0.00     | 2,811            | €13.07    |
| Class I Euro Hedged Distribution     | –                | €0.00     | 6,331            | €14.50    |
| Class I Sterling Distribution        | –                | £0.00     | 12,853           | £11.75    |
| Class I Sterling Hedged Distribution | –                | £0.00     | 12,501           | £14.87    |
| Class I US Dollar Distribution       | –                | \$0.00    | 48,442           | \$16.04   |

|                                | 31 December 2021 |           | 31 December 2020 |           |
|--------------------------------|------------------|-----------|------------------|-----------|
|                                | Number of shares | NAV/Share | Number of shares | NAV/Share |
| <b>Asian Stars Fund</b>        |                  |           |                  |           |
| Class I Euro Accumulation      | 50,391           | €16.52    | 3,714            | €14.81    |
| Class I Sterling Accumulation  | 114,243          | £13.87    | 75,245           | £13.26    |
| Class I US Dollar Accumulation | 173,648          | \$18.79   | 98,463           | \$18.12   |
| Class R Euro Accumulation      | 3,022            | €16.30    | 114              | €14.69    |
| Class R Sterling Accumulation  | 127              | £13.69    | 127              | £13.15    |
| Class R US Dollar Accumulation | 1,083            | \$18.54   | 100              | \$17.97   |
| Class S Euro Accumulation      | 5,270,403        | €16.70    | 114              | €14.91    |
| Class S Sterling Accumulation  | 1,274,618        | £14.02    | 127              | £13.35    |
| Class S US Dollar Accumulation | 2,065,418        | \$18.99   | 779,575          | \$18.24   |
| Class S US Dollar Distribution | 100              | \$9.60    | –                | \$0.00    |

\* Asian Opportunities Fund terminated on 1 March 2021.


**Notes to the Financial Statements** continued  
 For the financial year ended 31 December 2021
**9. Shareholders' Funds** continued**Number of redeemable participating shares outstanding and net asset value per redeemable participating share** continued

|  | 31 December 2021 |           | 31 December 2020 |           |
|--|------------------|-----------|------------------|-----------|
|  | Number of shares | NAV/Share | Number of shares | NAV/Share |
| <b>Automation &amp; Artificial Intelligence Fund</b> |                  |           |                  |           |
| Class I Euro Accumulation                            | 1,453,941        | €18.29    | 1,165,702        | €14.58    |
| Class I Sterling Accumulation                        | 7,099,683        | £15.35    | 6,693,034        | £13.05    |
| Class I US Dollar Accumulation                       | 2,958,931        | \$20.80   | 3,962,109        | \$17.84   |
| Class R Euro Accumulation                            | 1,456,944        | €17.95    | 1,204,496        | €14.38    |
| Class R US Dollar Accumulation                       | 1,735,902        | \$20.41   | 1,648,545        | \$17.60   |
| Class S Euro Accumulation                            | 81,174           | €18.45    | 86,228           | €14.66    |
| Class S Sterling Accumulation                        | 11,816,416       | £15.49    | 11,988,718       | £13.12    |
| Class S US Dollar Accumulation                       | 837,449          | \$20.98   | 921,951          | \$17.94   |
| Class Z Sterling Accumulation                        | 7,280,100        | £19.99    | 11,245,919       | £16.86    |

|                                      | 31 December 2021 |           | 31 December 2020 |           |
|--------------------------------------|------------------|-----------|------------------|-----------|
|                                      | Number of shares | NAV/Share | Number of shares | NAV/Share |
| <b>Biotechnology Fund</b>            |                  |           |                  |           |
| Class I Euro Distribution            | 4,476,496        | €36.15    | 3,599,872        | €32.09    |
| Class I Sterling Distribution        | 5,740,766        | £30.35    | 5,403,245        | £28.73    |
| Class I Sterling Hedged Distribution | 6,879,916        | £16.79    | 457,537          | £16.06    |
| Class I US Dollar Distribution       | 11,839,209       | \$41.11   | 10,119,427       | \$39.27   |
| Class R Euro Distribution            | 5,126,666        | €34.80    | 4,066,324        | €31.04    |
| Class R Sterling Distribution        | 273,238          | £29.22    | 230,876          | £27.78    |
| Class R US Dollar Distribution       | 10,791,636       | \$39.58   | 8,549,659        | \$37.98   |
| Class S Euro Distribution            | 16,882           | €36.82    | 13,050           | €32.62    |
| Class S Sterling Distribution        | 49,685           | £30.91    | 11,692           | £29.19    |
| Class S US Dollar Distribution       | 173,425          | \$41.87   | 164,766          | \$39.91   |



|                                | 31 December 2021 |           | 31 December 2020 |           |
|--------------------------------|------------------|-----------|------------------|-----------|
|                                | Number of shares | NAV/Share | Number of shares | NAV/Share |
| <b>China Stars Fund</b>        |                  |           |                  |           |
| Class I Euro Accumulation      | 19,919           | €12.28    | 11,409           | €13.47    |
| Class I Sterling Accumulation  | 101,558          | £10.31    | 136,523          | £12.06    |
| Class I US Dollar Accumulation | 1,903            | \$13.96   | 35,461           | \$16.49   |
| Class R Euro Accumulation      | 14,720           | €12.12    | 8,465            | €13.36    |
| Class R Sterling Accumulation  | 130              | £10.18    | 130              | £11.96    |
| Class R US Dollar Accumulation | 19,739           | \$13.78   | 36,215           | \$16.35   |
| Class S Euro Accumulation      | 308              | €12.38    | 404              | €13.53    |
| Class S Sterling Accumulation  | 367,708          | £10.39    | 15,452           | £12.11    |
| Class S US Dollar Accumulation | 897,794          | \$14.07   | 601,196          | \$16.56   |

|                                      | 31 December 2021 |           | 31 December 2020 |           |
|--------------------------------------|------------------|-----------|------------------|-----------|
|                                      | Number of shares | NAV/Share | Number of shares | NAV/Share |
| <b>Emerging Markets Income Fund*</b> |                  |           |                  |           |
| Class I Euro Accumulation            | –                | €0.00     | 1,655            | €10.89    |
| Class I Euro Distribution            | –                | €0.00     | 13,298           | €7.30     |
| Class I Sterling Accumulation        | –                | £0.00     | 167,122          | £9.75     |
| Class I Sterling Distribution        | –                | £0.00     | 2,702,942        | £6.53     |
| Class I US Dollar Accumulation       | –                | \$0.00    | 147,774          | \$13.33   |
| Class I US Dollar Distribution       | –                | \$0.00    | 38,469           | \$8.93    |
| Class R Euro Accumulation            | –                | €0.00     | 45,420           | €10.37    |
| Class R Euro Distribution            | –                | €0.00     | 11,850           | €6.98     |
| Class R Sterling Accumulation        | –                | £0.00     | 3,821            | £9.29     |
| Class R Sterling Distribution        | –                | £0.00     | 25,060           | £6.25     |
| Class R US Dollar Accumulation       | –                | \$0.00    | 432,793          | \$12.69   |
| Class R US Dollar Distribution       | –                | \$0.00    | 184,145          | \$8.55    |
| Class S Euro Accumulation            | –                | €0.00     | 13               | €10.75    |
| Class S Euro Distribution            | –                | €0.00     | 19               | €7.54     |
| Class S Sterling Accumulation        | –                | £0.00     | 235,423          | £9.62     |
| Class S Sterling Distribution        | –                | £0.00     | 6,561,991        | £6.75     |
| Class S US Dollar Accumulation       | –                | \$0.00    | 10               | \$13.15   |
| Class S US Dollar Distribution       | –                | \$0.00    | 430,329          | \$9.22    |

\* Emerging Markets Income Fund merged with Emerging Markets Stars Fund on 8 June 2021.



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

## 9. Shareholders' Funds continued

Number of redeemable participating shares outstanding and net asset value per redeemable participating share continued

| Emerging Markets Stars Fund        | 31 December 2021 |            | 31 December 2020 |            |
|------------------------------------|------------------|------------|------------------|------------|
|                                    | Number of shares | NAV/Share  | Number of shares | NAV/Share  |
| Class I Euro Accumulation          | 3,202,667        | €13.23     | 1,732,431        | €12.37     |
| Class I Sterling Accumulation      | 1,142,912        | £11.11     | 628,642          | £11.07     |
| Class I US Dollar Accumulation     | 2,243,693        | \$15.05    | 514,862          | \$15.13    |
| Class R Euro Accumulation          | 121,061          | €13.04     | 19,841           | €12.23     |
| Class R Sterling Accumulation      | 15,526           | £10.95     | 13               | £10.95     |
| Class R US Dollar Accumulation     | 510,872          | \$14.83    | 3,124            | \$14.97    |
| Class R US Dollar Distribution     | 12,160,942       | \$9.53     | N/A              | N/A        |
| Class S Euro Accumulation          | 4,288,829        | €13.41     | 4,728,009        | €12.47     |
| Class S Euro Distribution**        | 15,378           | €10.01     | N/A              | N/A        |
| Class S Sterling Accumulation      | 6,976,574        | £11.26     | 3,708,371        | £11.16     |
| Class S US Dollar Accumulation     | 11,101,418       | \$15.25    | 6,846,289        | \$15.25    |
| Class S US Dollar Distribution     | 2,618,729        | \$15.47    | 1,431,129        | \$15.48    |
| Class SX Euro Accumulation         | 100              | €16.91     | 100              | \$15.73    |
| Class SX Euro Distribution**       | 8,901,270        | €9.36      | N/A              | N/A        |
| Class SX Sterling Accumulation     | 1,424,574        | £13.79     | 1,583,599        | \$13.67    |
| Class SX Sterling Distribution     | 100              | £10.00     | N/A              | N/A        |
| Class SX US Dollar Accumulation    | 12,907,882       | \$17.54    | 430,024          | \$17.55    |
| Class X Swedish Krona Accumulation | 13,216,771       | SEK 146.16 | 40,917           | SEK 133.81 |
| Class X Euro Accumulation          | 1,713,854        | €14.20     | 184,286          | €13.32     |
| Class X US Dollar Accumulation     | 4,002,611        | \$16.14    | 1,883,479        | \$16.29    |

\* Launched during the period

\*\* Terminated during the year.



|                                      | 31 December 2021 |           | 31 December 2020 |           |
|--------------------------------------|------------------|-----------|------------------|-----------|
|                                      | Number of shares | NAV/Share | Number of shares | NAV/Share |
| <b>European ex UK Income Fund</b>    |                  |           |                  |           |
| Class I Euro Accumulation            | 75,517           | €13.66    | 47,310           | €11.50    |
| Class I Sterling Accumulation        | 657,540          | £11.39    | 2,450,462        | £10.22    |
| Class I Sterling Distribution        | 348,244          | £8.94     | 362,527          | £8.37     |
| Class I Sterling Hedged Accumulation | 6,434            | £14.08    | 2,500            | £11.78    |
| Class I Sterling Hedged Distribution | 18,598           | £10.95    | 8,959            | £9.56     |
| Class S Sterling Accumulation        | 954,562          | £11.50    | 758,892          | £10.31    |
| Class S Sterling Distribution        | 3,114,544        | £9.01     | 3,563,707        | £8.43     |
| Class S Sterling Hedged Accumulation | 100              | £14.14    | 100              | £11.83    |
| Class S Sterling Hedged Distribution | 64,200           | £10.99    | 3,484,880        | £9.60     |
| Class X Sterling Accumulation        | 100              | £11.01    | 100              | £9.95     |
| Class X Sterling Distribution        | 4,853,942        | £10.00    | 7,509,538        | £9.44     |

|                                     | 31 December 2021 |           | 31 December 2020 |           |
|-------------------------------------|------------------|-----------|------------------|-----------|
|                                     | Number of shares | NAV/Share | Number of shares | NAV/Share |
| <b>Financial Opportunities Fund</b> |                  |           |                  |           |
| Class I Euro Accumulation           | 2,604            | €15.46    | 2,112            | €12.01    |
| Class I Euro Distribution           | 118,199          | €14.29    | 88,378           | €11.27    |
| Class I Sterling Accumulation       | 350,700          | £12.98    | 77,832           | £10.75    |
| Class I Sterling Distribution       | 307,115          | £12.00    | 325,408          | £10.09    |
| Class I US Dollar Accumulation      | 29,862           | \$17.59   | 5                | \$14.70   |
| Class I US Dollar Distribution      | 526              | \$16.25   | 8,715            | \$13.79   |
| Class R Euro Accumulation           | 4,794            | €14.85    | 10,407           | €11.58    |
| Class R Euro Distribution           | 1,163            | €13.61    | 6                | €10.78    |
| Class R Sterling Accumulation       | 12,245           | £12.47    | 395              | £10.37    |
| Class R Sterling Distribution       | 6,550            | £11.43    | 8,073            | £9.65     |
| Class R US Dollar Accumulation      | 13,982           | \$16.89   | 13,982           | \$14.17   |
| Class R US Dollar Distribution      | 9                | \$15.48   | 9                | \$13.19   |
| Class S Sterling Distribution       | 68,053           | \$10.96   | 13               | \$9.18    |
| Class S US Dollar Distribution      | 551,152          | \$14.85   | 266,814          | \$12.54   |

|                                      | 31 December 2021 |           | 31 December 2020 |           |
|--------------------------------------|------------------|-----------|------------------|-----------|
|                                      | Number of shares | NAV/Share | Number of shares | NAV/Share |
| <b>Global Absolute Return Fund</b>   |                  |           |                  |           |
| Class I Hedged Euro Accumulation     | 1,747            | €123.92   | 2,222            | €119.49   |
| Class I Hedged Sterling Accumulation | 33,672           | £126.84   | 28,224           | £121.75   |
| Class I US Dollar Accumulation       | 12,894           | \$130.79  | 7,356            | \$125.46  |
| Class S Hedged Euro Accumulation     | 16,362           | €125.04   | 26,394           | €120.10   |
| Class S Hedged Sterling Accumulation | 193,929          | £127.76   | 181,321          | £122.20   |
| Class S US Dollar Accumulation       | 202,741          | \$131.80  | 55,229           | \$126.06  |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 9. Shareholders' Funds continued

#### Number of redeemable participating shares outstanding and net asset value per redeemable participating share continued

|   | 31 December 2021 |            | 31 December 2020 |            |
|---|------------------|------------|------------------|------------|
|   | Number of shares | NAV/Share  | Number of shares | NAV/Share  |
| <b>Global Convertible Fund</b>                          |                  |            |                  |            |
| Class I Euro Accumulation                               | 3,265,706        | €14.16     | 423,853          | €14.23     |
| Class I Euro Distribution                               | 192,609          | €10.22     | 220,828          | €10.70     |
| Class I Hedged Euro Accumulation                        | 136,995          | €12.07     | 97,770           | €13.18     |
| Class I Hedged Sterling Accumulation                    | 3,303,990        | £12.68     | 987,149          | £13.77     |
| Class I Hedged Sterling Distribution                    | 3,002,723        | £9.48      | 2,684,202        | £10.72     |
| Class I Hedged Swiss Franc Accumulation                 | 82,200           | Sfr. 11.58 | 687,350          | Sfr. 12.70 |
| Class I Sterling Accumulation                           | 1,974,049        | £11.89     | 1,709,492        | £12.73     |
| Class I Sterling Distribution                           | 19,234,589       | £8.58      | 16,908,917       | £9.58      |
| Class I US Dollar Accumulation                          | 195,449          | \$16.10    | 250,487          | \$17.41    |
| Class I US Dollar Distribution                          | 249,115          | \$11.63    | 315,516          | \$13.09    |
| Class Portfolio Currency Hedged Euro I Accumulation     | 702,077          | €13.02     | 2,604,686        | €13.83     |
| Class Portfolio Currency Hedged Sterling I Distribution | 4,604,353        | £10.93     | 5,693,940        | £12.04     |
| Class R Euro Accumulation                               | 73,457           | €13.66     | 56,920           | €13.79     |
| Class R Euro Distribution                               | 175,195          | €9.83      | 154,760          | €10.34     |
| Class R Sterling Accumulation                           | 12,787           | £11.47     | 17,450           | £12.35     |
| Class R Sterling Distribution                           | 23,153           | £8.26      | 11,134           | £9.26      |
| Class R US Dollar Accumulation                          | 7,282            | \$15.53    | 100              | \$16.88    |
| Class R US Dollar Distribution                          | 86,802           | \$11.18    | 79,412           | \$12.66    |
| Class S Euro Accumulation                               | 15,113           | €12.51     | 8,270            | €12.52     |
| Class S Euro Distribution                               | 66,622           | €9.25      | 178              | €9.65      |
| Class S Hedged Sterling Accumulation                    | 61,909           | £12.99     | 69,516           | £14.05     |
| Class S Hedged Sterling Distribution                    | 181,663          | £9.69      | 250,444          | £10.92     |
| Class S Hedged Swiss Franc Accumulation                 | 50               | Sfr. 11.86 | 50               | Sfr. 12.93 |
| Class S Sterling Accumulation                           | 190,980          | £10.50     | 192,445          | £11.21     |
| Class S Sterling Distribution                           | 34,763,757       | £7.77      | 28,803,200       | £8.64      |
| Class S US Dollar Accumulation                          | 55,872           | \$14.22    | 48,251           | \$15.32    |
| Class S US Dollar Distribution                          | 413,002          | \$10.52    | 257,825          | \$11.81    |
| Class SI Sterling Accumulation                          | 5,037,957        | £12.05     | 5,329,419        | £12.88     |
| Class Portfolio Currency Hedged Sterling S Distribution | 7,320,175        | £11.03     | 7,285,765        | £12.11     |



|                                       | 31 December 2021 |           | 31 December 2020 |           |
|---------------------------------------|------------------|-----------|------------------|-----------|
|                                       | Number of shares | NAV/Share | Number of shares | NAV/Share |
| <b>Global Insurance Fund</b>          |                  |           |                  |           |
| Class A Sterling Distribution         | 201,481          | £6.02     | 269,148          | £5.27     |
| Class B Sterling Accumulation         | 1,102,791        | £8.00     | 1,370,374        | £6.92     |
| Class E Sterling Distribution         | 96,533,213       | £6.35     | 97,052,757       | £5.54     |
| Class F Sterling Accumulation         | 27,449,439       | £8.52     | 26,963,629       | £7.33     |
| Class I Euro Accumulation             | 6,101,194        | €9.85     | 7,293,177        | €7.95     |
| Class I Euro Distribution             | 1,531,179        | €7.40     | 1,608,411        | €6.05     |
| Class I Hedged Euro Accumulation      | 879,760          | €15.73    | 1,061,608        | €13.60    |
| Class I Hedged US Dollar Accumulation | 52,697           | \$17.06   | 130,857          | \$14.67   |
| Class I Sterling Accumulation         | 31,572,776       | £8.27     | 41,399,020       | £7.11     |
| Class I Sterling Distribution         | 39,634,630       | £6.21     | 35,407,787       | £5.42     |
| Class I US Dollar Accumulation        | 20,633,607       | \$11.20   | 26,197,610       | \$9.72    |
| Class I US Dollar Distribution        | 2,891,212        | \$8.42    | 2,604,962        | \$7.41    |
| Class R Euro Accumulation             | 661,670          | €9.27     | 719,574          | €7.52     |
| Class R Euro Distribution             | 326,725          | €7.03     | 339,185          | €5.78     |
| Class R Sterling Accumulation         | 535,469          | £7.78     | 815,846          | £6.73     |
| Class R Sterling Distribution         | 3,171,435        | £5.90     | 3,297,184        | £5.17     |
| Class R US Dollar Accumulation        | 5,903,146        | \$10.54   | 7,476,972        | \$9.20    |
| Class R US Dollar Distribution        | 174,033          | \$7.99    | 183,594          | \$7.07    |

|   | 31 December 2021 |            | 31 December 2020 |            |
|---|------------------|------------|------------------|------------|
|   | Number of shares | NAV/Share  | Number of shares | NAV/Share  |
| <b>Global Technology Fund</b>           |                  |            |                  |            |
| Class A Euro Distribution               | 207,948          | €91.05     | 271,890          | €77.26     |
| Class A Sterling Distribution           | 313,150          | £76.45     | 365,726          | £69.15     |
| Class A US Dollar Distribution          | 836,519          | \$103.55   | 1,023,143        | \$94.53    |
| Class I Euro Accumulation*              | 4,355,115        | €14.14     | 272,197          | €11.94     |
| Class I Euro Distribution               | 5,223,432        | €84.81     | 7,149,606        | €71.61     |
| Class I Hedged Euro Distribution        | 5,776,799        | €26.63     | 6,259,752        | £24.46     |
| Class I Hedged Sterling Distribution    | 5,084,702        | £38.69     | 5,092,563        | Sfr. 35.35 |
| Class I Hedged Swiss Franc Distribution | 3,065,483        | Sfr. 38.32 | 2,856,470        | £35.35     |
| Class I Sterling Distribution           | 25,846,912       | £71.21     | 29,653,115       | \$64.09    |
| Class I US Dollar Distribution          | 22,177,694       | \$96.45    | 25,459,261       | \$87.61    |
| Class R Euro Accumulation*              | 236,197          | €14.06     | 74,455           | €11.93     |
| Class R Euro Distribution               | 6,083,280        | €80.10     | 5,861,555        | €67.97     |
| Class R Hedged Euro Accumulation        | 6,935,166        | €26.04     | 8,748,425        | €24.05     |
| Class R Hedged Euro Distribution        | 2,283,150        | €38.44     | 3,104,523        | Sfr. 35.50 |
| Class R Hedged Swiss Franc Distribution | 933,307          | Sfr. 37.27 | 901,548          | £34.54     |
| Class R Sterling Distribution           | 708,466          | £67.25     | 687,340          | \$60.84    |
| Class R US Dollar Distribution          | 24,093,839       | \$91.09    | 18,263,544       | \$83.17    |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

## 9. Shareholders' Funds continued

Number of redeemable participating shares outstanding and net asset value per redeemable participating share continued

|                                      | 31 December 2021 |           | 31 December 2020 |           |
|--------------------------------------|------------------|-----------|------------------|-----------|
|                                      | Number of shares | NAV/Share | Number of shares | NAV/Share |
| <b>Healthcare Blue Chip Fund</b>     |                  |           |                  |           |
| Class I Euro Accumulation            | 42,306           | €17.25    | 18,456           | €13.11    |
| Class I Euro Distribution            | 5,801            | €16.22    | 41,397           | €12.40    |
| Class I Sterling Accumulation        | 1,066,223        | £14.49    | 946,210          | £11.73    |
| Class I Sterling Distribution        | 242,097          | £13.62    | 195,379          | £11.10    |
| Class I US Dollar Accumulation       | 62,872           | \$19.62   | 116,951          | \$16.04   |
| Class I US Dollar Distribution       | 4,615            | \$18.44   | 3,736            | \$15.17   |
| Class S Sterling Accumulation        | 253,560          | £14.63    | 244,263          | £11.83    |
| Class S Sterling Distribution        | 53,519           | £13.76    | 52,230           | £11.20    |
| Class S Sterling Hedged Distribution | 103              | £17.43    | 102              | £14.37    |
| Class S US Dollar Accumulation       | 8                | \$19.82   | 8                | \$16.18   |
| Class S US Dollar Distribution       | 53               | \$18.63   | 53               | \$15.31   |
| Class SI Sterling Distribution       | 4,983,528        | £12.19    | 4,882,220        | £9.91     |
| Class SI US Dollar Distribution      | 4,423            | \$16.52   | 11,828           | \$13.54   |

|                                  | 31 December 2021 |           | 31 December 2020 |           |
|----------------------------------|------------------|-----------|------------------|-----------|
|                                  | Number of shares | NAV/Share | Number of shares | NAV/Share |
| <b>Healthcare Discovery Fund</b> |                  |           |                  |           |
| Class I Sterling Accumulation    | 158,969          | \$11.42   | 113,274          | £11.01    |
| Class I US Dollar Accumulation   | 607,812          | \$15.47   | 88,700           | \$15.05   |
| Class S Sterling Accumulation    | 3,021,074        | \$11.47   | 2,210,967        | £11.03    |
| Class S US Dollar Accumulation   | 884,960          | \$15.54   | 800,940          | \$15.08   |



| Healthcare Opportunities Fund    | 31 December 2021 |           | 31 December 2020 |           |
|----------------------------------|------------------|-----------|------------------|-----------|
|                                  | Number of shares | NAV/Share | Number of shares | NAV/Share |
| Class A Euro Distribution        | 152,178          | €40.54    | 189,856          | €34.74    |
| Class A Sterling Distribution    | 87,455           | £34.04    | 94,007           | £31.10    |
| Class A US Dollar Distribution   | 179,616          | \$46.10   | 207,039          | \$42.51   |
| Class I Euro Distribution        | 3,321,576        | €61.90    | 3,739,430        | €52.78    |
| Class I Euro Accumulation        | 2,654,253        | €14.78    | 2,574,884        | €12.61    |
| Class I Euro Hedged Accumulation | 243,622          | €15.33    | 188,568          | €14.22    |
| Class I Sterling Distribution    | 18,282,663       | £51.97    | 20,427,500       | £47.24    |
| Class I US Dollar Distribution   | 3,552,582        | \$70.39   | 3,671,756        | \$64.58   |
| Class I US Dollar Accumulation   | 425,238          | \$69.38   | 577,388          | €63.66    |
| Class R Euro Distribution        | 1,466,934        | €58.23    | 1,336,367        | €49.91    |
| Class R Euro Accumulation        | 65,381           | €57.31    | 17,572           | €49.12    |
| Class R Sterling Distribution    | 312,881          | £48.89    | 309,617          | £44.68    |
| Class R US Dollar Distribution   | 2,074,995        | \$66.22   | 1,948,088        | \$61.07   |
| Class R US Dollar Accumulation   | 160,242          | \$65.17   | 92,655           | €60.11    |

| Income Opportunities Fund             | 31 December 2021 |           | 31 December 2020 |           |
|---------------------------------------|------------------|-----------|------------------|-----------|
|                                       | Number of shares | NAV/Share | Number of shares | NAV/Share |
| Class A1 Sterling Distribution        | 3,541,057        | £1.48     | 4,548,293        | £1.27     |
| Class A2 Sterling Accumulation        | 914,187          | £2.71     | 1,019,563        | £2.22     |
| Class B1 Sterling Distribution        | 4,839,746        | £1.57     | 5,329,699        | £1.34     |
| Class B2 Sterling Accumulation        | 7,529,199        | £2.85     | 7,629,593        | £2.33     |
| Class I Euro Accumulation             | 29,894           | €3.39     | 414              | €2.60     |
| Class I Euro Distribution             | 746              | €1.87     | 714              | €1.50     |
| Class I Euro Hedged Accumulation      | 17,205           | €16.29    | 15,305           | €13.38    |
| Class I Euro Hedged Distribution      | 928              | €12.59    | 923              | €10.81    |
| Class I US Dollar Accumulation        | 371              | \$3.86    | 371              | \$3.18    |
| Class I US Dollar Distribution        | 309,823          | \$2.13    | 309,795          | \$1.83    |
| Class R Euro Accumulation             | 94,269           | €3.23     | 40,250           | €2.48     |
| Class R Euro Distribution             | 62,319           | €1.76     | 439,628          | €1.41     |
| Class R Euro Hedged Accumulation      | 81,133           | €15.87    | 137,104          | €13.09    |
| Class R Euro Hedged Distribution      | 95,314           | €12.28    | 150,328          | €10.60    |
| Class R US Dollar Accumulation        | 112,106          | \$3.67    | 264,433          | \$3.04    |
| Class R US Dollar Distribution        | 757,003          | \$2.00    | 1,602,402        | \$1.73    |
| Class R US Dollar Hedged Accumulation | 1,216,806        | \$13.89   | 1,340,957        | \$11.39   |
| Class R US Dollar Hedged Distribution | 508,048          | \$11.33   | 1,215,267        | \$9.72    |


**Notes to the Financial Statements** continued  
 For the financial year ended 31 December 2021
**9. Shareholders' Funds** continued**Number of redeemable participating shares outstanding and net asset value per redeemable participating share** continued

|   | 31 December 2021 |            | 31 December 2020 |           |
|---|------------------|------------|------------------|-----------|
|   | Number of shares | NAV/Share  | Number of shares | NAV/Share |
| <b>Japan Value Fund</b>                 |                  |            |                  |           |
| Class I Euro Distribution               | 1,038            | €0.99      | 1,038            | €0.89     |
| Class I Hedged Swiss Franc Distribution | 100              | Sfr. 10.89 | 100              | Sfr. 9.57 |
| Class I Hedged Euro Distribution        | 100              | €9.53      | 100              | €8.36     |
| Class I Hedged Sterling Distribution    | 5,726            | £9.79      | 100              | £8.57     |
| Class I Hedged US Dollar Distribution   | 37,327           | \$10.28    | 31,684           | \$8.96    |
| Class I Japanese Yen Distribution       | 1,415            | ¥128.69    | 3,598,071        | ¥112.12   |
| Class I Sterling Distribution           | 96,189           | £0.83      | 96,846           | £0.80     |
| Class I US Dollar Distribution          | 846              | \$1.12     | 3,833            | \$1.09    |
| Class R Hedged Swiss Franc Distribution | 225,825          | Sfr. 10.81 | 230,196          | Sfr. 9.54 |
| Class R Hedged Euro Distribution        | 2,146,280        | ¥2.26      | 3,092,775        | ¥1.99     |
| Class R Hedged Sterling Distribution    | 1,317,154        | £1.87      | 2,249,721        | £1.65     |
| Class R Hedged US Dollar Distribution   | 7,710,654        | \$3.25     | 9,302,596        | \$2.84    |
| Class R Euro Distribution               | 49,771           | €2.00      | 166,226          | €1.80     |
| Class R Sterling Distribution           | 3,075            | £1.68      | 4,469            | £1.63     |
| Class R Japanese Yen Distribution       | 4,406,425        | ¥260.46    | 5,256,088        | ¥227.72   |
| Class R US Dollar Distribution          | 243,833          | \$2.26     | 318,943          | \$2.20    |
| Class S Hedged Swiss Franc Distribution | 195,757          | Sfr. 10.99 | 221,084          | Sfr. 9.62 |
| Class S Hedged Euro Distribution        | 1,704,815        | €2.39      | 2,236,158        | €2.09     |
| Class S Hedged Sterling Distribution    | 6,044,264        | £1.99      | 7,951,303        | £1.73     |
| Class S Hedged US Dollar Distribution   | 5,252,869        | \$3.45     | 5,613,345        | \$2.99    |
| Class S Euro Distribution               | 5,964,902        | €2.12      | 164,902          | €1.89     |
| Class S Japanese Yen Distribution       | 11,451,031       | ¥275.45    | 9,112,220        | ¥239.03   |
| Class S Sterling Distribution           | 25,786,556       | £1.78      | 16,046,594       | £1.71     |
| Class S US Dollar Distribution          | 5,504,889        | \$2.39     | 5,682,635        | \$2.31    |



|   | 31 December 2021 |            | 31 December 2020 |            |
|---|------------------|------------|------------------|------------|
|   | Number of shares | NAV/Share  | Number of shares | NAV/Share  |
| <b>North American Fund</b>              |                  |            |                  |            |
| Class I Euro Distribution               | 9,953            | €34.11     | 10,580           | €25.66     |
| Class I Hedged Euro Distribution        | 2,379,639        | €33.81     | 1,609,896        | €27.58     |
| Class I Hedged Sterling Distribution    | 1,473,279        | £35.19     | 922,476          | £28.63     |
| Class I Hedged Swiss Franc Distribution | 105,810          | Sfr. 18.81 | 148,941          | Sfr. 15.38 |
| Class I Sterling Distribution           | 4,114,975        | £28.64     | 5,391,976        | £22.96     |
| Class I US Dollar Distribution          | 10,749,027       | \$38.79    | 10,647,266       | \$31.39    |
| Class R Euro Distribution               | 156,781          | €32.19     | 70,297           | €24.36     |
| Class R Hedged Euro Distribution        | 194,085          | €31.86     | 170,773          | €26.15     |
| Class R Hedged Sterling Distribution    | 48,795           | £33.31     | 47,750           | £27.24     |
| Class R Sterling Distribution           | 20,888           | £27.03     | 20,500           | £21.80     |
| Class R US Dollar Distribution          | 1,583,047        | \$36.61    | 1,391,788        | \$29.81    |
| Class S Euro Distribution               | 37,680           | €34.52     | 38,982           | €25.96     |
| Class S Hedged Euro Distribution        | 21,412           | €34.29     | 195,250          | €27.95     |
| Class S Hedged Sterling Distribution    | 616,053          | £35.67     | 796,893          | £28.99     |
| Class S Sterling Distribution           | 7,248,224        | £28.99     | 8,543,177        | £23.23     |
| Class S US Dollar Distribution          | 3,063,920        | \$39.26    | 3,024,799        | \$31.76    |

|                                       | 31 December 2021 |           | 31 December 2019 |           |
|---------------------------------------|------------------|-----------|------------------|-----------|
|                                       | Number of shares | NAV/Share | Number of shares | NAV/Share |
| <b>UK Absolute Equity Fund*</b>       |                  |           |                  |           |
| Class I Euro Distribution             | –                | €0.00     | –                | €0.00     |
| Class I Hedged Euro Distribution      | –                | €0.00     | –                | €0.00     |
| Class I Hedged US Dollar Distribution | –                | \$0.00    | –                | €0.00     |
| Class I Sterling Distribution         | –                | £0.00     | –                | €0.00     |
| Class I US Dollar Distribution        | –                | \$0.00    | –                | €0.00     |
| Class R Euro Distribution             | –                | €0.00     | –                | €0.00     |
| Class R Hedged Euro Distribution      | –                | €0.00     | –                | €0.00     |
| Class R Hedged US Dollar Distribution | –                | \$0.00    | –                | €0.00     |
| Class R Sterling Distribution         | –                | £0.00     | –                | €0.00     |
| Class R US Dollar Distribution        | –                | \$0.00    | –                | €0.00     |
| Class S Euro Distribution             | –                | €0.00     | –                | €0.00     |
| Class S Hedged Euro Distribution      | –                | €0.00     | –                | €0.00     |
| Class S Hedged US Dollar Distribution | –                | \$0.00    | –                | €0.00     |
| Class S Sterling Distribution         | –                | £0.00     | –                | €0.00     |
| Class S US Dollar Distribution        | –                | \$0.00    | –                | €0.00     |

## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 9. Shareholders' Funds continued

#### Number of redeemable participating shares outstanding and net asset value per redeemable participating share continued

|                                    | 31 December 2021 |           | 31 December 2020 |           |
|------------------------------------|------------------|-----------|------------------|-----------|
|                                    | Number of shares | NAV/Share | Number of shares | NAV/Share |
| <b>Smart Energy Fund*</b>          |                  |           |                  |           |
| Class I Euro Accumulation          | 560,105          | €9.36     | –                | €0.00     |
| Class I Sterling Accumulation      | 108,411          | £7.86     | –                | £0.00     |
| Class I Swedish Krona Accumulation | 11               | SEK 96.34 | –                | SEK 0.00  |
| Class I Swiss Franc Accumulation   | 107              | Sfr. 9.70 | –                | Sfr. 0.00 |
| Class I US Dollar Accumulation     | 1,505,543        | \$10.64   | –                | \$0.00    |
| Class R Euro Accumulation          | 63,704           | €9.34     | –                | €0.00     |
| Class R Sterling Accumulation      | 135              | £7.84     | –                | £0.00     |
| Class R Swedish Krona Accumulation | 11               | SEK 96.16 | –                | SEK 0.00  |
| Class R Swiss Franc Accumulation   | 307              | Sfr. 9.68 | –                | Sfr. 0.00 |
| Class R US Dollar Accumulation     | 361,283          | \$10.62   | –                | \$0.00    |

|                                    | 31 December 2021 |           | 31 December 2020 |           |
|------------------------------------|------------------|-----------|------------------|-----------|
|                                    | Number of shares | NAV/Share | Number of shares | NAV/Share |
| <b>Smart Mobility Fund*</b>        |                  |           |                  |           |
| Class I Euro Accumulation          | 151,516          | €9.30     | –                | €0.00     |
| Class I GBP Accumulation           | 41,848           | £7.81     | –                | £0.00     |
| Class I Swedish Krona Accumulation | 11               | SEK 95.74 | –                | SEK 0.00  |
| Class I Swiss Franc Accumulation   | 107              | Sfr. 9.63 | –                | Sfr. 0.00 |
| Class I US Dollar Accumulation     | 501,800          | \$10.57   | –                | \$0.00    |
| Class R Euro Accumulation          | 1,904            | €9.29     | –                | €0.00     |
| Class R GBP Accumulation           | 135              | £7.80     | –                | £0.00     |
| Class R Swedish Krona Accumulation | 11               | SEK 95.61 | –                | SEK 0.00  |
| Class R Swiss Franc Accumulation   | 107              | Sfr. 9.62 | –                | Sfr. 0.00 |
| Class R US Dollar Accumulation     | 100              | \$10.56   | –                | \$0.00    |

|                                    | 31 December 2021 |           | 31 December 2020 |           |
|------------------------------------|------------------|-----------|------------------|-----------|
|                                    | Number of shares | NAV/Share | Number of shares | NAV/Share |
| <b>UK Value Opportunities Fund</b> |                  |           |                  |           |
| Class I Sterling Accumulation      | 9,592,295        | £14.64    | 13,925,084       | £12.19    |
| Class I Sterling Distribution      | 11,963,814       | £13.83    | 7,084,022        | £11.59    |
| Class R Sterling Accumulation      | 170,554          | £12.25    | 271,055          | £10.23    |
| Class S Sterling Accumulation      | 16,550,139       | £14.72    | 14,835,024       | £12.25    |
| Class S Sterling Distribution      | 72,814,722       | £13.86    | 50,376,830       | £11.61    |
| Class Z Sterling Accumulation      | 4,126,850        | £13.30    | 12,058,964       | £10.97    |
| Class Z Sterling Distribution      | –                | £0.00     | –                | £0.00     |

\* Smart Energy Fund and Smart Mobility Fund launched on 30 September 2021.



## Movement in redeemable participating shares in issue during the financial year

|  | 31 December 2021                             |  |  |
|--|--|--|--|
|  | Shares Number<br>Class A USD<br>Distribution | Shares Number<br>Class I EUR<br>Distribution | Shares Number<br>Class I EUR<br>Hedged<br>Distribution |
| <b>Asian Opportunities Fund*</b>           |  |  |  |
| Shares in issue at 1 January 2021          | 15,298                                       | 2,811  | 6,331  |
| Shares issued during financial year        | 157  | –  | –  |
| Shares redeemed during financial year      | (15,455)                                     | (2,811)                                      | (6,331)  |
| <b>Shares in issue at 31 December 2021</b> | –  | –  | –  |
| <b>Shares in issue at 31 December 2020</b> | 15,298                                       | 2,811  | 6,331  |

|  | 31 December 2021                             |  |  |
|--|--|--|--|
|  | Shares Number<br>Class I GBP<br>Distribution | Shares Number<br>Class I GBP<br>Hedged<br>Distribution | Shares Number<br>Class I USD<br>Distribution |
| <b>Asian Opportunities Fund</b>            |  |  |  |
| Shares in issue at 1 January 2021          | 12,853                                       | 12,501   | 48,442                                       |
| Shares issued during financial year        | 8  | –  | –  |
| Shares redeemed during financial year      | (12,861)                                     | (12,501)   | (48,442)                                     |
| <b>Shares in issue at 31 December 2021</b> | –  | –  | –  |
| <b>Shares in issue at 31 December 2020</b> | 12,853                                       | 12,501   | 48,442                                       |

|  | 31 December 2021                             |  |  |
|--|--|--|--|
|  | Shares Number<br>Class I EUR<br>Accumulation | Shares Number<br>Class I GBP<br>Accumulation | Shares Number<br>Class I USD<br>Accumulation |
| <b>Asian Stars Fund*</b>                   |  |  |  |
| Shares in issue at 1 January 2021          | 3,714  | 75,245                                       | 98,463                                       |
| Shares issued during financial year        | 46,677                                       | 101,561                                      | 79,285                                       |
| Shares redeemed during financial year      | –  | (62,563)                                     | (4,100)                                      |
| <b>Shares in issue at 31 December 2021</b> | 50,391                                       | 114,243                                      | 173,648                                      |
| <b>Shares in issue at 31 December 2020</b> | 3,714  | 75,245                                       | 98,463                                       |

\* Asian Opportunities Fund terminated on 01 March 2021.


**Notes to the Financial Statements** continued  
 For the financial year ended 31 December 2021
**9. Shareholders' Funds** continued**Movement in redeemable participating shares in issue during the financial year** continued

|  | 31 December 2021                                |   |   |
|--|---|---|---|
|  | Shares<br>Number<br>Class R EUR<br>Accumulation | Shares<br>Number<br>Class R GBP<br>Accumulation | Shares<br>Number<br>Class R USD<br>Accumulation |
| <b>Asian Stars Fund*</b>                   |   |   |   |
| Shares in issue at 1 January 2021          | 114   | 127   | 100   |
| Shares issued during financial year        | 8,356   | –   | 983   |
| Shares redeemed during financial year      | (5,448)   | –   | –   |
| <b>Shares in issue at 31 December 2021</b> | <b>3,022</b>                                    | <b>127</b>                                      | <b>1,083</b>                                    |
| <b>Shares in issue at 31 December 2020</b> | <b>114</b>                                      | <b>127</b>                                      | <b>100</b>                                      |

|  | 31 December 2021                                |   |   |
|--|---|---|---|
|  | Shares<br>Number<br>Class S EUR<br>Accumulation | Shares<br>Number<br>Class S GBP<br>Accumulation | Shares<br>Number<br>Class S USD<br>Accumulation |
| <b>Asian Stars Fund*</b> continued         |   |   |   |
| Shares in issue at 1 January 2021          | 114   | 127   | 779,575   |
| Shares issued during financial year        | 6,379,825                                       | 1,590,321                                       | 1,971,484                                       |
| Shares redeemed during financial year      | (1,109,537)                                     | (315,831)                                       | (685,641)                                       |
| <b>Shares in issue at 31 December 2021</b> | <b>5,270,402</b>                                | <b>1,274,617</b>                                | <b>2,065,418</b>                                |
| <b>Shares in issue at 31 December 2020</b> | <b>114</b>                                      | <b>127</b>                                      | <b>779,575</b>                                  |

|  | 31 December 2021                                |                  |
|--|---|------------------|
|  | Shares<br>Number<br>Class S USD<br>Distribution | Shares<br>Number |
| <b>Asian Stars Fund*</b> continued         |   |                  |
| Shares in issue at 1 January 2021          | –   | –                |
| Shares issued during financial year        | 100   | –                |
| Shares redeemed during financial year      | –   | –                |
| <b>Shares in issue at 31 December 2021</b> | <b>100</b>                                      | <b>–</b>         |
| <b>Shares in issue at 31 December 2020</b> | <b>–</b>  | <b>–</b>         |



|  | 31 December 2021                             |  |  |  |
|--|--|--|--|--|
|  | Shares Number<br>Class I EUR<br>Accumulation | Shares Number<br>Class I GBP<br>Accumulation | Shares Number<br>Class I USD<br>Accumulation | Shares Number<br>Class R EUR<br>Accumulation |
| <b>Automation &amp; Artificial Intelligence Fund</b> |  |  |  |  |
| Shares in issue at 1 January 2021                    | 1,165,702                                    | 6,693,034                                    | 3,962,109                                    | 1,204,496                                    |
| Shares issued during financial year                  | 665,837                                      | 1,886,723                                    | 766,001                                      | 731,627                                      |
| Shares redeemed during financial year                | (377,598)                                    | (1,480,074)                                  | (1,769,179)                                  | (479,179)                                    |
| <b>Shares in issue at 31 December 2021</b>           | <b>1,453,941</b>                             | <b>7,099,683</b>                             | <b>2,958,931</b>                             | <b>1,456,944</b>                             |
| <b>Shares in issue at 31 December 2020</b>           | <b>1,165,702</b>                             | <b>6,693,034</b>                             | <b>3,962,109</b>                             | <b>1,204,496</b>                             |

|  | 31 December 2021                             |  |  |  |
|--|--|--|--|--|
|  | Shares Number<br>Class R USD<br>Accumulation | Shares Number<br>Class S EUR<br>Accumulation | Shares Number<br>Class S GBP<br>Accumulation | Shares Number<br>Class S USD<br>Accumulation |
| <b>Automation &amp; Artificial Intelligence Fund</b> continued |  |  |  |  |
| Shares in issue at 1 January 2021                              | 1,648,545                                    | 86,228                                       | 11,988,718                                   | 921,951                                      |
| Shares issued during financial year                            | 567,173                                      | 4,606  | 1,705,024                                    | 66,016                                       |
| Shares redeemed during financial year                          | (479,816)                                    | (9,660)                                      | (1,877,326)                                  | (150,518)                                    |
| <b>Shares in issue at 31 December 2021</b>                     | <b>1,735,902</b>                             | <b>81,174</b>                                | <b>11,816,416</b>                            | <b>837,449</b>                               |
| <b>Shares in issue at 31 December 2020</b>                     | <b>1,648,545</b>                             | <b>86,228</b>                                | <b>11,988,718</b>                            | <b>921,951</b>                               |

|  | 31 December 2021                             |
|--|--|
|  | Shares Number<br>Class Z GBP<br>Accumulation |
| <b>Automation &amp; Artificial Intelligence Fund</b> continued |  |
| Shares in issue at 1 January 2021                              | 11,245,919                                   |
| Shares issued during financial year                            | 149,280                                      |
| Shares redeemed during financial year                          | (4,115,099)                                  |
| <b>Shares in issue at 31 December 2021</b>                     | <b>7,280,100</b>                             |
| <b>Shares in issue at 31 December 2020</b>                     | <b>11,245,919</b>                            |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 9. Shareholders' Funds continued

#### Movement in redeemable participating shares in issue during the financial year continued

|  | 31 December 2021                |                                 |   |                                 |
|--|---------------------------------|---------------------------------|---|---------------------------------|
|  | Shares<br>Number<br>Class I EUR | Shares<br>Number<br>Class I GBP | Shares<br>Number<br>Class I GBP<br>Hedged | Shares<br>Number<br>Class I USD |
| <b>Biotechnology Fund</b>                  |                                 |                                 |   |                                 |
| Shares in issue at 1 January 2021          | 3,599,872                       | 5,403,245                       | 457,537                                   | 10,119,427                      |
| Shares issued during financial year        | 2,015,014                       | 2,278,678                       | 6,625,792                                 | 5,880,374                       |
| Shares redeemed during financial year      | (1,138,390)                     | (1,941,157)                     | (203,413)                                 | (4,160,592)                     |
| <b>Shares in issue at 31 December 2021</b> | <b>4,476,496</b>                | <b>5,740,766</b>                | <b>6,879,916</b>                          | <b>11,839,209</b>               |
| <b>Shares in issue at 31 December 2020</b> | <b>3,599,872</b>                | <b>5,403,245</b>                | <b>457,537</b>                            | <b>10,119,427</b>               |

|  | 31 December 2021                |                                 |                                 |
|--|---------------------------------|---------------------------------|---------------------------------|
|  | Shares<br>Number<br>Class R EUR | Shares<br>Number<br>Class R GBP | Shares<br>Number<br>Class R USD |
| <b>Biotechnology Fund</b> continued        |                                 |                                 |                                 |
| Shares in issue at 1 January 2021          | 4,066,324                       | 230,876                         | 8,549,659                       |
| Shares issued during financial year        | 2,582,780                       | 92,536                          | 4,253,168                       |
| Shares redeemed during financial year      | (1,522,438)                     | (50,174)                        | (2,011,191)                     |
| <b>Shares in issue at 31 December 2021</b> | <b>5,126,666</b>                | <b>273,238</b>                  | <b>10,791,636</b>               |
| <b>Shares in issue at 31 December 2020</b> | <b>4,066,324</b>                | <b>230,876</b>                  | <b>8,549,659</b>                |

|  | 31 December 2021                |                                 |                                 |
|--|---------------------------------|---------------------------------|---------------------------------|
|  | Shares<br>Number<br>Class S EUR | Shares<br>Number<br>Class S GBP | Shares<br>Number<br>Class S USD |
| <b>Biotechnology Fund</b> continued        |                                 |                                 |                                 |
| Shares in issue at 1 January 2021          | 13,050                          | 11,692                          | 164,766                         |
| Shares issued during financial year        | 8,699                           | 38,438                          | 16,655                          |
| Shares redeemed during financial year      | (4,867)                         | (445)                           | (7,996)                         |
| <b>Shares in issue at 31 December 2021</b> | <b>16,882</b>                   | <b>49,685</b>                   | <b>173,425</b>                  |
| <b>Shares in issue at 31 December 2020</b> | <b>13,050</b>                   | <b>11,692</b>                   | <b>164,766</b>                  |



|  | 31 December 2021                             |  |  |
|--|--|--|--|
|  | Shares Number<br>Class I EUR<br>Accumulation | Shares Number<br>Class I GBP<br>Accumulation | Shares Number<br>Class I USD<br>Accumulation |
| <b>China Stars Fund</b>                    |  |  |  |
| Shares in issue at 1 January 2021          | 11,409                                       | 136,523                                      | 35,461                                       |
| Shares issued during financial year        | 8,654  | 95,790                                       | 9,080  |
| Shares redeemed during financial year      | (144)  | (130,755)                                    | (42,638)                                     |
| <b>Shares in issue at 31 December 2021</b> | <b>19,919</b>                                | <b>101,558</b>                               | <b>1,903</b>                                 |
| <b>Shares in issue at 31 December 2020</b> | <b>11,409</b>                                | <b>136,523</b>                               | <b>35,461</b>                                |

|  | 31 December 2021                             |  |  |
|--|--|--|--|
|  | Shares Number<br>Class R EUR<br>Accumulation | Shares Number<br>Class R GBP<br>Accumulation | Shares Number<br>Class R USD<br>Accumulation |
| <b>China Stars Fund</b>                    |  |  |  |
| Shares in issue at 1 January 2021          | 8,465  | 130  | 36,215                                       |
| Shares issued during financial year        | 16,210                                       | –  | 11,975                                       |
| Shares redeemed during financial year      | (9,955)                                      | –  | (28,451)                                     |
| <b>Shares in issue at 31 December 2021</b> | <b>14,720</b>                                | <b>130</b>                                   | <b>19,739</b>                                |
| <b>Shares in issue at 31 December 2020</b> | <b>8,465</b>                                 | <b>130</b>                                   | <b>36,215</b>                                |

|  | 31 December 2021                             |  |  |
|--|--|--|--|
|  | Shares Number<br>Class S EUR<br>Accumulation | Shares Number<br>Class S GBP<br>Accumulation | Shares Number<br>Class S USD<br>Accumulation |
| <b>China Stars Fund</b>                    |  |  |  |
| Shares in issue at 1 January 2021          | 404  | 15,452                                       | 601,196                                      |
| Shares issued during financial year        | –  | 352,312                                      | 296,598                                      |
| Shares redeemed during financial year      | (96)   | (56)   | –  |
| <b>Shares in issue at 31 December 2021</b> | <b>308</b>                                   | <b>367,708</b>                               | <b>897,794</b>                               |
| <b>Shares in issue at 31 December 2020</b> | <b>404</b>                                   | <b>15,452</b>                                | <b>601,196</b>                               |

|  | 31 December 2021                             |  |  |
|--|--|--|--|
|  | Shares Number<br>Class I EUR<br>Accumulation | Shares Number<br>Class I EUR<br>Distribution | Shares Number<br>Class I GBP<br>Accumulation |
| <b>Emerging Markets Income Fund*</b>       |  |  |  |
| Shares in issue at 1 January 2021          | 1,655  | 13,298                                       | 167,122                                      |
| Shares issued during financial year        | 30   | 7,000  | 5,853  |
| Shares redeemed during financial year      | (1,685)                                      | (20,298)                                     | (172,975)                                    |
| <b>Shares in issue at 31 December 2021</b> | <b>–</b>                                     | <b>–</b>                                     | <b>–</b>                                     |
| <b>Shares in issue at 31 December 2020</b> | <b>1,655</b>                                 | <b>13,298</b>                                | <b>167,122</b>                               |

\* Emerging Markets Income Fund merged with Emerging Markets Stars Fund on 8 June 2021.

## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 9. Shareholders' Funds continued

#### Movement in redeemable participating shares in issue during the financial year continued

|  | 31 December 2021                             |  |  |
|--|--|--|--|
|  | Shares Number<br>Class I GBP<br>Distribution | Shares Number<br>Class I USD<br>Accumulation | Shares Number<br>Class I USD<br>Distribution |
| <b>Emerging Markets Income Fund*</b> continued |  |  |  |
| Shares in issue at 1 January 2021              | 2,702,942                                    | 147,774                                      | 38,469                                       |
| Shares issued during financial year            | 22,964                                       | 25   | 281  |
| Shares redeemed during financial year          | (2,725,906)                                  | (147,799)                                    | (38,750)                                     |
| <b>Shares in issue at 31 December 2021</b>     | –  | –  | –  |
| <b>Shares in issue at 31 December 2020</b>     | 2,702,942                                    | 147,774                                      | 38,469                                       |

|  | 31 December 2021                             |  |  |
|--|--|--|--|
|  | Shares Number<br>Class R EUR<br>Accumulation | Shares Number<br>Class R EUR<br>Distribution | Shares Number<br>Class R GBP<br>Accumulation |
| <b>Emerging Markets Income Fund*</b> continued |  |  |  |
| Shares in issue at 1 January 2021              | 45,420                                       | 11,850                                       | 3,821  |
| Shares issued during financial year            | 6,390  | –  | 444  |
| Shares redeemed during financial year          | (51,810)                                     | (11,850)                                     | (4,265)                                      |
| <b>Shares in issue at 31 December 2021</b>     | –  | –  | –  |
| <b>Shares in issue at 31 December 2020</b>     | 45,420                                       | 11,850                                       | 3,821  |

|  | 31 December 2021                             |  |  |
|--|--|--|--|
|  | Shares Number<br>Class R GBP<br>Distribution | Shares Number<br>Class R USD<br>Accumulation | Shares Number<br>Class R USD<br>Distribution |
| <b>Emerging Markets Income Fund*</b> continued |  |  |  |
| Shares in issue at 1 January 2021              | 25,060                                       | 432,793                                      | 184,145                                      |
| Shares issued during financial year            | –  | 83,537                                       | 1,194  |
| Shares redeemed during financial year          | (25,060)                                     | (516,330)                                    | (185,339)                                    |
| <b>Shares in issue at 31 December 2021</b>     | –  | –  | –  |
| <b>Shares in issue at 31 December 2020</b>     | 25,060                                       | 432,793                                      | 184,145                                      |

|  | 31 December 2021                             |  |  |
|--|--|--|--|
|  | Shares Number<br>Class S EUR<br>Accumulation | Shares Number<br>Class S EUR<br>Distribution | Shares Number<br>Class S GBP<br>Accumulation |
| <b>Emerging Markets Income Fund*</b> continued |  |  |  |
| Shares in issue at 1 January 2021              | 13   | 19   | 235,423                                      |
| Shares issued during financial year            | –  | –  | –  |
| Shares redeemed during financial year          | (13)   | (19)   | (235,423)                                    |
| <b>Shares in issue at 31 December 2021</b>     | –  | –  | –  |
| <b>Shares in issue at 31 December 2020</b>     | 13   | 19   | 235,423                                      |

\* Emerging Markets Income Fund merged with Emerging Markets Stars Fund on 8 June 2021.



|  | 31 December 2021                             |  |  |
|--|--|--|--|
|  | Shares Number<br>Class S GBP<br>Distribution | Shares Number<br>Class S USD<br>Accumulation | Shares Number<br>Class S USD<br>Distribution |
| <b>Emerging Markets Income Fund*</b> continued |  |  |  |
| Shares in issue at 1 January 2021              | 6,561,991                                    | 10   | 430,329                                      |
| Shares issued during financial year            | 172,602                                      | –  | 51,000                                       |
| Shares redeemed during financial year          | (6,734,593)                                  | (10)   | (481,329)                                    |
| <b>Shares in issue at 31 December 2021</b>     | –  | –  | –  |
| <b>Shares in issue at 31 December 2020</b>     | 6,561,991                                    | 10   | 430,329                                      |

|  | 31 December 2021                             |  |  |  |
|--|--|--|--|--|
|  | Shares Number<br>Class I EUR<br>Accumulation | Shares Number<br>Class I GBP<br>Accumulation | Shares Number<br>Class I USD<br>Accumulation | Shares Number<br>Class R EUR<br>Accumulation |
| <b>Emerging Markets Stars Fund</b>         |  |  |  |  |
| Shares in issue at 1 January 2021          | 1,732,431                                    | 628,642                                      | 514,862                                      | 19,841                                       |
| Shares issued during financial year        | 3,560,013                                    | 705,377                                      | 1,880,915                                    | 134,373                                      |
| Shares redeemed during financial year      | (2,089,777)                                  | (191,107)                                    | (152,084)                                    | (33,153)                                     |
| <b>Shares in issue at 31 December 2021</b> | 3,202,667                                    | 1,142,912                                    | 2,243,693                                    | 121,061                                      |
| <b>Shares in issue at 31 December 2020</b> | 1,732,431                                    | 628,642                                      | 514,862                                      | 19,841                                       |

|  | 31 December 2021                             |  |  |  |
|--|--|--|--|--|
|  | Shares Number<br>Class R GBP<br>Accumulation | Shares Number<br>Class R USD<br>Accumulation | Shares Number<br>Class R USD<br>Distribution | Shares Number<br>Class S EUR<br>Accumulation |
| <b>Emerging Markets Stars Fund</b> continued |  |  |  |  |
| Shares in issue at 1 January 2021            | 13   | 3,124  | –  | 4,728,009                                    |
| Shares issued during financial year          | 16,167                                       | 590,356                                      | 12,231,374                                   | 119,593                                      |
| Shares redeemed during financial year        | (654)  | (82,608)                                     | (70,432)                                     | (558,773)                                    |
| <b>Shares in issue at 31 December 2021</b>   | 15,526                                       | 510,872                                      | 12,160,942                                   | 4,288,829                                    |
| <b>Shares in issue at 31 December 2020</b>   | 13   | 3,124  | –  | 4,728,009                                    |

|  | 31 December 2021                             |  |  |  |
|--|--|--|--|--|
|  | Shares Number<br>Class S EUR<br>Distribution | Shares Number<br>Class S GBP<br>Accumulation | Shares Number<br>Class S USD<br>Accumulation | Shares Number<br>Class S USD<br>Distribution |
| <b>Emerging Markets Stars Fund</b> continued |  |  |  |  |
| Shares in issue at 1 January 2021            | –  | 3,708,371                                    | 6,846,289                                    | 1,431,129                                    |
| Shares issued during financial year          | 15,378                                       | 4,931,393                                    | 5,045,690                                    | 1,348,920                                    |
| Shares redeemed during financial year        | –  | (1,663,190)                                  | (790,561)                                    | (161,320)                                    |
| <b>Shares in issue at 31 December 2021</b>   | 15,378                                       | 6,976,574                                    | 11,101,418                                   | 2,618,729                                    |
| <b>Shares in issue at 31 December 2020</b>   | –  | 3,708,371                                    | 6,846,289                                    | 1,431,129                                    |

\* Emerging Markets Income Fund merged with Emerging Markets Stars Fund on 8 June 2021.



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 9. Shareholders' Funds continued

#### Movement in redeemable participating shares in issue during the financial year continued

|  | 31 December 2021                              |   |   |   |
|--|---|---|---|---|
|  | Shares Number<br>Class SX EUR<br>Accumulation | Shares Number<br>Class SX EUR<br>Distribution | Shares Number<br>Class SX GBP<br>Accumulation | Shares Number<br>Class SX GBP<br>Distribution |
| <b>Emerging Markets Stars Fund</b> continued |   |   |   |   |
| Shares in issue at 1 January 2021            | 100   | –   | 1,583,599                                     | –   |
| Shares issued during financial year          | –   | 9,108,550                                     | 378,059                                       | 100   |
| Shares redeemed during financial year        | –   | (207,280)                                     | (537,084)                                     | –   |
| <b>Shares in issue at 31 December 2021</b>   | 100   | 8,901,270                                     | 1,424,574                                     | 100   |
| <b>Shares in issue at 31 December 2020</b>   | 100   | –   | 1,583,599                                     |   |

|  | 31 December 2021                              |  |  |  |
|--|---|--|--|--|
|  | Shares Number<br>Class SX USD<br>Accumulation | Shares Number<br>Class X SEK<br>Accumulation | Shares Number<br>Class X EUR<br>Accumulation | Shares Number<br>Class X USD<br>Accumulation |
| <b>Emerging Markets Stars Fund</b> continued |   |  |  |  |
| Shares in issue at 1 January 2021            | 430,024                                       | 40,917                                       | 184,286                                      | 1,883,480                                    |
| Shares issued during financial year          | 13,167,725                                    | 13,419,316                                   | 1,530,610                                    | 2,290,594                                    |
| Shares redeemed during financial year        | (689,867)                                     | (243,462)                                    | (1,042)                                      | (191,358)                                    |
| <b>Shares in issue at 31 December 2021</b>   | 12,907,882                                    | 13,216,771                                   | 1,713,854                                    | 3,982,716                                    |
| <b>Shares in issue at 31 December 2020</b>   | 430,024                                       | 40,917                                       | 184,286                                      | 1,883,480                                    |

|  | 31 December 2021                             |  |  |
|--|--|--|--|
|  | Shares Number<br>Class I EUR<br>Accumulation | Shares Number<br>Class I GBP<br>Accumulation | Shares Number<br>Class I GBP<br>Distribution |
| <b>European ex UK Income Fund</b>          |  |  |  |
| Shares in issue at 1 January 2021          |  | 47,310                                       | 2,450,462                                    |
| Shares issued during financial year        |  | 34,319                                       | 218,882                                      |
| Shares redeemed during financial year      |  | (6,113)                                      | (2,011,804)                                  |
| <b>Shares in issue at 31 December 2021</b> |  | 75,516                                       | 657,540                                      |
| <b>Shares in issue at 31 December 2020</b> |  | 47,310                                       | 2,450,462                                    |



|   | 31 December 2021                                    |   |  |
|---|---|---|--|
|   | Shares Number<br>Class I GBP Hedged<br>Accumulation | Shares Number<br>Class I GBP Hedged<br>Distribution | Shares Number<br>Class S GBP<br>Accumulation |
| <b>European ex UK Income Fund</b> continued |   |   |  |
| Shares in issue at 1 January 2021           | 2,500   | 8,959   | 758,892                                      |
| Shares issued during financial year         | 9,655   | 21,281  | 395,218                                      |
| Shares redeemed during financial year       | (5,721)   | (11,642)  | (199,548)                                    |
| <b>Shares in issue at 31 December 2021</b>  | <b>6,434</b>  | <b>18,598</b>                                       | <b>954,562</b>                               |
| <b>Shares in issue at 31 December 2020</b>  | <b>2,500</b>  | <b>8,959</b>  | <b>758,892</b>                               |

|   | 31 December 2021                             |   |   |
|---|--|---|---|
|   | Shares Number<br>Class S GBP<br>Distribution | Shares Number<br>Class S GBP Hedged<br>Accumulation | Shares Number<br>Class S GBP Hedged<br>Distribution |
| <b>European ex UK Income Fund</b> continued |  |   |   |
| Shares in issue at 1 January 2021           | 3,563,707                                    | 100   | 3,484,880   |
| Shares issued during financial year         | 1,204,237                                    | –   | 23,204  |
| Shares redeemed during financial year       | (1,653,400)                                  | –   | (3,443,884)   |
| <b>Shares in issue at 31 December 2021</b>  | <b>3,114,544</b>                             | <b>100</b>  | <b>64,200</b>                                       |
| <b>Shares in issue at 31 December 2020</b>  | <b>3,563,707</b>                             | <b>100</b>  | <b>3,484,880</b>                                    |

|   | 31 December 2021                             |  |
|---|--|--|
|   | Shares Number<br>Class X GBP<br>Accumulation | Shares Number<br>Class X GBP<br>Distribution |
| <b>European ex UK Income Fund</b> continued |  |  |
| Shares in issue at 1 January 2021           | 100  | 7,509,538                                    |
| Shares issued during financial year         | –  | 131,004                                      |
| Shares redeemed during financial year       | –  | (2,786,600)                                  |
| <b>Shares in issue at 31 December 2021</b>  | <b>100</b>                                   | <b>4,853,942</b>                             |
| <b>Shares in issue at 31 December 2020</b>  | <b>100</b>                                   | <b>7,509,538</b>                             |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 9. Shareholders' Funds continued

#### Movement in redeemable participating shares in issue during the financial year continued

|  | 31 December 2021                             |  |  |
|--|--|--|--|
|  | Shares Number<br>Class I EUR<br>Accumulation | Shares Number<br>Class I EUR<br>Distribution | Shares Number<br>Class I GBP<br>Accumulation |
| <b>Financial Opportunities Fund</b>        |  |  |  |
| Shares in issue at 1 January 2021          | 2,112  | 88,378                                       | 77,832                                       |
| Shares issued during financial year        | 182,054                                      | 29,823                                       | 471,569                                      |
| Shares redeemed during financial year      | (181,562)                                    | (2)  | (198,701)                                    |
| <b>Shares in issue at 31 December 2021</b> | <b>2,604</b>                                 | <b>118,199</b>                               | <b>350,700</b>                               |
| <b>Shares in issue at 31 December 2020</b> | <b>2,112</b>                                 | <b>88,378</b>                                | <b>77,832</b>                                |

|   | 31 December 2021                             |  |  |
|---|--|--|--|
|   | Shares Number<br>Class I GBP<br>Distribution | Shares Number<br>Class I USD<br>Accumulation | Shares Number<br>Class I USD<br>Distribution |
| <b>Financial Opportunities Fund</b> continued |  |  |  |
| Shares in issue at 1 January 2021             | 325,408                                      | 5  | 8,715  |
| Shares issued during financial year           | 234,687                                      | 30,407                                       | 987  |
| Shares redeemed during financial year         | (252,980)                                    | (550)  | (9,176)                                      |
| <b>Shares in issue at 31 December 2021</b>    | <b>307,115</b>                               | <b>29,862</b>                                | <b>526</b>                                   |
| <b>Shares in issue at 31 December 2020</b>    | <b>325,408</b>                               | <b>5</b>                                     | <b>8,715</b>                                 |

|   | 31 December 2021                             |  |  |
|---|--|--|--|
|   | Shares Number<br>Class R EUR<br>Accumulation | Shares Number<br>Class R EUR<br>Distribution | Shares Number<br>Class R GBP<br>Accumulation |
| <b>Financial Opportunities Fund</b> continued |  |  |  |
| Shares in issue at 1 January 2021             | 10,407                                       | 6  | 395  |
| Shares issued during financial year           | 626  | 1,173  | 12,236                                       |
| Shares redeemed during financial year         | (6,239)                                      | (16)   | (386)  |
| <b>Shares in issue at 31 December 2021</b>    | <b>4,794</b>                                 | <b>1,163</b>                                 | <b>12,245</b>                                |
| <b>Shares in issue at 31 December 2020</b>    | <b>10,407</b>                                | <b>6</b>                                     | <b>395</b>                                   |



|   | 31 December 2021                             |  |  |
|---|--|--|--|
|   | Shares Number<br>Class R GBP<br>Distribution | Shares Number<br>Class R USD<br>Accumulation | Shares Number<br>Class R USD<br>Distribution |
| <b>Financial Opportunities Fund</b> continued |  |  |  |
| Shares in issue at 1 January 2021             | 8,073  | 13,982                                       | 9  |
| Shares issued during financial year           | 345  | 765  | –  |
| Shares redeemed during financial year         | (1,868)                                      | (765)  | –  |
| <b>Shares in issue at 31 December 2021</b>    | <b>6,550</b>                                 | <b>13,982</b>                                | <b>9</b>                                     |
| <b>Shares in issue at 31 December 2020</b>    | <b>8,073</b>                                 | <b>13,982</b>                                | <b>9</b>                                     |

|   | 31 December 2021                             |  |
|---|--|--|
|   | Shares Number<br>Class S GBP<br>Distribution | Shares Number<br>Class S USD<br>Distribution |
| <b>Financial Opportunities Fund</b> continued |  |  |
| Shares in issue at 1 January 2021             | 13   | 266,814                                      |
| Shares issued during financial year           | 89,040                                       | 315,804                                      |
| Shares redeemed during financial year         | (21,000)                                     | (31,466)                                     |
| <b>Shares in issue at 31 December 2021</b>    | <b>68,053</b>                                | <b>551,152</b>                               |
| <b>Shares in issue at 31 December 2020</b>    | <b>13</b>                                    | <b>266,814</b>                               |

|  | 31 December 2021   |   |   |
|--|--|---|---|
|  | Shares Number<br>Class I Hedged<br>Euro Accumulation<br>Shares | Shares Number<br>Class I Hedged<br>Sterling<br>Accumulation<br>Shares | Shares Number<br>Class I US<br>Dollar<br>Accumulation<br>Shares |
| <b>Global Absolute Return Fund</b>         |  |   |   |
| Shares in issue at 1 January 2021          | 2,222  | 28,224  | 7,356   |
| Shares issued during financial year        | –  | 8,201   | 7,184   |
| Shares redeemed during financial year      | (475)  | (2,753)   | (1,646)   |
| <b>Shares in issue at 31 December 2021</b> | <b>1,747</b>   | <b>33,672</b>   | <b>12,894</b>   |
| <b>Shares in issue at 31 December 2020</b> | <b>2,222</b>   | <b>28,224</b>   | <b>7,356</b>  |

## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 9. Shareholders' Funds continued

#### Movement in redeemable participating shares in issue during the financial year continued

|  | 31 December 2021   |   |   |
|--|--|---|---|
|  | Shares Number<br>Class S Hedged<br>Euro Accumulation<br>Shares | Shares Number<br>Class S Hedged<br>Sterling<br>Accumulation<br>Shares | Shares Number<br>Class S US<br>Dollar<br>Accumulation<br>Shares |
| <b>Global Absolute Return Fund</b> continued |  |   |   |
| Shares in issue at 1 January 2021            | 26,394   | 181,321   | 55,229  |
| Shares issued during financial year          | 6,160  | 84,797  | 183,360   |
| Shares redeemed during financial year        | (16,192)   | (72,189)  | (35,848)  |
| <b>Shares in issue at 31 December 2021</b>   | <b>16,362</b>  | <b>193,929</b>  | <b>202,741</b>  |
| <b>Shares in issue at 31 December 2020</b>   | <b>26,394</b>  | <b>181,321</b>  | <b>55,229</b>   |

|  | 31 December 2021                             |  |   |
|--|--|--|---|
|  | Shares Number<br>Class I EUR<br>Accumulation | Shares Number<br>Class I EUR<br>Distribution | Shares Number<br>Class I Hedged EUR<br>Accumulation |
| <b>Global Convertible Fund</b>             |  |  |   |
| Shares in issue at 1 January 2021          | 423,853                                      | 220,828                                      | 97,770  |
| Shares issued during financial year        | 2,855,348                                    | 9,683  | 41,275  |
| Shares redeemed during financial year      | (13,495)                                     | (37,902)                                     | (2,050)   |
| <b>Shares in issue at 31 December 2021</b> | <b>3,265,706</b>                             | <b>192,609</b>                               | <b>136,995</b>                                      |
| <b>Shares in issue at 31 December 2020</b> | <b>423,853</b>                               | <b>220,828</b>                               | <b>97,770</b>                                       |

|  | 31 December 2021                                       |  |  |
|--|--|--|--|
|  | Shares Number<br>Class I<br>Hedged GBP<br>Accumulation | Shares Number<br>Class I<br>Hedged GBP<br>Distribution | Shares Number<br>Class I<br>Hedged CHF<br>Accumulation |
| <b>Global Convertible Fund</b> continued   |  |  |  |
| Shares in issue at 1 January 2021          | 987,149  | 2,684,202  | 687,350  |
| Shares issued during financial year        | 2,871,090  | 1,017,088  | 228,800  |
| Shares redeemed during financial year      | (554,249)  | (698,567)  | (833,950)  |
| <b>Shares in issue at 31 December 2021</b> | <b>3,303,990</b>                                       | <b>3,002,723</b>                                       | <b>82,200</b>  |
| <b>Shares in issue at 31 December 2020</b> | <b>987,149</b>   | <b>2,684,202</b>                                       | <b>687,350</b>   |



|  | 31 December 2021                       |  |  |
|--|--|--|--|
|  | Shares Number Class I GBP Accumulation | Shares Number Class I GBP Distribution | Shares Number Class I USD Accumulation |
| <b>Global Convertible Fund</b> continued   |  |  |  |
| Shares in issue at 1 January 2021          | 1,709,492                              | 16,908,917                             | 250,487                                |
| Shares issued during financial year        | 837,231                                | 4,722,039                              | 9,980                                  |
| Shares redeemed during financial year      | (572,674)                              | (2,396,367)                            | (65,018)                               |
| <b>Shares in issue at 31 December 2021</b> | <b>1,974,049</b>                       | <b>19,234,589</b>                      | <b>195,449</b>                         |
| <b>Shares in issue at 31 December 2020</b> | <b>1,709,492</b>                       | <b>16,908,917</b>                      | <b>250,487</b>                         |

|  | 31 December 2021                       |  |  |
|--|--|--|--|
|  | Shares Number Class I USD Distribution | Shares Number Class Portfolio Currency Hedged EUR I Accumulation | Shares Number Class Portfolio Currency Hedged GBP I Distribution |
| <b>Global Convertible Fund</b> continued   |  |  |  |
| Shares in issue at 1 January 2021          | 315,516                                | 2,604,686  | 5,693,940  |
| Shares issued during financial year        | 45,058                                 | 622,541  | 1,079,774  |
| Shares redeemed during financial year      | (111,459)                              | (2,525,150)  | (2,169,361)  |
| <b>Shares in issue at 31 December 2021</b> | <b>249,115</b>                         | <b>702,077</b>   | <b>4,604,353</b>   |
| <b>Shares in issue at 31 December 2020</b> | <b>315,516</b>                         | <b>2,604,686</b>   | <b>5,693,940</b>   |

|  | 31 December 2021                       |  |  |  |
|--|--|--|--|--|
|  | Shares Number Class R EUR Accumulation | Shares Number Class R EUR Distribution | Shares Number Class R GBP Accumulation | Shares Number Class R GBP Distribution |
| <b>Global Convertible Fund</b> continued   |  |  |  |  |
| Shares in issue at 1 January 2021          | 56,920                                 | 154,760                                | 17,450                                 | 11,134                                 |
| Shares issued during financial year        | 70,477                                 | 69,996                                 | 2,974                                  | 21,453                                 |
| Shares redeemed during financial year      | (53,940)                               | (49,561)                               | (7,637)                                | (9,434)                                |
| <b>Shares in issue at 31 December 2021</b> | <b>73,457</b>                          | <b>175,195</b>                         | <b>12,787</b>                          | <b>23,153</b>                          |
| <b>Shares in issue at 31 December 2020</b> | <b>56,920</b>                          | <b>154,760</b>                         | <b>17,450</b>                          | <b>11,134</b>                          |

\* Healthcare Discovery Fund launched on 31 January 2020.



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 9. Shareholders' Funds continued

#### Movement in redeemable participating shares in issue during the financial year continued

|  | 31 December 2021                             |  |  |  |
|--|--|--|--|--|
|  | Shares Number<br>Class R USD<br>Accumulation | Shares Number<br>Class R USD<br>Distribution | Shares Number<br>Class S EUR<br>Accumulation | Shares Number<br>Class S EUR<br>Distribution |
| <b>Global Convertible Fund</b> continued   |  |  |  |  |
| Shares in issue at 1 January 2021          | 100  | 79,412                                       | 8,270  | 178  |
| Shares issued during financial year        | 28,818                                       | 26,198                                       | 6,843  | 67,375                                       |
| Shares redeemed during financial year      | (21,636)                                     | (18,808)                                     | –  | (931)  |
| <b>Shares in issue at 31 December 2021</b> | <b>7,282</b>                                 | <b>86,802</b>                                | <b>15,113</b>                                | <b>66,622</b>                                |
| <b>Shares in issue at 31 December 2020</b> | <b>100</b>                                   | <b>79,412</b>                                | <b>8,270</b>                                 | <b>178</b>                                   |

|  | 31 December 2021                                    |   |   |  |
|--|---|---|---|--|
|  | Shares Number<br>Class S Hedged<br>GBP Accumulation | Shares Number<br>Class S Hedged<br>GBP Distribution | Shares Number<br>Class S CHF Hedged<br>Accumulation | Shares Number<br>Class S GBP<br>Accumulation |
| <b>Global Convertible Fund</b> continued   |   |   |   |  |
| Shares in issue at 1 January 2021          | 69,516  | 250,444   | 50  | 192,445                                      |
| Shares issued during financial year        | 5,625   | 85,902  | –   | 37,966                                       |
| Shares redeemed during financial year      | (13,232)  | (154,683)   | –   | (39,431)                                     |
| <b>Shares in issue at 31 December 2021</b> | <b>61,909</b>                                       | <b>181,663</b>                                      | <b>50</b>   | <b>190,980</b>                               |
| <b>Shares in issue at 31 December 2020</b> | <b>69,516</b>                                       | <b>250,444</b>                                      | <b>50</b>   | <b>192,445</b>                               |

|  | 31 December 2021                             |  |  |   |
|--|--|--|--|---|
|  | Shares Number<br>Class S GBP<br>Distribution | Shares Number<br>Class S USD<br>Accumulation | Shares Number<br>Class S USD<br>Distribution | Shares Number<br>Class SI GBP<br>Accumulation |
| <b>Global Convertible Fund</b> continued   |  |  |  |   |
| Shares in issue at 1 January 2021          | 28,803,200                                   | 48,251                                       | 257,825                                      | 5,329,419                                     |
| Shares issued during financial year        | 9,604,554                                    | 8,183  | 230,154                                      | 1,209,910                                     |
| Shares redeemed during financial year      | (3,643,997)                                  | (562)  | (74,977)                                     | (1,501,372)                                   |
| <b>Shares in issue at 31 December 2021</b> | <b>34,763,757</b>                            | <b>55,872</b>                                | <b>413,002</b>                               | <b>5,037,957</b>                              |
| <b>Shares in issue at 31 December 2020</b> | <b>28,803,200</b>                            | <b>48,251</b>                                | <b>257,825</b>                               | <b>5,329,419</b>                              |



|  | <b>31 December 2020</b>   |
|--|---|
|  | <b>Shares<br/>Number<br/>Class Portfolio<br/>Currency Hedged<br/>GBP S Distribution</b> |
| <b>Global Convertible Fund</b> continued   |   |
| Shares in issue at 1 January 2021          | 7,285,765   |
| Shares issued during financial year        | 784,233   |
| Shares redeemed during financial year      | (749,823)   |
| <b>Shares in issue at 31 December 2021</b> | <b>7,320,175</b>  |
| <b>Shares in issue at 31 December 2020</b> | <b>7,285,765</b>  |

|  | <b>31 December 2021</b>                                   |   |   |   |
|--|---|---|---|---|
|  | <b>Shares<br/>Number<br/>Class A GBP<br/>Distribution</b> | <b>Shares<br/>Number<br/>Class B GBP<br/>Accumulation</b> | <b>Shares<br/>Number<br/>Class E GBP<br/>Distribution</b> | <b>Shares<br/>Number<br/>Class F GBP<br/>Accumulation</b> |
| <b>Global Insurance Fund</b>               |   |   |   |   |
| Shares in issue at 1 January 2021          | 269,148   | 1,370,374   | 97,052,757  | 26,963,629  |
| Shares issued during financial year        | 310   | 18,292  | 21,572,998  | 6,264,070   |
| Shares redeemed during financial year      | (67,977)  | (285,875)   | (22,092,542)  | (5,778,260)   |
| <b>Shares in issue at 31 December 2021</b> | <b>201,481</b>  | <b>1,102,791</b>  | <b>96,533,213</b>   | <b>27,449,439</b>   |
| <b>Shares in issue at 31 December 2020</b> | <b>269,148</b>  | <b>1,370,374</b>  | <b>97,052,757</b>   | <b>26,963,629</b>   |

|  | <b>31 December 2021</b>                                   |   |  |  |
|--|---|---|--|--|
|  | <b>Shares<br/>Number<br/>Class I EUR<br/>Accumulation</b> | <b>Shares<br/>Number<br/>Class I EUR<br/>Distribution</b> | <b>Shares<br/>Number<br/>Class I Hedged EUR<br/>Accumulation</b> | <b>Shares<br/>Number<br/>Class I Hedged USD<br/>Accumulation</b> |
| <b>Global Insurance Fund</b> continued     |   |   |  |  |
| Shares in issue at 1 January 2021          | 7,293,177   | 1,608,411   | 1,061,608  | 130,857  |
| Shares issued during financial year        | 4,493,179   | 33,705  | 165,946  | 9,710  |
| Shares redeemed during financial year      | (5,685,162)   | (110,937)   | (347,794)  | (87,870)   |
| <b>Shares in issue at 31 December 2021</b> | <b>6,101,194</b>  | <b>1,531,179</b>  | <b>879,760</b>   | <b>52,697</b>  |
| <b>Shares in issue at 31 December 2020</b> | <b>7,293,177</b>  | <b>1,608,411</b>  | <b>1,061,608</b>   | <b>130,857</b>   |


**Notes to the Financial Statements** continued  
 For the financial year ended 31 December 2021
**9. Shareholders' Funds** continued**Movement in redeemable participating shares in issue during the financial year** continued

|  | 31 December 2021                                |   |   |   |
|--|---|---|---|---|
|  | Shares<br>Number<br>Class I GBP<br>Accumulation | Shares<br>Number<br>Class I GBP<br>Distribution | Shares<br>Number<br>Class I USD<br>Accumulation | Shares<br>Number<br>Class I USD<br>Distribution |
| <b>Global Insurance Fund</b> continued     |   |   |   |   |
| Shares in issue at 1 January 2021          | 41,399,020                                      | 35,407,787                                      | 26,197,610                                      | 2,604,962                                       |
| Shares issued during financial year        | 14,203,237                                      | 10,285,338                                      | 9,490,738                                       | 930,351   |
| Shares redeemed during financial year      | (24,029,481)                                    | (6,058,495)                                     | (15,054,741)                                    | (644,101)                                       |
| <b>Shares in issue at 31 December 2021</b> | <b>31,572,776</b>                               | <b>39,634,630</b>                               | <b>20,633,607</b>                               | <b>2,891,212</b>                                |
| <b>Shares in issue at 31 December 2020</b> | <b>41,399,020</b>                               | <b>35,407,787</b>                               | <b>26,197,610</b>                               | <b>2,604,962</b>                                |

|  | 31 December 2021                                |   |   |
|--|---|---|---|
|  | Shares<br>Number<br>Class R EUR<br>Accumulation | Shares<br>Number<br>Class R EUR<br>Distribution | Shares<br>Number<br>Class R GBP<br>Accumulation |
| <b>Global Insurance Fund</b> continued     |   |   |   |
| Shares in issue at 1 January 2021          | 719,574   | 339,185   | 815,846   |
| Shares issued during financial year        | 202,925   | 59,629  | 104,094   |
| Shares redeemed during financial year      | (260,829)                                       | (72,089)  | (384,471)                                       |
| <b>Shares in issue at 31 December 2021</b> | <b>661,670</b>                                  | <b>326,725</b>                                  | <b>535,469</b>                                  |
| <b>Shares in issue at 31 December 2020</b> | <b>719,574</b>                                  | <b>339,185</b>                                  | <b>815,846</b>                                  |

|  | 31 December 2021                                |   |   |
|--|---|---|---|
|  | Shares<br>Number<br>Class R GBP<br>Distribution | Shares<br>Number<br>Class R USD<br>Accumulation | Shares<br>Number<br>Class R USD<br>Distribution |
| <b>Global Insurance Fund</b> continued     |   |   |   |
| Shares in issue at 1 January 2021          | 3,297,184                                       | 7,476,972                                       | 183,594   |
| Shares issued during financial year        | 40,707  | 1,447,981                                       | 31,978  |
| Shares redeemed during financial year      | (166,456)                                       | (3,021,807)                                     | (41,539)  |
| <b>Shares in issue at 31 December 2021</b> | <b>3,171,435</b>                                | <b>5,903,146</b>                                | <b>174,033</b>                                  |
| <b>Shares in issue at 31 December 2020</b> | <b>3,297,184</b>                                | <b>7,476,972</b>                                | <b>183,594</b>                                  |



|  | 31 December 2021                |                                 |                                 |   |
|--|---------------------------------|---------------------------------|---------------------------------|---|
|  | Shares<br>Number<br>Class A EUR | Shares<br>Number<br>Class A GBP | Shares<br>Number<br>Class A USD | Shares<br>Number<br>Class I EUR<br>Accumulation |
| <b>Global Technology Fund</b>              |                                 |                                 |                                 |   |
| Shares in issue at 1 January 2021          | 271,890                         | 365,726                         | 1,023,143                       | 272,197   |
| Shares issued during financial year        | 71,189                          | 34,948                          | 67,132                          | 4,824,751                                       |
| Shares redeemed during financial year      | (135,131)                       | (87,524)                        | (253,756)                       | (741,833)                                       |
| <b>Shares in issue at 31 December 2021</b> | <b>207,948</b>                  | <b>313,150</b>                  | <b>836,519</b>                  | <b>4,355,115</b>                                |
| <b>Shares in issue at 31 December 2020</b> | <b>271,890</b>                  | <b>365,726</b>                  | <b>1,023,143</b>                | <b>272,197</b>                                  |

|  | 31 December 2021                                |  |  |  |
|--|---|--|--|--|
|  | Shares<br>Number<br>Class I EUR<br>Distribution | Shares<br>Number<br>Class I Hedged EUR<br>Distribution | Shares<br>Number<br>Class I Hedged GBP | Shares<br>Number<br>Class I Hedged CHF |
| <b>Global Technology Fund</b> continued    |   |  |  |  |
| Shares in issue at 1 January 2021          | 7,149,606                                       | 6,259,752  | 5,092,563                              | 2,856,470                              |
| Shares issued during financial year        | 1,471,842                                       | 3,062,038  | 1,131,091                              | 889,126                                |
| Shares redeemed during financial year      | (3,398,016)                                     | (3,544,991)  | (1,138,952)                            | (680,113)                              |
| <b>Shares in issue at 31 December 2021</b> | <b>5,223,432</b>                                | <b>5,776,799</b>                                       | <b>5,084,702</b>                       | <b>3,065,483</b>                       |
| <b>Shares in issue at 31 December 2020</b> | <b>7,149,606</b>                                | <b>6,259,752</b>                                       | <b>5,092,563</b>                       | <b>2,856,470</b>                       |

|  | 31 December 2021                                |   |   |   |
|--|---|---|---|---|
|  | Shares<br>Number<br>Class I GBP<br>Distribution | Shares<br>Number<br>Class I USD<br>Distribution | Shares<br>Number<br>Class R EUR<br>Accumulation | Shares<br>Number<br>Class R EUR<br>Distribution |
| <b>Global Technology Fund</b> continued    |   |   |   |   |
| Shares in issue at 1 January 2021          | 29,653,115                                      | 25,459,261                                      | 74,455  | 5,861,555                                       |
| Shares issued during financial year        | 4,766,793                                       | 7,901,905                                       | 207,257   | 1,524,000                                       |
| Shares redeemed during financial year      | (8,572,996)                                     | (11,183,472)                                    | (45,515)  | (1,302,275)                                     |
| <b>Shares in issue at 31 December 2021</b> | <b>25,846,912</b>                               | <b>22,177,694</b>                               | <b>236,197</b>                                  | <b>6,083,280</b>                                |
| <b>Shares in issue at 31 December 2020</b> | <b>29,653,115</b>                               | <b>25,459,261</b>                               | <b>74,455</b>                                   | <b>5,861,555</b>                                |

|  | 31 December 2021  |   |   |   |
|--|---|---|---|---|
|  | Shares<br>Number<br>Class R<br>Hedged EUR<br>Distribution | Shares<br>Number<br>Class R<br>Hedged CHF<br>Distribution | Shares<br>Number<br>Class R GBP<br>Distribution | Shares<br>Number<br>Class R USD<br>Distribution |
| <b>Global Technology Fund</b> continued    |   |   |   |   |
| Shares in issue at 1 January 2021          | 8,748,425   | 3,104,523   | 901,548   | 687,340   |
| Shares issued during financial year        | 2,312,255   | 427,055   | 274,444   | 149,278   |
| Shares redeemed during financial year      | (4,125,514)   | (1,248,428)   | (242,685)                                       | (128,152)                                       |
| <b>Shares in issue at 31 December 2021</b> | <b>6,935,166</b>  | <b>2,283,150</b>  | <b>933,307</b>                                  | <b>708,466</b>                                  |
| <b>Shares in issue at 31 December 2020</b> | <b>8,748,425</b>  | <b>3,104,523</b>  | <b>901,548</b>                                  | <b>687,340</b>                                  |

## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 9. Shareholders' Funds continued

#### Movement in redeemable participating shares in issue during the financial year continued

|  | 31 December 2021                                |
|--|---|
|  | Shares<br>Number<br>Class R USD<br>Distribution |
| <b>Global Technology Fund</b> continued    |   |
| Shares in issue at 1 January 2021          | 18,263,544                                      |
| Shares issued during financial year        | 12,752,279                                      |
| Shares redeemed during financial year      | (6,921,984)                                     |
| <b>Shares in issue at 31 December 2021</b> | <b>24,093,839</b>                               |
| <b>Shares in issue at 31 December 2020</b> | <b>18,263,544</b>                               |

|  | 31 December 2021                                |   |   |   |
|--|---|---|---|---|
|  | Shares<br>Number<br>Class I EUR<br>Accumulation | Shares<br>Number<br>Class I EUR<br>Distribution | Shares<br>Number<br>Class I GBP<br>Accumulation | Shares<br>Number<br>Class I GBP<br>Distribution |
| <b>Healthcare Blue Chip Fund</b>           |   |   |   |   |
| Shares in issue at 1 January 2021          | 18,456  | 41,397  | 946,210   | 195,379   |
| Shares issued during financial year        | 35,342  | 1,005   | 383,532   | 117,890   |
| Shares redeemed during financial year      | (11,493)  | (36,602)  | (263,519)                                       | (71,172)  |
| <b>Shares in issue at 31 December 2021</b> | <b>42,305</b>                                   | <b>5,800</b>                                    | <b>1,066,223</b>                                | <b>242,097</b>                                  |
| <b>Shares in issue at 31 December 2020</b> | <b>18,456</b>                                   | <b>41,397</b>                                   | <b>946,210</b>                                  | <b>195,379</b>                                  |

|  | 31 December 2021                                |   |   |
|--|---|---|---|
|  | Shares<br>Number<br>Class I USD<br>Accumulation | Shares<br>Number<br>Class I USD<br>Distribution | Shares<br>Number<br>Class S GBP<br>Accumulation |
| <b>Healthcare Blue Chip Fund</b> continued |   |   |   |
| Shares in issue at 1 January 2021          | 116,951   | 3,736   | 244,263   |
| Shares issued during financial year        | 55,145  | 1,265   | 50,584  |
| Shares redeemed during financial year      | (109,225)                                       | (387)   | (41,287)  |
| <b>Shares in issue at 31 December 2021</b> | <b>62,871</b>                                   | <b>4,614</b>                                    | <b>253,560</b>                                  |
| <b>Shares in issue at 31 December 2020</b> | <b>116,951</b>                                  | <b>3,736</b>                                    | <b>244,263</b>                                  |



|  | 31 December 2021                             |   |  |
|--|--|---|--|
|  | Shares Number<br>Class S GBP<br>Distribution | Shares Number<br>Class S GBP Hedged<br>Distribution | Shares Number<br>Class S USD<br>Accumulation |
| <b>Healthcare Blue Chip Fund</b> continued |  |   |  |
| Shares in issue at 1 January 2021          | 52,230                                       | 102   | 8  |
| Shares issued during financial year        | 26,772                                       | 1   | –  |
| Shares redeemed during financial year      | (25,483)                                     | –   | –  |
| <b>Shares in issue at 31 December 2021</b> | <b>53,519</b>                                | <b>103</b>  | <b>8</b>                                     |
| <b>Shares in issue at 31 December 2020</b> | <b>52,230</b>                                | <b>102</b>  | <b>8</b>                                     |

|  | 31 December 2021                             |   |   |
|--|--|---|---|
|  | Shares Number<br>Class S USD<br>Distribution | Shares Number<br>Class SI GBP<br>Distribution | Shares Number<br>Class SI USD<br>Distribution |
| <b>Healthcare Blue Chip Fund</b> continued |  |   |   |
| Shares in issue at 1 January 2021          | 53   | 4,882,220                                     | 11,828  |
| Shares issued during financial year        | –  | 674,183                                       | 1,000   |
| Shares redeemed during financial year      | –  | (572,875)                                     | (8,405)                                       |
| <b>Shares in issue at 31 December 2021</b> | <b>53</b>                                    | <b>4,983,528</b>                              | <b>4,423</b>                                  |
| <b>Shares in issue at 31 December 2020</b> | <b>53</b>                                    | <b>4,882,220</b>                              | <b>11,828</b>                                 |

|  | 31 December 2021                             |  |  |  |
|--|--|--|--|--|
|  | Shares Number<br>Class I GBP<br>Accumulation | Shares Number<br>Class I USD<br>Accumulation | Shares Number<br>Class S GBP<br>Accumulation | Shares Number<br>Class S USD<br>Accumulation |
| <b>Healthcare Discovery Fund</b>           |  |  |  |  |
| Shares in issue at 1 January 2021          | 113,274                                      | 88,700                                       | 2,210,967                                    | 800,940                                      |
| Shares issued during financial year        | 137,059                                      | 592,807                                      | 997,162                                      | 122,711                                      |
| Shares redeemed during financial year      | (91,364)                                     | (73,695)                                     | (187,055)                                    | (38,691)                                     |
| <b>Shares in issue at 31 December 2021</b> | <b>158,969</b>                               | <b>607,812</b>                               | <b>3,021,074</b>                             | <b>884,960</b>                               |
| <b>Shares in issue at 31 December 2020</b> | <b>113,274</b>                               | <b>88,700</b>                                | <b>2,210,967</b>                             | <b>800,940</b>                               |

|  | 31 December 2021                             |  |  |  |
|--|--|--|--|--|
|  | Shares Number<br>Class A EUR<br>Distribution | Shares Number<br>Class A GBP<br>Distribution | Shares Number<br>Class A USD<br>Distribution | Shares Number<br>Class I EUR<br>Distribution |
| <b>Healthcare Opportunities Fund</b>       |  |  |  |  |
| Shares in issue at 1 January 2020          | 189,856                                      | 94,007                                       | 207,039                                      | 3,739,430                                    |
| Shares issued during financial year        | 22,218                                       | 2,075  | 11,445                                       | 763,882                                      |
| Shares redeemed during financial year      | (59,896)                                     | (8,627)                                      | (38,868)                                     | (1,181,736)                                  |
| <b>Shares in issue at 31 December 2020</b> | <b>152,178</b>                               | <b>87,455</b>                                | <b>179,616</b>                               | <b>3,321,576</b>                             |
| <b>Shares in issue at 31 December 2019</b> | <b>189,856</b>                               | <b>94,007</b>                                | <b>207,039</b>                               | <b>3,739,430</b>                             |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 9. Shareholders' Funds continued

#### Movement in redeemable participating shares in issue during the financial year continued

|  | 31 December 2020                             |   |  |  |
|--|--|---|--|--|
|  | Shares Number<br>Class I EUR<br>Accumulation | Shares Number<br>Class I EUR Hedged<br>Distribution | Shares Number<br>Class I GBP<br>Distribution | Shares Number<br>Class I USD<br>Distribution |
| Healthcare Opportunities Fund continued    |  |   |  |  |
| Shares in issue at 1 January 2020          | 2,574,884                                    | 188,568   | 20,427,500                                   | 3,671,756                                    |
| Shares issued during financial year        | 1,902,677                                    | 364,643   | 3,083,658                                    | 1,479,804                                    |
| Shares redeemed during financial year      | (1,823,308)                                  | (309,589)   | (5,228,495)                                  | (1,598,978)                                  |
| <b>Shares in issue at 31 December 2020</b> | <b>2,654,253</b>                             | <b>243,622</b>                                      | <b>18,282,663</b>                            | <b>3,552,582</b>                             |
| <b>Shares in issue at 31 December 2019</b> | <b>2,574,884</b>                             | <b>188,568</b>                                      | <b>20,427,500</b>                            | <b>3,671,756</b>                             |

|  | 31 December 2020                             |  |  |  |
|--|--|--|--|--|
|  | Shares Number<br>Class I USD<br>Accumulation | Shares Number<br>Class R EUR<br>Distribution | Shares Number<br>Class R EUR<br>Accumulation | Shares Number<br>Class R GBP<br>Distribution |
| Healthcare Opportunities Fund continued    |  |  |  |  |
| Shares in issue at 1 January 2020          | 577,388                                      | 1,336,367                                    | 17,572                                       | 309,617                                      |
| Shares issued during financial year        | 184,690                                      | 404,491                                      | 60,271                                       | 64,016                                       |
| Shares redeemed during financial year      | (336,840)                                    | (273,924)                                    | (12,462)                                     | (60,752)                                     |
| <b>Shares in issue at 31 December 2020</b> | <b>425,238</b>                               | <b>1,466,934</b>                             | <b>65,381</b>                                | <b>312,881</b>                               |
| <b>Shares in issue at 31 December 2019</b> | <b>577,388</b>                               | <b>1,336,367</b>                             | <b>17,572</b>                                | <b>309,617</b>                               |

|  | 31 December 2020                             |  |
|--|--|--|
|  | Shares Number<br>Class R USD<br>Distribution | Shares Number<br>Class R USD<br>Accumulation |
| Healthcare Opportunities Fund continued    |  |  |
| Shares in issue at 1 January 2020          | 1,948,088                                    | 92,655                                       |
| Shares issued during financial year        | 543,440                                      | 123,683                                      |
| Shares redeemed during financial year      | (416,533)                                    | (56,096)                                     |
| <b>Shares in issue at 31 December 2020</b> | <b>2,074,995</b>                             | <b>160,242</b>                               |
| <b>Shares in issue at 31 December 2019</b> | <b>1,948,088</b>                             | <b>92,655</b>                                |



|  | 31 December 2021                              |   |   |   |
|--|---|---|---|---|
|  | Shares Number<br>Class A1 GBP<br>Distribution | Shares Number<br>Class A2 GBP<br>Accumulation | Shares Number<br>Class B1 GBP<br>Distribution | Shares Number<br>Class B2 GBP<br>Accumulation |
| <b>Income Opportunities Fund</b>           |   |   |   |   |
| Shares in issue at 1 January 2021          | 4,548,293                                     | 1,019,563                                     | 5,329,699                                     | 7,629,593                                     |
| Shares issued during financial year        | 293,347                                       | 30,516  | 569,565                                       | 274,241                                       |
| Shares redeemed during financial year      | (1,300,583)                                   | (135,892)                                     | (1,059,518)                                   | (374,635)                                     |
| <b>Shares in issue at 31 December 2021</b> | <b>3,541,057</b>                              | <b>914,187</b>                                | <b>4,839,746</b>                              | <b>7,529,199</b>                              |
| <b>Shares in issue at 31 December 2020</b> | <b>4,548,293</b>                              | <b>1,019,563</b>                              | <b>5,329,699</b>                              | <b>7,629,593</b>                              |

|  | 31 December 2021                             |  |   |   |
|--|--|--|---|---|
|  | Shares Number<br>Class I EUR<br>Accumulation | Shares Number<br>Class I EUR<br>Distribution | Shares Number<br>Class I EUR Hedged<br>Accumulation | Shares Number<br>Class I EUR Hedged<br>Distribution |
| <b>Income Opportunities Fund</b> continued |  |  |   |   |
| Shares in issue at 1 January 2021          | 414  | 714  | 15,305  | 923   |
| Shares issued during financial year        | 29,480                                       | 32   | 1,900   | 5   |
| Shares redeemed during financial year      | –  | –  | –   | –   |
| <b>Shares in issue at 31 December 2021</b> | <b>29,894</b>                                | <b>746</b>                                   | <b>17,205</b>                                       | <b>928</b>  |
| <b>Shares in issue at 31 December 2020</b> | <b>414</b>                                   | <b>714</b>                                   | <b>15,305</b>                                       | <b>923</b>  |

|  | 31 December 2021                             |  |  |  |
|--|--|--|--|--|
|  | Shares Number<br>Class I USD<br>Accumulation | Shares Number<br>Class I USD<br>Distribution | Shares Number<br>Class R EUR<br>Accumulation | Shares Number<br>Class R EUR<br>Distribution |
| <b>Income Opportunities Fund</b> continued |  |  |  |  |
| Shares in issue at 1 January 2021          | 371  | 309,795                                      | 40,250                                       | 439,628                                      |
| Shares issued during financial year        | –  | 28   | 218,315                                      | 33   |
| Shares redeemed during financial year      | –  | –  | (164,296)                                    | (377,342)                                    |
| <b>Shares in issue at 31 December 2021</b> | <b>371</b>                                   | <b>309,823</b>                               | <b>94,269</b>                                | <b>62,319</b>                                |
| <b>Shares in issue at 31 December 2020</b> | <b>371</b>                                   | <b>309,795</b>                               | <b>40,250</b>                                | <b>439,628</b>                               |

|  | 31 December 2021                      |  |  |  |
|--|---------------------------------------|--|--|--|
|  | Class R EUR<br>Hedged<br>Accumulation | Shares Number<br>Class R EUR<br>Hedged<br>Distribution | Shares Number<br>Class R USD<br>Accumulation | Shares Number<br>Class R USD<br>Distribution |
| <b>Income Opportunities Fund</b> continued |                                       |  |  |  |
| Shares in issue at 1 January 2021          | 137,104                               | 150,328  | 264,433                                      | 1,602,402                                    |
| Shares issued during financial year        | 2,934                                 | 4,589  | –  | 1,246  |
| Shares redeemed during financial year      | (58,905)                              | (59,603)   | (152,327)                                    | (846,645)                                    |
| <b>Shares in issue at 31 December 2021</b> | <b>81,133</b>                         | <b>95,314</b>  | <b>112,106</b>                               | <b>757,003</b>                               |
| <b>Shares in issue at 31 December 2020</b> | <b>137,104</b>                        | <b>150,328</b>   | <b>264,433</b>                               | <b>1,602,402</b>                             |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 9. Shareholders' Funds continued

#### Movement in redeemable participating shares in issue during the financial year continued

|  | 31 December 2021                              |   |  |  |
|--|---|---|--|--|
|  | Shares Number Class R USD Hedged Accumulation | Shares Number Class R USD Hedged Distribution | Shares Number Class Z GBP Accumulation | Shares Number Class Z GBP Distribution |
| Income Opportunities Fund continued        |   |   |  |  |
| Shares in issue at 1 January 2021          | 1,340,957                                     | 1,215,267                                     | –                                      | –                                      |
| Shares issued during financial year        | 71,639  | 13,866  | –                                      | –                                      |
| Shares redeemed during financial year      | (195,790)                                     | (721,085)                                     | –                                      | –                                      |
| <b>Shares in issue at 31 December 2021</b> | <b>1,216,806</b>                              | <b>508,048</b>                                | <b>0</b>                               | <b>0</b>                               |
| <b>Shares in issue at 31 December 2020</b> | <b>1,340,957</b>                              | <b>1,215,267</b>                              | <b>–</b>                               | <b>–</b>                               |

|  | 31 December 2021                       |   |   |   |
|--|--|---|---|---|
|  | Shares Number Class I EUR Distribution | Shares Number Class I Hedged CHF Distribution | Shares Number Class I Hedged EUR Distribution | Shares Number Class I Hedged GBP Distribution |
| Japan Value Fund                           |  |   |   |   |
| Shares in issue at 1 January 2021          | 1,038                                  | 100   | 100   | 100   |
| Shares issued during financial year        | –                                      | –   | –   | 5,626   |
| Shares redeemed during financial year      | –                                      | –   | –   | –   |
| <b>Shares in issue at 31 December 2021</b> | <b>1,038</b>                           | <b>100</b>                                    | <b>100</b>                                    | <b>5,726</b>                                  |
| <b>Shares in issue at 31 December 2020</b> | <b>1,038</b>                           | <b>100</b>                                    | <b>100</b>                                    | <b>100</b>                                    |

|  | 31 December 2021                              |  |  |  |
|--|---|--|--|--|
|  | Shares Number Class I Hedged USD Distribution | Shares Number Class I JPY Distribution | Shares Number Class I GBP Distribution | Shares Number Class I USD Distribution |
| Japan Value Fund continued                 |   |  |  |  |
| Shares in issue at 1 January 2021          | 31,684  | 3,598,071                              | 96,846                                 | 3,833                                  |
| Shares issued during financial year        | 9,836   | 1,251,583                              | 22,289                                 | 2,688                                  |
| Shares redeemed during financial year      | (4,193)                                       | (4,848,239)                            | (22,946)                               | (5,675)                                |
| <b>Shares in issue at 31 December 2021</b> | <b>37,327</b>                                 | <b>1,415</b>                           | <b>96,189</b>                          | <b>846</b>                             |
| <b>Shares in issue at 31 December 2020</b> | <b>31,684</b>                                 | <b>3,598,071</b>                       | <b>96,846</b>                          | <b>3,833</b>                           |



|  | 31 December 2021                                       |  |  |  |
|--|--|--|--|--|
|  | Shares Number<br>Class R Hedged<br>CHF<br>Distribution | Shares Number<br>Class R Hedged<br>EUR<br>Distribution | Shares Number<br>Class R Hedged<br>GBP<br>Distribution | Shares Number<br>Class R Hedged<br>USD<br>Distribution |
| <b>Japan Value Fund</b> continued          |  |  |  |  |
| Shares in issue at 1 January 2021          | 230,196  | 3,092,775  | 2,249,721  | 9,302,596  |
| Shares issued during financial year        | 3,390  | 117,456  | 89,388   | 264,333  |
| Shares redeemed during financial year      | (7,761)  | (1,063,951)  | (1,021,955)  | (1,856,275)  |
| <b>Shares in issue at 31 December 2021</b> | <b>225,825</b>   | <b>2,146,280</b>                                       | <b>1,317,154</b>                                       | <b>7,710,654</b>                                       |
| <b>Shares in issue at 31 December 2020</b> | <b>230,196</b>   | <b>3,092,775</b>                                       | <b>2,249,721</b>                                       | <b>9,302,596</b>                                       |

|  | 31 December 2021                             |  |  |  |
|--|--|--|--|--|
|  | Shares Number<br>Class R EUR<br>Distribution | Shares Number<br>Class R GBP<br>Distribution | Shares Number<br>Class R JPY<br>Distribution | Shares Number<br>Class R USD<br>Distribution |
| <b>Japan Value Fund</b> continued          |  |  |  |  |
| Shares in issue at 1 January 2021          | 166,226                                      | 4,469  | 5,256,088                                    | 318,943                                      |
| Shares issued during financial year        | 1,584  | –  | 20,562                                       | 10,303                                       |
| Shares redeemed during financial year      | (118,039)                                    | (1,394)                                      | (870,225)                                    | (85,413)                                     |
| <b>Shares in issue at 31 December 2021</b> | <b>49,771</b>                                | <b>3,075</b>                                 | <b>4,406,425</b>                             | <b>243,833</b>                               |
| <b>Shares in issue at 31 December 2020</b> | <b>166,226</b>                               | <b>4,469</b>                                 | <b>5,256,088</b>                             | <b>318,943</b>                               |

|  | 31 December 2021                                    |   |   |   |
|--|---|---|---|---|
|  | Shares Number<br>Class S Hedged CHF<br>Distribution | Shares Number<br>Class S Hedged EUR<br>Distribution | Shares Number<br>Class S Hedged GBP<br>Distribution | Shares Number<br>Class S Hedged USD<br>Distribution |
| <b>Japan Value Fund</b> continued          |   |   |   |   |
| Shares in issue at 1 January 2021          | 221,084   | 2,236,158   | 7,951,303   | 5,613,345   |
| Shares issued during financial year        | 570   | 261,505   | 380,702   | 894,832   |
| Shares redeemed during financial year      | (25,897)  | (792,848)   | (2,287,741)   | (1,255,308)   |
| <b>Shares in issue at 31 December 2021</b> | <b>195,757</b>                                      | <b>1,704,815</b>                                    | <b>6,044,264</b>                                    | <b>5,252,869</b>                                    |
| <b>Shares in issue at 31 December 2020</b> | <b>221,084</b>                                      | <b>2,236,158</b>                                    | <b>7,951,303</b>                                    | <b>5,613,345</b>                                    |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 9. Shareholders' Funds continued

#### Movement in redeemable participating shares in issue during the financial year continued

|  | 31 December 2021                             |  |  |  |
|--|--|--|--|--|
|  | Shares Number<br>Class S EUR<br>Distribution | Shares Number<br>Class S JPY<br>Distribution | Shares Number<br>Class S GBP<br>Distribution | Shares Number<br>Class S USD<br>Distribution |
| Japan Value Fund continued                 |  |  |  |  |
| Shares in issue at 1 January 2021          | 164,902                                      | 9,112,220                                    | 16,046,594                                   | 5,682,635                                    |
| Shares issued during financial year        | 6,591,869                                    | 3,239,441                                    | 15,374,552                                   | 1  |
| Shares redeemed during financial year      | (791,869)                                    | (900,630)                                    | (5,634,590)                                  | (177,747)                                    |
| <b>Shares in issue at 31 December 2021</b> | <b>5,964,902</b>                             | <b>11,451,031</b>                            | <b>25,786,556</b>                            | <b>5,504,889</b>                             |
| <b>Shares in issue at 31 December 2020</b> | <b>164,902</b>                               | <b>9,112,220</b>                             | <b>16,046,594</b>                            | <b>5,682,635</b>                             |

|  | 31 December 2021                             |   |   |   |
|--|--|---|---|---|
|  | Shares Number<br>Class I EUR<br>Distribution | Shares Number<br>Class I Hedged EUR<br>Distribution | Shares Number<br>Class I Hedged GBP<br>Distribution | Shares Number<br>Class I Hedged CHF<br>Distribution |
| North American Fund                        |  |   |   |   |
| Shares in issue at 1 January 2021          | 10,580                                       | 1,609,896   | 922,476   | 148,941   |
| Shares issued during financial year        | 139,877                                      | 1,803,458   | 1,650,940   | 24,609  |
| Shares redeemed during financial year      | (140,504)                                    | (1,033,715)   | (1,100,137)   | (67,740)  |
| <b>Shares in issue at 31 December 2021</b> | <b>9,953</b>                                 | <b>2,379,639</b>                                    | <b>1,473,279</b>                                    | <b>105,810</b>                                      |
| <b>Shares in issue at 31 December 2020</b> | <b>10,580</b>                                | <b>1,609,896</b>                                    | <b>922,476</b>                                      | <b>148,941</b>                                      |

|  | 31 December 2021                             |  |  |  |
|--|--|--|--|--|
|  | Shares Number<br>Class I GBP<br>Distribution | Shares Number<br>Class I USD<br>Distribution | Shares Number<br>Class R EUR<br>Distribution | Shares Number<br>Class R Hedged<br>EUR<br>Distribution |
| North American Fund continued              |  |  |  |  |
| Shares in issue at 1 January 2021          | 5,391,976                                    | 10,647,266                                   | 70,297                                       | 170,773  |
| Shares issued during financial year        | 560,418                                      | 2,894,258                                    | 104,224                                      | 81,275   |
| Shares redeemed during financial year      | (1,837,419)                                  | (2,792,497)                                  | (17,740)                                     | (57,963)   |
| <b>Shares in issue at 31 December 2021</b> | <b>4,114,975</b>                             | <b>10,749,027</b>                            | <b>156,781</b>                               | <b>194,085</b>   |
| <b>Shares in issue at 31 December 2020</b> | <b>5,391,976</b>                             | <b>10,647,266</b>                            | <b>70,297</b>                                | <b>170,773</b>   |



|  | 31 December 2021                             |  |  |  |
|--|--|--|--|--|
|  | Shares Number<br>Class R GBP<br>Distribution | Shares Number<br>Class R GBP<br>Distribution | Shares Number<br>Class R USD<br>Distribution | Shares Number<br>Class S EUR<br>Distribution |
| <b>North American Fund</b> continued       |  |  |  |  |
| Shares in issue at 1 January 2021          | 47,750                                       | 20,500                                       | 1,391,788                                    | 38,982                                       |
| Shares issued during financial year        | 5,321  | 3,106  | 422,335                                      | 736  |
| Shares redeemed during financial year      | (4,276)                                      | (2,718)                                      | (231,076)                                    | (2,038)                                      |
| <b>Shares in issue at 31 December 2021</b> | <b>48,795</b>                                | <b>20,888</b>                                | <b>1,583,047</b>                             | <b>37,680</b>                                |
| <b>Shares in issue at 31 December 2020</b> | <b>47,750</b>                                | <b>20,500</b>                                | <b>1,391,788</b>                             | <b>38,982</b>                                |

|  | 31 December 2021                                       |  |  |  |
|--|--|--|--|--|
|  | Shares Number<br>Class S<br>Hedged EUR<br>Distribution | Shares Number<br>Class S<br>Hedged GBP<br>Distribution | Shares Number<br>Class S GBP<br>Distribution | Shares Number<br>Class S USD<br>Distribution |
| <b>North American Fund</b> continued       |  |  |  |  |
| Shares in issue at 1 January 2021          | 195,250  | 796,893  | 8,543,177                                    | 3,024,799                                    |
| Shares issued during financial year        | 188  | 13,068   | 727,753                                      | 190,862                                      |
| Shares redeemed during financial year      | (174,026)  | (193,908)  | (2,022,706)                                  | (151,741)                                    |
| <b>Shares in issue at 31 December 2021</b> | <b>21,412</b>  | <b>616,053</b>   | <b>7,248,224</b>                             | <b>3,063,920</b>                             |
| <b>Shares in issue at 31 December 2020</b> | <b>195,250</b>   | <b>796,893</b>   | <b>8,543,177</b>                             | <b>3,024,799</b>                             |

|  | 31 December 2021                             |  |  |  |
|--|--|--|--|--|
|  | Shares Number<br>Class I CHF<br>Accumulation | Shares Number<br>Class I EUR<br>Accumulation | Shares Number<br>Class I GBP<br>Accumulation | Shares Number<br>Class I SEK<br>Accumulation |
| <b>Smart Energy Fund*</b>                  |  |  |  |  |
| Shares in issue at 1 January 2021          | –  | –  | –  | –  |
| Shares issued during financial year        | 107  | 560,105                                      | 108,413                                      | 11   |
| Shares redeemed during financial year      | –  | –  | (2)  | –  |
| <b>Shares in issue at 31 December 2021</b> | <b>107</b>                                   | <b>560,105</b>                               | <b>108,411</b>                               | <b>11</b>                                    |
| <b>Shares in issue at 31 December 2020</b> | <b>–</b>                                     | <b>–</b>                                     | <b>–</b>                                     | <b>–</b>                                     |

|  | 31 December 2021                             |  |  |  |
|--|--|--|--|--|
|  | Shares Number<br>Class I USD<br>Accumulation | Shares Number<br>Class R CHF<br>Accumulation | Shares Number<br>Class R EUR<br>Accumulation | Shares Number<br>Class R GBP<br>Accumulation |
| <b>Smart Energy Fund*</b> continued        |  |  |  |  |
| Shares in issue at 1 January 2021          | –  | –  | –  | –  |
| Shares issued during financial year        | 1,550,391                                    | 307  | 63,704                                       | 135  |
| Shares redeemed during financial year      | (44,848)                                     | –  | –  | –  |
| <b>Shares in issue at 31 December 2021</b> | <b>1,505,543</b>                             | <b>307</b>                                   | <b>63,704</b>                                | <b>135</b>                                   |
| <b>Shares in issue at 31 December 2020</b> | <b>–</b>                                     | <b>–</b>                                     | <b>–</b>                                     | <b>–</b>                                     |

\* Smart Energy Fund launched on 30 September 2021.

## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 9. Shareholders' Funds continued

#### Movement in redeemable participating shares in issue during the financial year continued

|  | 31 December 2021                             |  |
|--|--|--|
|  | Shares Number<br>Class R SEK<br>Accumulation | Shares Number<br>Class R USD<br>Accumulation |
| <b>Smart Energy Fund*</b> continued        |  |  |
| Shares in issue at 1 January 2021          | –  | –  |
| Shares issued during financial year        | 11   | 361,693                                      |
| Shares redeemed during financial year      | –  | (410)  |
| <b>Shares in issue at 31 December 2021</b> | <b>11</b>                                    | <b>361,283</b>                               |
| <b>Shares in issue at 31 December 2020</b> | <b>–</b>                                     | <b>–</b>                                     |

|  | 31 December 2021                             |  |  |  |
|--|--|--|--|--|
|  | Shares Number<br>Class I CHF<br>Accumulation | Shares Number<br>Class I EUR<br>Accumulation | Shares Number<br>Class I GBP<br>Accumulation | Shares Number<br>Class I SEK<br>Accumulation |
| <b>Smart Mobility Fund*</b>                |  |  |  |  |
| Shares in issue at 1 January 2021          | –  | –  | –  | –  |
| Shares issued during financial year        | 107  | 151,516                                      | 41,848                                       | 11   |
| Shares redeemed during financial year      | –  | –  | –  | –  |
| <b>Shares in issue at 31 December 2021</b> | <b>107</b>                                   | <b>151,516</b>                               | <b>41,848</b>                                | <b>11</b>                                    |
| <b>Shares in issue at 31 December 2020</b> | <b>–</b>                                     | <b>–</b>                                     | <b>–</b>                                     | <b>–</b>                                     |

|  | 31 December 2021                             |  |  |  |
|--|--|--|--|--|
|  | Shares Number<br>Class I USD<br>Accumulation | Shares Number<br>Class R CHF<br>Accumulation | Shares Number<br>Class R EUR<br>Accumulation | Shares Number<br>Class R GBP<br>Accumulation |
| <b>Smart Mobility Fund*</b> continued      |  |  |  |  |
| Shares in issue at 1 January 2021          | –  | –  | –  | –  |
| Shares issued during financial year        | 501,800                                      | 107  | 1,904  | 135  |
| Shares redeemed during financial year      | –  | –  | –  | –  |
| <b>Shares in issue at 31 December 2021</b> | <b>501,800</b>                               | <b>107</b>                                   | <b>1,904</b>                                 | <b>135</b>                                   |
| <b>Shares in issue at 31 December 2020</b> | <b>–</b>                                     | <b>–</b>                                     | <b>–</b>                                     | <b>–</b>                                     |

\* Smart Energy Fund and Smart Mobility Fund launched on 30 September 2021.



|  | 31 December 2021                             |  |
|--|--|--|
|  | Shares Number<br>Class R SEK<br>Accumulation | Shares Number<br>Class R USD<br>Accumulation |
| <b>Smart Mobility Fund*</b> continued      |  |  |
| Shares in issue at 1 January 2021          | –  | –  |
| Shares issued during financial year        | 11   | 100  |
| Shares redeemed during financial year      | –  | –  |
| <b>Shares in issue at 31 December 2021</b> | <b>11</b>                                    | <b>100</b>                                   |
| <b>Shares in issue at 31 December 2020</b> | <b>–</b>                                     | <b>–</b>                                     |

|  | 31 December 2021                             |  |  |  |
|--|--|--|--|--|
|  | Shares Number<br>Class I GBP<br>Accumulation | Shares Number<br>Class I GBP<br>Distribution | Shares Number<br>Class R GBP<br>Accumulation | Shares Number<br>Class S GBP<br>Accumulation |
| <b>UK Value Opportunities Fund</b> continued |  |  |  |  |
| Shares in issue at 1 January 2021            | 13,925,084                                   | 7,058,208                                    | 271,055                                      | 14,835,024                                   |
| Shares issued during financial year          | 5,581,606                                    | 7,229,116                                    | 56,871                                       | 8,656,594                                    |
| Shares redeemed during financial year        | (9,914,395)                                  | (2,323,510)                                  | (157,372)                                    | (6,941,479)                                  |
| <b>Shares in issue at 31 December 2021</b>   | <b>9,592,295</b>                             | <b>11,963,814</b>                            | <b>170,554</b>                               | <b>16,550,139</b>                            |
| <b>Shares in issue at 31 December 2020</b>   | <b>13,925,084</b>                            | <b>7,058,208</b>                             | <b>271,055</b>                               | <b>14,835,024</b>                            |

|  | 31 December 2021                             |  |  |
|--|--|--|--|
|  | Shares Number<br>Class S GBP<br>Distribution | Shares Number<br>Class Z GBP<br>Accumulation | Shares Number<br>Class Z GBP<br>Distribution |
| <b>UK Value Opportunities Fund</b> continued |  |  |  |
| Shares in issue at 1 January 2021            | 50,376,830                                   | 12,058,964                                   | –  |
| Shares issued during financial year          | 32,766,824                                   | –  | –  |
| Shares redeemed during financial year        | (10,328,932)                                 | (7,932,114)                                  | –  |
| <b>Shares in issue at 31 December 2021</b>   | <b>72,814,722</b>                            | <b>4,126,850</b>                             | <b>–</b>                                     |
| <b>Shares in issue at 31 December 2020</b>   | <b>50,376,830</b>                            | <b>12,058,964</b>                            | <b>–</b>                                     |

\* Smart Mobility Fund launched on 30 September 2021.



## 10. Financial Risk Management

In accordance with its investment objectives and policies, the Company holds financial instruments, which at any one time may comprise securities, cash and derivatives, held in accordance with the investment objective and policies of each Fund.

A review of the portfolio activity for the financial year is available in the Investment Manager's Reports and a detailed analysis of the investments is shown in the Portfolio Statements. Investments listed on the Portfolio Statements are stated at fair value as described in Note 2.

### Risks

The following summary is not intended to be a comprehensive summary of all the risks inherent in investing in the Company and investors should refer to the prospectus for a more detailed discussion of these risks.

### Strategy in using Financial Instruments

The Funds are exposed to a variety of financial risks in pursuing their stated investment objectives and policies. These risks are defined for financial reporting purposes by IFRS as credit risk, liquidity risk and market risk (which in turn includes currency risk, interest rate risk and price risk). The Funds take exposure to certain of these risks to generate investment returns on their portfolios, although these risks can also potentially result in a reduction in the Funds' assets. The Investment Manager will use its best endeavours to minimise the potentially adverse effects of these risks on the Funds' performance where it can do so while still managing the investments of the Funds in ways that are consistent with each Fund's investment objectives and policies.

The risks, and the measures adopted by the Company for managing these risks, are detailed below.

### Market price risk

Market price risk is the risk that the fair value of a financial instrument or its future cash flows will fluctuate because of changes in market prices.

The assets of the Funds consist principally of equities, equity related securities, fixed income securities, contracts for difference ('CFDs') and currency derivatives used for hedging purposes. Credit default swaps, interest rate futures and options are also used by certain Funds from time to time.

The values of these instruments are determined by market forces and there is accordingly a risk that market prices can change in a way that is adverse to a Fund's performance.

The Directors have adopted a number of investment restrictions which are set out in the individual Fund supplements to the Company's prospectus and which limit the exposure of the Funds to adverse changes in the price of any individual financial asset. In accordance with Company policy, the Investment Manager monitors the Funds' positions on a daily basis and reports regularly to the Board of Directors. The Board reviews the information on each Fund's overall market exposure provided by the Investment Manager at its periodic meetings.

In addition, the Investment Manager manages the exposure of the portfolios to the risk of adverse changes in the general level of market prices to the extent consistent, in the judgement of the Investment Manager, with each Fund's respective investment objective.

### Use of Derivatives and Efficient Portfolio Management

Depending on the Funds involved, the Company may invest in financial derivative instruments for both speculative and efficient portfolio management purposes, subject to the conditions and within the limits from time to time stipulated by the Central Bank under the UCITS Regulations. A number of the Funds use currency forwards to hedge share class exposures.

Apart from the Global Absolute Return Fund and Global Convertible Fund, and before it was fully redeemed on 5 May 2020, the UK Absolute Equity Fund, the Investment Manager has generally only used financial derivative instruments in the Funds for the purpose of efficient portfolio management and efficient access to markets during the financial year. This includes contracts for difference, option contracts, forward foreign currency contracts and futures contracts. Risks arising from the use of financial derivative instruments at the financial year end are consistent with those set out in the Prospectus.

Open financial derivative instrument contracts at the financial year end are disclosed in the Portfolio Statements, including the relevant counterparty, the underlying securities, currencies or indices, and the market value or unrealised gain/loss on the contract at the financial year end.

At 31 December 2021, market price risks applying to each Fund are affected by two main components: changes in market prices and currency exchange rates.



The following tables show the sensitivity of each Fund (for a representative share class) to changes in market prices based on a 10% price stress test on the portfolio as at 31 December 2021 and 31 December 2020.

| <b>As at 31 December 2021</b>                                |      | <b>NAV<br/>US\$/share<br/>31 December 2021</b> | <b>% Increase/<br/>(decrease)<br/>price levels</b> | <b>NAV US\$/share<br/>after price impact</b> |
|--|------|--|--|--|
| Asian Opportunities Fund Class I US Dollar Distribution      | US\$ | 0.00   | 10   |  |
| Asian Opportunities Fund Class I US Dollar Distribution      | US\$ | 0.00   | (10)   |  |
| Asian Stars I USD Accumulation                               | US\$ | 18.79  | 10   | 20.66  |
| Asian Stars I USD Accumulation                               | US\$ | 18.79  | (10)   | 16.92  |
| Automation & AI – I USD Accumulation                         | US\$ | 20.80  | 10   | 22.84  |
| Automation & AI – I USD Accumulation                         | US\$ | 20.80  | (10)   | 18.76  |
| Biotechnology Fund Class I US Dollar Distribution            | US\$ | 41.11  | 10   | 45.22  |
| Biotechnology Fund Class I US Dollar Distribution            | US\$ | 41.11  | (10)   | 37.00  |
| China Stars I USD Accumulation                               | US\$ | 13.96  | 10   | 15.29  |
| China Stars I USD Accumulation                               | US\$ | 13.96  | (10)   | 12.63  |
| Emerging Markets Income Fund Class I US Dollar Accumulation  | US\$ | 0.00   | 10   |  |
| Emerging Markets Income Fund Class I US Dollar Accumulation  | US\$ | 0.00   | (10)   |  |
| Emerging Markets Stars I USD Accumulation                    | US\$ | 15.05  | 10   | 16.53  |
| Emerging Markets Stars I USD Accumulation                    | US\$ | 15.05  | (10)   | 13.57  |
| Financial Opportunities Fund Class I US Dollar Accumulation  | US\$ | 17.59  | 10   | 19.24  |
| Financial Opportunities Fund Class I US Dollar Accumulation  | US\$ | 17.59  | (10)   | 15.94  |
| Global Absolute Return I USD Accumulation                    | US\$ | 130.79   | 10   | 133.51                                       |
| Global Absolute Return I USD Accumulation                    | US\$ | 130.79   | (10)   | 128.54                                       |
| Global Convertible Fund Class I US Dollar Accumulation       | US\$ | 16.10  | 10   | 16.78  |
| Global Convertible Fund Class I US Dollar Accumulation       | US\$ | 16.10  | (10)   | 15.49  |
| Global Technology Fund Class I US Dollar Distribution        | US\$ | 96.45  | 10   | 106.15                                       |
| Global Technology Fund Class I US Dollar Distribution        | US\$ | 96.45  | (10)   | 87.41  |
| Healthcare Blue Chip Fund Class I US Dollar Accumulation     | US\$ | 19.62  | 10   | 21.50  |
| Healthcare Blue Chip Fund Class I US Dollar Accumulation     | US\$ | 19.62  | (10)   | 17.74  |
| Healthcare Discovery Fund Class I US Dollar Accumulation     | US\$ | 11.42  | 10   | 12.51  |
| Healthcare Discovery Fund Class I US Dollar Accumulation     | US\$ | 11.42  | (10)   | 10.33  |
| Healthcare Opportunities Fund Class I US Dollar Distribution | US\$ | 70.39  | 10   | 77.19  |
| Healthcare Opportunities Fund Class I US Dollar Distribution | US\$ | 70.39  | (10)   | 63.59  |
| North American Fund Class I US Dollar Distribution           | US\$ | 38.79  | 10   | 42.58  |
| North American Fund Class I US Dollar Distribution           | US\$ | 38.79  | (10)   | 35.00  |
| Smart Energy Fund Class I US Dollar Accumulation             | US\$ | 10.64  | 10   | 11.70  |
| Smart Energy Fund Class I US Dollar Accumulation             | US\$ | 10.64  | (10)   | 9.58   |
| Smart Mobility Fund Class I US Dollar Accumulation           | US\$ | 10.57  | 10   | 11.62  |
| Smart Mobility Fund Class I US Dollar Accumulation           | US\$ | 10.57  | (10)   | 9.52   |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 10. Financial Risk Management continued

#### Market price risk continued

| As at 31 December 2021                               |     | NAV<br>€/share<br>31 December 2021 | % Increase/<br>(decrease)<br>price levels | NAV €/share<br>after price impact |
|--|-----|------------------------------------|---|-----------------------------------|
| European Ex UK Income Fund Class I Euro Accumulation | EUR | 13.66                              | 10  | 15.01                             |
| European Ex UK Income Fund Class I Euro Accumulation | EUR | 13.66                              | (10)                                      | 12.31                             |

| As at 31 December 2021                                    |     | NAV<br>£/share<br>31 December 2021 | % Increase/<br>(decrease)<br>price levels | NAV £/share<br>after price impact |
|---|-----|------------------------------------|---|-----------------------------------|
| Global Insurance Fund Class I Sterling Accumulation       | GBP | 8.27                               | 10  | 9.10                              |
| Global Insurance Fund Class I Sterling Accumulation       | GBP | 8.27                               | (10)                                      | 7.44                              |
| Income Opportunities Fund B2 Sterling Accumulation        | GBP | 2.85                               | 10  | 3.03                              |
| Income Opportunities Fund B2 Sterling Accumulation        | GBP | 2.85                               | (10)                                      | 2.67                              |
| UK Value Opportunities Fund Class I Sterling Accumulation | GBP | 14.64                              | 10  | 16.07                             |
| UK Value Opportunities Fund Class I Sterling Accumulation | GBP | 14.64                              | (10)                                      | 13.21                             |

| As at 30 December 2021                             |      | NAV<br>¥/share<br>31 December 2021 | % Increase/<br>(decrease)<br>price levels | NAV ¥/share<br>after price impact |
|--|------|------------------------------------|---|-----------------------------------|
| Japan Value Fund Class S Japanese Yen Distribution | JPY¥ | 275.45                             | 10  | 302.90                            |
| Japan Value Fund Class S Japanese Yen Distribution | JPY¥ | 275.45                             | (10)                                      | 247.99                            |

| As at 31 December 2020                                      |      | NAV<br>US\$/share<br>31 December 2020 | % Increase/<br>(decrease)<br>price levels | NAV US\$/share<br>after price impact |
|---|------|---------------------------------------|---|--------------------------------------|
| Asian Opportunities Fund Class I US Dollar                  | US\$ | 16.04                                 | 10  | 17.60                                |
| Asian Opportunities Fund Class I US Dollar                  | US\$ | 16.04                                 | (10)                                      | 14.48                                |
| Biotechnology Fund Class I US Dollar                        | US\$ | 39.27                                 | 10  | 42.88                                |
| Biotechnology Fund Class I US Dollar                        | US\$ | 39.27                                 | (10)                                      | 35.66                                |
| Emerging Markets Income Fund Class I US Dollar Accumulation | US\$ | 13.33                                 | 10  | 14.64                                |
| Emerging Markets Income Fund Class I US Dollar Accumulation | US\$ | 13.33                                 | (10)                                      | 12.02                                |
| Financial Opportunities Fund Class I US Dollar Accumulation | US\$ | 14.70                                 | 10  | 16.11                                |
| Financial Opportunities Fund Class I US Dollar Accumulation | US\$ | 14.70                                 | (10)                                      | 13.29                                |
| Global Convertible Fund Class I US Dollar Accumulation      | US\$ | 17.41                                 | 10  | 18.26                                |
| Global Convertible Fund Class I US Dollar Accumulation      | US\$ | 17.41                                 | (10)                                      | 16.61                                |
| Global Technology Fund Class I US Dollar                    | US\$ | 87.61                                 | 10  | 96.45                                |
| Global Technology Fund Class I US Dollar                    | US\$ | 87.61                                 | (10)                                      | 79.62                                |
| Healthcare Blue Chip Fund Class I US Dollar Accumulation    | US\$ | 16.04                                 | 10  | 17.54                                |
| Healthcare Blue Chip Fund Class I US Dollar Accumulation    | US\$ | 16.04                                 | (10)                                      | 14.54                                |
| Healthcare Opportunities Fund Class I US Dollar             | US\$ | 64.58                                 | 10  | 70.96                                |
| Healthcare Opportunities Fund Class I US Dollar             | US\$ | 64.58                                 | (10)                                      | 58.20                                |
| North American Fund Class I US Dollar                       | US\$ | 31.39                                 | 10  | 34.45                                |



| <b>As at 31 December 2020</b>         |      | <b>NAV<br/>US\$/share<br/>31 December 2020</b> | <b>% Increase/<br/>(decrease)<br/>price levels</b> | <b>NAV US\$/share<br/>after price impact</b> |
|---------------------------------------|------|--|--|--|
| North American Fund Class I US Dollar | US\$ | 31.39  | (10)   | 28.33  |
| Automation & AI Fund – I USD Acc      | US\$ | 17.84  | 10   | 19.55  |
| Automation & AI Fund – I USD Acc      | US\$ | 17.84  | (10)   | 16.13  |
| Emerging Markets Stars Fund I USD Acc | US\$ | 15.13  | 10   | 16.59  |
| Emerging Markets Stars Fund I USD Acc | US\$ | 15.13  | (10)   | 13.67  |
| China Stars Fund I USD Acc            | US\$ | 16.49  | 10   | 18.04  |
| China Stars Fund I USD Acc            | US\$ | 16.49  | (10)   | 14.94  |
| Asian Stars Fund I USD Acc            | US\$ | 18.12  | 10   | 19.90  |
| Asian Stars Fund I USD Acc            | US\$ | 18.12  | (10)   | 16.34  |
| Global Absolute Return Fund I USD Acc | US\$ | 125.46   | 10   | 138.00                                       |
| Global Absolute Return Fund I USD Acc | US\$ | 125.46   | (10)   | 112.91                                       |
| Healthcare Discovery Fund I USD Acc   | US\$ | 11.01  | 10   | 12.11  |
| Healthcare Discovery Fund I USD Acc   | US\$ | 11.01  | (10)   | 9.91   |

| <b>As at 31 December 2020</b>                        |     | <b>NAV<br/>€/share<br/>31 December 2020</b> | <b>% Increase/<br/>(decrease)<br/>price levels</b> | <b>NAV €/share<br/>after price impact</b> |
|--|-----|---|--|---|
| European ex UK Income Fund Class I Euro Accumulation | EUR | 11.50                                       | 10   | 12.64                                     |
| European ex UK Income Fund Class I Euro Accumulation | EUR | 11.50                                       | (10)   | 10.36                                     |

| <b>As at 31 December 2020</b>                       |     | <b>NAV<br/>£/share<br/>31 December 2020</b> | <b>% Increase/<br/>(decrease)<br/>price levels</b> | <b>NAV £/share<br/>after price impact</b> |
|---|-----|---|--|---|
| Global Insurance Fund Class I Sterling Accumulation | GBP | 9.72  | 10   | 10.67                                     |
| Global Insurance Fund Class I Sterling Accumulation | GBP | 9.72  | (10)   | 8.78                                      |
| Income Opportunities Fund B2 Sterling Accumulation  | GBP | 2.33  | 10   | 2.49                                      |
| Income Opportunities Fund B2 Sterling Accumulation  | GBP | 2.33  | (10)   | 2.15                                      |
| UK Absolute Equity Fund Class I Sterling            | GBP | –   | 10   | –   |
| UK Absolute Equity Fund Class I Sterling            | GBP | –   | (10)   | –   |
| UK Value Opportunities Fund Class I Accumulation    | GBP | 12.19                                       | 10   | 13.38                                     |
| UK Value Opportunities Fund Class I Accumulation    | GBP | 12.19                                       | (10)   | 11.00                                     |

| <b>As at 31 December 2020</b>         |     | <b>NAV<br/>¥/share<br/>31 December 2020</b> | <b>% Increase/<br/>(decrease)<br/>price levels</b> | <b>NAV ¥/share<br/>after price impact</b> |
|---------------------------------------|-----|---|--|---|
| Japan Value Fund Class I Japanese Yen | JPY | 239.03                                      | 10   | 260.80                                    |
| Japan Value Fund Class I Japanese Yen | JPY | 239.03                                      | (10)   | 215.13                                    |

Sensitivity analysis is calculated after an adjustment for swing pricing.



## 10. Financial Risk Management continued

### Market price risk continued

Market price risk analysis is based on the dealing NAV per share.

Some limitations of sensitivity analysis are:

- (i) the models are based on historical data and cannot take account of the fact that future market price movements, correlations between markets and levels of market liquidity in conditions of market stress may bear no relation to historical patterns;
- (ii) the market price risk information is a relative estimate of risk rather than a precise and accurate number
- (iii) the market price information represents a hypothetical outcome and is not intended to be predictive; and
- (iv) future market conditions could vary significantly from those experienced in the past.

### Exposure to derivatives

In respect of Global Absolute Return Fund and, until it was fully redeemed, the UK Absolute Equity Fund, the Investment Manager uses a Value at Risk ('VaR') based approach to limit the exposure of the Fund to derivatives. In accordance with the UCITS Regulations, derivatives exposure is limited to the extent necessary to keep the Fund's VaR within the limit set out below. VaR is measured using a 99% confidence level.

#### Global Absolute Return Fund

The VaR limit for the Global Absolute Return Fund is 20% based on a 20-day holding period. The minimum VaR during the financial year was 1.56%.

The maximum VaR during the financial year was 6.88%. The average VaR during the financial year was 2.69%.

The VaR calculated for Global Absolute Return Fund is a 20d Monte Carlo VaR, with a confidence level 99% and using five-year return history with a decay factor of 0.97. The VaR is calculated in Axioma.

Secondly, gross leverage, calculated as the sum of the absolute notional values of the derivatives used in the Global Absolute Return Fund, is not anticipated to exceed 250% of Net Asset Value of the Fund at any given time.

All of the other Funds active during the financial year use the commitment approach to measure derivatives exposure.

### Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Each Fund is exposed to currency risk as the assets and liabilities of each Fund may be denominated in a currency other than the base currency of that Fund.

The fluctuations in the rate of exchange between the currency in which the asset or liability is denominated and the functional currency could result in an appreciation or depreciation in the fair value of that asset when measured in the Fund's base currency. The Investment Manager may attempt to mitigate these risks through the use of financial derivative instruments.

The Investment Manager monitors each Fund's currency exposure, where relevant to the investment strategy for the Fund, on a daily basis and reports regularly to the Board of Directors.



At 31 December 2021 each Fund's currency exposure was as follows:

|  | Non-USD<br>Currency<br>Assets<br>US\$ | Non-USD<br>Currency<br>Liabilities<br>US\$ | Non-USD<br>Cash<br>Balance<br>US\$ | Forward Foreign<br>Currency<br>Contracts<br>US\$ | Net Non-USD<br>Currency<br>Assets<br>US\$ |
|--|---------------------------------------|--|------------------------------------|--|---|
| <b>Asian Opportunities Fund</b>                      |                                       |  |                                    |  |   |
| Euro   | –                                     | –  | (33)                               | –  | (33)                                      |
| Sterling   | –                                     | –  | 227                                | –  | 227                                       |
|  | –                                     | –  | 194                                | –  | 194                                       |
| <b>Asian Stars Fund</b>                              |                                       |  |                                    |  |   |
| Australian dollar                                    | 2,889,828                             | –  | –                                  | –  | 2,889,828                                 |
| China Yuan   | 5,992,512                             | –  | –                                  | –  | 5,992,512                                 |
| Euro   | –                                     | (50)                                       | (86)                               | –  | (136)                                     |
| Hong Kong dollar                                     | 41,139,932                            | –  | –                                  | (84,771)   | 41,055,161                                |
| Indian rupee   | 32,507,809                            | –  | 80,254                             | –  | 32,588,063                                |
| Japanese yen   | 2,705,189                             | –  | –                                  | –  | 2,705,189                                 |
| Korean won   | 33,942,218                            | –  | –                                  | –  | 33,942,218                                |
| Singapore dollar                                     | –                                     | –  | 8                                  | –  | 8   |
| Sterling   | –                                     | (1)  | (741)                              | –  | (742)                                     |
| Taiwan dollar  | 32,681,035                            | –  | –                                  | –  | 32,681,035                                |
| Vietnamese dong                                      | 5,398,859                             | –  | 592,176                            | –  | 5,991,035                                 |
|  | 151,858,523                           | (51)                                       | 671,611                            | (84,771)   | 157,844,171                               |
| <b>Automation &amp; Artificial Intelligence Fund</b> |                                       |  |                                    |  |   |
| Euro   | 74,264,021                            | (17)                                       | (19,613)                           | –  | 74,244,391                                |
| Hong Kong dollar                                     | 15,576,145                            | –  | –                                  | –  | 15,576,145                                |
| Japanese yen   | 128,357,123                           | (5,296)                                    | (6,149,875)                        | –  | 122,201,952                               |
| Korean won   | 8,667,737                             | –  | –                                  | –  | 8,667,737                                 |
| Sterling   | 22,438,363                            | –  | 396,340                            | –  | 22,834,703                                |
| Swedish krona  | 43,676,459                            | –  | –                                  | –  | 43,676,459                                |
| Swiss franc  | 7,394,559                             | –  | –                                  | 2,190  | 7,396,749                                 |
| Taiwan dollar  | 50,541,644                            | –  | –                                  | –  | 50,541,644                                |
|  | 350,916,051                           | (5,313)                                    | (5,773,148)                        | 2,190  | 345,139,780                               |


**Notes to the Financial Statements** continued  
 For the financial year ended 31 December 2021
**10. Financial Risk Management** continued**Currency risk** continued

|                           | Non-USD<br>Currency<br>Assets<br>US\$ | Non-USD<br>Currency<br>Liabilities<br>US\$ | Non-USD<br>Cash<br>Balance<br>US\$ | Forward Foreign<br>Currency<br>Contracts<br>US\$ | Net Non-USD<br>Currency<br>Assets<br>US\$ |
|---------------------------|---------------------------------------|--|------------------------------------|--|---|
| <b>Biotechnology Fund</b> |                                       |  |                                    |  |   |
| Danish krone              | 93,052,635                            | (398)                                      | –                                  | –  | 93,052,237                                |
| Euro                      | 216,700,492                           | (10,446)                                   | (1,116,427)                        | 9,444  | 215,583,063                               |
| Sterling                  | 210,353,497                           | –  | (757,461)                          | 153,066,756                                      | 362,662,792                               |
| Swedish krona             | 9,344,091                             | –  | –                                  | –  | 9,344,091                                 |
| Swiss franc               | –                                     | –  | –                                  | 4,781  | 4,781                                     |
|                           | 529,450,715                           | (10,844)                                   |                                    | 153,080,981                                      | 680,646,964                               |

|                         | Non-USD<br>Currency<br>Assets<br>US\$ | Non-USD<br>Currency<br>Liabilities<br>US\$ | Non-USD<br>Cash<br>Balance<br>US\$ | Forward Foreign<br>Currency<br>Contracts<br>US\$ | Net Non-USD<br>Currency<br>Assets<br>US\$ |
|-------------------------|---------------------------------------|--|------------------------------------|--|---|
| <b>China Stars Fund</b> |                                       |  |                                    |  |   |
| China Yuan              | 4,768,799                             | –  | 269,778                            | –  | 5,038,577                                 |
| Euro                    | 326,780                               | (151)                                      | (175,400)                          | –  | 151,229                                   |
| Hong Kong dollar        | 9,822,971                             | (4,206)                                    | –                                  | 4,206  | 9,822,971                                 |
| Sterling                | –                                     | –  | 33,017                             | –  | 33,017                                    |
| Swiss franc             | –                                     | –  | –                                  | 44   | 44  |
| Taiwan dollar           | 761,606                               | –  | 243,721                            | –  | 1,005,327                                 |
| Vietnamese dong         | –                                     | –  | 122,861                            | –  | 122,861                                   |
|                         | 15,680,156                            | (4,357)                                    | 493,977                            | 4,250  | 16,174,026                                |

|                                     | Non-USD<br>Currency<br>Assets<br>US\$ | Non-USD<br>Currency<br>Liabilities<br>US\$ | Non-USD<br>Cash<br>Balance<br>US\$ | Forward Foreign<br>Currency<br>Contracts<br>US\$ | Net Non-USD<br>Currency<br>Assets<br>US\$ |
|-------------------------------------|---------------------------------------|--|------------------------------------|--|---|
| <b>Emerging Markets Income Fund</b> |                                       |  |                                    |  |   |
| Brazil real                         | –                                     | –  | (35,649)                           | –  | (35,649)                                  |
| Euro                                | –                                     | –  | 2,163                              | –  | 2,163                                     |
| Kuwait dinar                        | –                                     | –  | 1                                  | –  | 1   |
| Malaysian ringgit                   | –                                     | –  | 672                                | –  | 672                                       |
| Sterling                            | –                                     | –  | 6,143                              | –  | 6,143                                     |
|                                     | –                                     | –  | (26,670)                           | –  | (26,670)                                  |



|                                    | Non-USD<br>Currency<br>Assets<br>US\$ | Non-USD<br>Currency<br>Liabilities<br>US\$ | Non-USD<br>Cash<br>Balance<br>US\$ | Forward Foreign<br>Currency<br>Contracts<br>US\$ | Net Non-USD<br>Currency<br>Assets<br>US\$ |
|------------------------------------|---------------------------------------|--|------------------------------------|--|---|
| <b>Emerging Markets Stars Fund</b> |                                       |  |                                    |  |   |
| Australian dollar                  | –                                     | –  | 4                                  | –  | 4   |
| Brazil real                        | 11,581,637                            | (15,532)                                   | 8,607                              | –  | 11,574,712                                |
| Canadian dollar                    | 39,395,839                            | –  | –                                  | –  | 39,395,839                                |
| China Yuan                         | 32,147,814                            | –  | –                                  | –  | 32,147,814                                |
| Euro                               | –                                     | (6)  | (643)                              | –  | (649)                                     |
| Hong Kong dollar                   | 282,840,188                           | –  | 616,830                            | (617,295)  | 282,839,723                               |
| Indian rupee                       | 238,706,970                           | –  | 5,685                              | –  | 238,712,655                               |
| Korean won                         | 241,244,389                           | –  | 174                                | –  | 241,244,563                               |
| Mexican peso                       | –                                     | –  | 172                                | –  | 172                                       |
| Polish zloty                       | –                                     | –  | (207)                              | –  | (207)                                     |
| Sri Lanka rupee                    | –                                     | –  | 20,582                             | –  | 20,582                                    |
| South African rand                 | –                                     | (2)  | (458)                              | –  | (460)                                     |
| Sterling                           | –                                     | (56)                                       | 176,295                            | (87,936)   | 88,303                                    |
| Swedish krona                      | –                                     | (9)  | (3,147)                            | –  | (3,156)                                   |
| Swiss franc                        | –                                     | –  | –                                  | 3,680  | 3,680                                     |
| Taiwan dollar                      | 234,072,890                           | –  | 20,816                             | –  | 234,093,706                               |
| Vietnamese dong                    | 36,024,865                            | –  | 3,618,398                          | –  | 39,643,263                                |
|                                    | 1,116,014,592                         | (15,605)                                   | 4,463,108                          | (701,551)  | 1,119,760,544                             |
| <b>European ex UK Income Fund</b>  |                                       |  |                                    |  |   |
|                                    | Non-EUR<br>Currency<br>Assets<br>EUR  | Non-EUR<br>Currency<br>Liabilities<br>EUR  | Non-EUR<br>Cash<br>Balance<br>EUR  | Forward Foreign<br>Currency<br>Contracts<br>EUR  | Net Non-EUR<br>Currency<br>Assets<br>EUR  |
| Danish kroner                      | 3,401,857                             | –  | –                                  | –  | 3,401,857                                 |
| Sterling                           | –                                     | (136)                                      | (4,429,470)                        | 5,456,203  | 1,026,597                                 |
| Swedish krona                      | 7,182,346                             | –  | –                                  | –  | 7,182,346                                 |
| Swiss franc                        | 23,235,721                            | –  | –                                  | (1,679,816)                                      | 21,555,905                                |
| United States dollar               | –                                     | –  | 1,991                              | –  | 1,991                                     |
|                                    | 33,819,924                            | (136)                                      | (4,427,479)                        | 3,776,387  | 33,168,696                                |


**Notes to the Financial Statements** continued  
 For the financial year ended 31 December 2021

**10. Financial Risk Management** continued

**Currency risk** continued

| <b>Financial Opportunities Fund</b> | <b>Non-USD<br/>Currency<br/>Assets<br/>US\$</b> | <b>Non-USD<br/>Currency<br/>Liabilities<br/>US\$</b> | <b>Non-USD<br/>Cash<br/>Balance<br/>US\$</b> | <b>Forward Foreign<br/>Currency<br/>Contracts<br/>US\$</b> | <b>Net Non-USD<br/>Currency<br/>Assets<br/>US\$</b> |
|-------------------------------------|---|--|--|--|---|
| Australian dollar                   | 214,447   | –  | –  | –  | 214,447   |
| Brazil real                         | –   | –  | 8  | –  | 8   |
| Canadian dollar                     | 657,666   | –  | –  | –  | 657,666   |
| Euro                                | 2,058,156                                       | (18)   | 12,771                                       | –  | 2,070,909   |
| Hong Kong dollar                    | 753,894   | –  | –  | –  | 753,894   |
| Indian rupee                        | 681,576   | –  | 30,179                                       | –  | 711,755   |
| Indonesian rupiah                   | 643,667   | –  | –  | –  | 643,667   |
| Japanese yen                        | 482,795   | –  | –  | –  | 482,795   |
| Korean won                          | 241,150   | –  | –  | –  | 241,150   |
| Mexican peso                        | 194,996   | –  | –  | –  | 194,996   |
| Singapore dollar                    | 253,681   | –  | 182  | –  | 253,863   |
| Sterling                            | 2,461,168                                       | (97)   | (63,576)                                     | –  | 2,397,495   |
| Swedish krona                       | 628,678   | –  | –  | –  | 628,678   |
| Swiss franc                         | 549,898   | (45)   | 29,713                                       | 63   | 579,629   |
| Taiwan dollar                       | 211,090   | –  | 85,506                                       | –  | 296,596   |
| Thai baht                           | 536,269   | –  | –  | –  | 536,269   |
| Vietnamese Dong                     | 251,356   | –  | 3,003  | –  | 254,359   |
|                                     | 10,820,487                                      | (160)  | 97,786                                       | 63   | 10,918,176  |

| <b>Global Absolute Return Fund</b> | <b>Non-USD<br/>Currency<br/>Assets<br/>US\$</b> | <b>Non-USD<br/>Currency<br/>Liabilities<br/>US\$</b> | <b>Non-USD<br/>Cash<br/>Balance<br/>US\$</b> | <b>Forward Foreign<br/>Currency<br/>Contracts<br/>US\$</b> | <b>Net Non-USD<br/>Currency<br/>Assets<br/>US\$</b> |
|------------------------------------|---|--|--|--|---|
| Australian dollar                  | –   | (23)   | 92,152                                       | –  | 92,129  |
| Euro                               | 10,499,218                                      | (4,710,684)  | (2,730,107)                                  | 2,560,729  | 5,619,156   |
| Hong Kong dollar                   | 1,494,299                                       | (1,526)  | (1,025,095)                                  | –  | 467,678   |
| Japanese yen                       | 2,246,320                                       | (4)  | (1,592,353)                                  | –  | 653,963   |
| Sterling                           | 7,548,037                                       | (4,282,693)  | 2,812,242                                    | 38,784,430   | 44,862,016  |
| Swedish krona                      | –   | –  | (1,143)                                      | –  | (1,143)   |
| Swiss franc                        | 2,092,955                                       | –  | (1,720,077)                                  | –  | 372,878   |
|                                    | 23,880,829                                      | (8,994,930)  | (4,164,381)                                  | 41,345,159   | 52,066,677  |



|                                | Non-USD<br>Currency<br>Assets<br>US\$ | Non-USD<br>Currency<br>Liabilities<br>US\$ | Non-USD<br>Cash<br>Balance<br>US\$ | Forward Foreign<br>Currency<br>Contracts<br>US\$ | Net Non-USD<br>Currency<br>Assets<br>US\$ |
|--------------------------------|---------------------------------------|--|------------------------------------|--|---|
| <b>Global Convertible Fund</b> |                                       |  |                                    |  |   |
| Australian dollar              | –                                     | –  | (29,960)                           | –  | (29,960)                                  |
| Canadian dollar                | –                                     | –  | (39,832)                           | –  | (39,832)                                  |
| Euro                           | 185,052,482                           | (73,163,749)                               | (93,800,741)                       | (29,815,015)                                     | (11,727,023)                              |
| Hong Kong dollar               | 16,220,563                            | –  | (51,828)                           | –  | 16,168,735                                |
| Israel shekel                  | 1,482,606                             | –  | –                                  | –  | 1,482,606                                 |
| Japanese yen                   | 45,046,894                            | (11,526,204)                               | (17,787,675)                       | (11,919,549)                                     | 3,813,466                                 |
| Singapore dollar               | –                                     | –  | (62,991)                           | –  | (62,991)                                  |
| South African rand             | –                                     | –  | (1,436)                            | –  | (1,436)                                   |
| Sterling                       | 58,112,836                            | (29,165,352)                               | (4,491,852)                        | 275,311,335                                      | 299,766,967                               |
| Swiss franc                    | 42,906,135                            | –  | 1,809,657                          | 1,069,586  | 45,785,378                                |
|                                | 348,821,516                           | (228,311,963)                              | (114,456,658)                      | 234,646,357                                      | 355,155,910                               |
| <b>Global Insurance Fund</b>   |                                       |  |                                    |  |   |
|                                | Non-GBP<br>Currency<br>Assets<br>GBP  | Non-GBP<br>Currency<br>Liabilities<br>GBP  | Non-GBP<br>Cash<br>Balance<br>GBP  | Forward Foreign<br>Currency<br>Contracts<br>GBP  | Net Non-GBP<br>Currency<br>Assets<br>GBP  |
| Canadian dollar                | 150,331,595                           | –  | –                                  | –  | 150,331,595                               |
| Euro                           | 23,712,449                            | (40)                                       | 61,533                             | 11,822,290                                       | 35,596,232                                |
| Hong Kong dollar               | 34,090,743                            | –  | –                                  | –  | 34,090,743                                |
| Swiss franc                    | –                                     | –  | –                                  | 4,728  | 4,728                                     |
| United States dollar           | 1,294,092,004                         | –  | (9,113,956)                        | (1,014,109)                                      | 1,283,963,939                             |
|                                | 1,502,226,791                         | (40)                                       | (9,052,423)                        | 10,812,909                                       | 1,503,987,237                             |
| <b>Global Technology Fund</b>  |                                       |  |                                    |  |   |
|                                | Non-USD<br>Currency<br>Assets<br>US\$ | Non-USD<br>Currency<br>Liabilities<br>US\$ | Non-USD<br>Cash<br>Balance<br>US\$ | Forward Foreign<br>Currency<br>Contracts<br>US\$ | Net Non-USD<br>Currency<br>Assets<br>US\$ |
| Euro                           | 345,123,064                           | (1,854)                                    | (937,293)                          | 471,073,458                                      | 815,257,375                               |
| Hong Kong dollar               | 173,550,138                           | –  | –                                  | –  | 173,550,138                               |
| Indian rupee                   | –                                     | –  | 3,260                              | –  | 3,260                                     |
| Japanese yen                   | 297,320,942                           | (1)  | 1,837                              | –  | 297,322,778                               |
| Korean won                     | 218,476,136                           | –  | –                                  | –  | 218,476,136                               |
| Sterling                       | –                                     | (1,181)                                    | (459,715)                          | 255,411,134                                      | 254,951,238                               |
| Swiss franc                    | –                                     | (4)  | (23,958)                           | 160,906,586                                      | 160,882,624                               |
| Taiwan dollar                  | 425,727,355                           | –  | –                                  | –  | 425,727,355                               |
|                                | 1,460,197,635                         | (3,040)                                    | (1,414,869)                        | 887,391,178                                      | 2,346,170,904                             |


**Notes to the Financial Statements** continued  
 For the financial year ended 31 December 2021
**10. Financial Risk Management** continued**Currency risk** continued

|                                  | Non-USD<br>Currency<br>Assets<br>US\$ | Non-USD<br>Currency<br>Liabilities<br>US\$ | Non-USD<br>Cash<br>Balance<br>US\$ | Forward Foreign<br>Currency<br>Contracts<br>US\$ | Net Non-USD<br>Currency<br>Assets<br>US\$ |
|----------------------------------|---------------------------------------|--|------------------------------------|--|---|
| <b>Healthcare Blue Chip Fund</b> |                                       |  |                                    |  |   |
| Euro                             | 2,625,560                             | –  | –                                  | –  | 2,625,560                                 |
| Japanese yen                     | 2,757,373                             | –  | –                                  | –  | 2,757,373                                 |
| Swedish Kronor                   | 10,331,592                            | (53)                                       | 201                                | –  | 10,331,740                                |
| Sterling                         | 5,502,479                             | (2)  | 136,759                            | 2,391  | 5,641,627                                 |
| Swiss franc                      | 3,067,007                             | –  | –                                  | (1,243,479)                                      | 1,823,528                                 |
|                                  | 24,284,011                            | (55)                                       | 136,960                            | (1,241,088)                                      | 23,179,828                                |

|                                  | Non-USD<br>Currency<br>Assets<br>US\$ | Non-USD<br>Currency<br>Liabilities<br>US\$ | Non-USD<br>Cash<br>Balance<br>US\$ | Forward Foreign<br>Currency<br>Contracts<br>US\$ | Net Non-USD<br>Currency<br>Assets<br>US\$ |
|----------------------------------|---------------------------------------|--|------------------------------------|--|---|
| <b>Healthcare Discovery Fund</b> |                                       |  |                                    |  |   |
| Danish krone                     | 2,223,265                             | –  | –                                  | –  | 2,223,265                                 |
| Euro                             | 6,628,302                             | –  | 26                                 | –  | 6,628,328                                 |
| Hungary Forint                   | 1,542,589                             | –  | –                                  | –  | 1,542,589                                 |
| Indian Rupee                     | 1,749,054                             | –  | 401                                | –  | 1,749,455                                 |
| Japanese yen                     | 2,095,292                             | –  | –                                  | –  | 2,095,292                                 |
| Sterling                         | 1,407,557                             | (10)                                       | –                                  | –  | 1,407,547                                 |
| Swiss franc                      | –                                     | –  | –                                  | 198  | 198                                       |
|                                  | 15,646,059                            | (10)                                       | 427                                | 198  | 15,646,674                                |

|                                      | Non-USD<br>Currency<br>Assets<br>US\$ | Non-USD<br>Currency<br>Liabilities<br>US\$ | Non-USD<br>Cash<br>Balance<br>US\$ | Forward Foreign<br>Currency<br>Contracts<br>US\$ | Net Non-USD<br>Currency<br>Assets<br>US\$ |
|--------------------------------------|---------------------------------------|--|------------------------------------|--|---|
| <b>Healthcare Opportunities Fund</b> |                                       |  |                                    |  |   |
| Danish krone                         | 116,666,111                           | –  | –                                  | –  | 116,666,111                               |
| Euro                                 | 157,589,654                           | (89)                                       | (52,623)                           | 4,179,962  | 161,716,904                               |
| Hungary Forint                       | 36,064,815                            | –  | –                                  | –  | 36,064,815                                |
| Indian rupee                         | 100,195,539                           | –  | 25,637,061                         | –  | 125,832,600                               |
| Japanese yen                         | 68,244,649                            | –  | 409                                | –  | 68,245,058                                |
| Sterling                             | 114,501,038                           | (1,309)                                    | (35,217)                           | –  | 114,464,512                               |
| Swiss franc                          | 54,684,591                            | (3)  | 1,695                              | 5,577  | 54,691,860                                |
|                                      | 647,946,397                           | (1,401)                                    | 25,551,325                         | 4,185,539  | 677,681,860                               |



|                                  | Non-GBP<br>Currency<br>Assets<br>GBP  | Non-GBP<br>Currency<br>Liabilities<br>GBP  | Non-GBP<br>Cash<br>Balance<br>GBP  | Forward Foreign<br>Currency<br>Contracts<br>GBP  | Net Non-GBP<br>Currency<br>Assets<br>GBP  |
|----------------------------------|---------------------------------------|--|------------------------------------|--|---|
| <b>Income Opportunities Fund</b> |                                       |  |                                    |  |   |
| Canadian dollar                  | 1,133,690                             | –  | –                                  | –  | 1,133,690                                 |
| Euro                             | 7,871,341                             | (401,435)                                  | 823,248                            | 1,823,080  | 10,116,234                                |
| Hong Kong dollar                 | 584,079                               | –  | –                                  | –  | 584,079                                   |
| Norwegian krone                  | 563,994                               | –  | –                                  | –  | 563,994                                   |
| Singapore dollar                 | 873,246                               | –  | –                                  | –  | 873,246                                   |
| Swedish krona                    | 2,044,056                             | –  | –                                  | –  | 2,044,056                                 |
| United States dollar             | 1,433,005                             | –  | –                                  | –  | 1,433,005                                 |
| Swiss franc                      | 798,310                               | –  | –                                  | 165  | 798,475                                   |
| Thai baht                        | 860,375                               | –  | –                                  | –  | 860,375                                   |
| Sterling                         | 15,773,490                            | (16,418)                                   | (115,525)                          | 16,610,535                                       | 32,252,082                                |
|                                  | 31,935,586                            | (417,853)                                  |                                    | 18,433,780                                       | 50,659,236                                |
| <b>Japan Value Fund</b>          |                                       |  |                                    |  |   |
|                                  | Non-JPY<br>Currency<br>Assets<br>JPY  | Non-JPY<br>Currency<br>Liabilities<br>JPY  | Non-JPY Cash<br>Balance<br>JPY     | Forward Foreign<br>Currency<br>Contracts<br>JPY  | Net Non-JPY<br>Currency<br>Assets<br>JPY  |
| Euro                             | –                                     | (1,125)                                    | (1,656,786)                        | 1,149,799,136                                    | 1,148,141,225                             |
| Sterling                         | –                                     | (6,255)                                    | (6,202,712)                        | 2,203,047,416                                    | 2,196,838,449                             |
| Swiss franc                      | –                                     | –  | –                                  | 563,984,185                                      | 563,984,185                               |
| United States dollar             | –                                     | (19,320)                                   | (23,170,781)                       | 4,897,343,752                                    | 4,874,153,651                             |
|                                  | –                                     | (26,700)                                   | (31,030,279)                       | 8,814,174,489                                    | 8,783,117,510                             |
| <b>North American Fund</b>       |                                       |  |                                    |  |   |
|                                  | Non-USD<br>Currency<br>Assets<br>US\$ | Non-USD<br>Currency<br>Liabilities<br>US\$ | Non-USD<br>Cash<br>Balance<br>US\$ | Forward Foreign<br>Currency<br>Contracts<br>US\$ | Net Non-USD<br>Currency<br>Assets<br>US\$ |
| Canadian dollar                  | 64,138,477                            | –  | –                                  | –  | 64,138,477                                |
| Euro                             | –                                     | (652)                                      | (2,013,830)                        | 98,050,906                                       | 96,036,424                                |
| Hong Kong Dollar                 | 14,620,554                            | –  | –                                  | –  | 14,620,554                                |
| Mexican peso                     | 11,719,029                            | –  | –                                  | –  | 11,719,029                                |
| Sterling                         | –                                     | (28)                                       | 138,161                            | 97,475,132                                       | 97,613,265                                |
| Swiss franc                      | –                                     | (5)  | (22,007)                           | 2,121,591  | 2,099,579                                 |
|                                  | 90,478,060                            | (685)                                      | (1,897,676)                        | 197,647,629                                      | 286,227,328                               |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

## 10. Financial Risk Management continued

## Currency risk continued

|                          | Non-USD<br>Currency<br>Assets<br>US\$ | Non-USD<br>Currency<br>Liabilities<br>US\$ | Non-USD<br>Cash<br>Balance<br>US\$ | Forward Foreign<br>Currency<br>Contracts<br>US\$ | Net Non-USD<br>Currency<br>Assets<br>US\$ |
|--------------------------|---------------------------------------|--|------------------------------------|--|---|
| <b>Smart Energy Fund</b> |                                       |  |                                    |  |   |
| Canadian dollar          | 182,377                               | –  | –                                  | –  | 182,377                                   |
| Danish kroner            | 153,052                               | –  | –                                  | –  | 153,052                                   |
| Euro                     | 6,844,551                             | (552,674)                                  | (84,575)                           | 636,980  | 6,844,282                                 |
| Japanese yen             | 3,322,948                             | (172,454)                                  | –                                  | 172,454  | 3,322,948                                 |
| Norwegian krone          | 788,905                               | (257,641)                                  | –                                  | 257,641  | 788,905                                   |
| Sterling                 | 160,096                               | (2)  | (1)                                | –  | 160,093                                   |
| Swedish krona            | 347,394                               | (60,550)                                   | –                                  | 60,550   | 347,394                                   |
| Swiss franc              | 593,094                               | (49,804)                                   | –                                  | 49,804   | 593,094                                   |
| Taiwan dollar            | 730,292                               | (46,690)                                   | –                                  | –  | 683,602                                   |
|                          | 13,122,709                            | (1,139,815)                                | (84,576)                           | 1,177,429  | 13,075,747                                |

|                            | Non-USD<br>Currency<br>Assets<br>US\$ | Non-USD<br>Currency<br>Liabilities<br>US\$ | Non-USD<br>Cash<br>Balance<br>US\$ | Forward Foreign<br>Currency<br>Contracts<br>US\$ | Net Non-USD<br>Currency<br>Assets<br>US\$ |
|----------------------------|---------------------------------------|--|------------------------------------|--|---|
| <b>Smart Mobility Fund</b> |                                       |  |                                    |  |   |
| Euro                       | 1,615,559                             | (1)  | –                                  | –  | 1,615,558                                 |
| Hong Kong dollar           | 102,587                               | –  | –                                  | –  | 102,587                                   |
| Japanese yen               | 1,215,011                             | (49,180)                                   | –                                  | 49,180   | 1,215,011                                 |
| Korean won                 | 188,654                               | –  | –                                  | –  | 188,654                                   |
| Norwegian krone            | 51,745                                | –  | –                                  | –  | 51,745                                    |
| Sterling                   | 53,366                                | (11)                                       | –                                  | –  | 53,355                                    |
| Swiss franc                | 398,211                               | –  | –                                  | –  | 398,211                                   |
| Taiwan dollar              | 300,752                               | –  | –                                  | –  | 300,752                                   |
|                            | 3,925,885                             | (49,192)                                   | –                                  | 49,180   | 3,925,873                                 |

|                                | Non-GBP<br>Currency<br>Assets<br>GBP | Non-GBP<br>Currency<br>Liabilities<br>GBP | Non-GBP<br>Cash<br>Balance<br>GBP | Forward Foreign<br>Currency<br>Contracts<br>GBP | Net Non-GBP<br>Currency<br>Assets<br>GBP |
|--------------------------------|--------------------------------------|---|-----------------------------------|---|--|
| <b>UK Absolute Equity Fund</b> |                                      |   |                                   |   |  |
| Euro                           | –                                    | (3)                                       | (6,392)                           | –   | (6,395)                                  |
| Swiss franc                    | –                                    | –   | (27)                              | –   | (27)                                     |
| United States dollar           | –                                    | (1)                                       | (2,093)                           | –   | (2,094)                                  |
|                                | –                                    | (4)                                       | (8,512)                           | –   | (8,516)                                  |

|                                    | Non-GBP<br>Currency<br>Assets<br>GBP | Non-GBP<br>Currency<br>Liabilities<br>GBP | Non-GBP<br>Cash<br>Balance<br>GBP | Forward Foreign<br>Currency<br>Contracts<br>GBP | Net Non-GBP<br>Currency<br>Assets<br>GBP |
|------------------------------------|--------------------------------------|---|-----------------------------------|---|--|
| <b>UK Value Opportunities Fund</b> |                                      |   |                                   |   |  |
| Euro                               | –                                    | (1)                                       | 1,251                             | –   | 1,250                                    |
| United States dollar               | –                                    | (42)                                      | (49,725)                          | –   | (49,767)                                 |
|                                    | –                                    | (43)                                      | (48,474)                          | –   | (48,517)                                 |



At 31 December 2020 each Fund's currency exposure was as follows:

|                                 | Non-USD<br>Currency<br>Assets<br>US\$ | Non-USD<br>Currency<br>Liabilities<br>US\$ | Non-USD<br>Cash Balance<br>US\$ | Forward Foreign<br>Currency<br>Contracts<br>US\$ | Net Non-USD<br>Currency<br>Assets<br>US\$ |
|---------------------------------|---------------------------------------|--|---------------------------------|--|---|
| <b>Asian Opportunities Fund</b> |                                       |  |                                 |  |   |
| Australian dollar               | 78,892                                | –  | –                               | –  | 78,892                                    |
| Euro                            | –                                     | –  | (265)                           | 112,627  | 112,361                                   |
| Hong Kong dollar                | 2,557,902                             | –  | 140                             | –  | 2,558,042                                 |
| Indian rupee                    | 1,371,525                             | –  | 855                             | –  | 1,372,380                                 |
| Indonesian rupiah               | 624,341                               | –  | –                               | –  | 624,341                                   |
| Korean won                      | 616,439                               | –  | –                               | –  | 616,439                                   |
| Malaysian ringgit               | 117,275                               | –  | –                               | –  | 117,275                                   |
| Pakistan rupee                  | 70,787                                | –  | –                               | –  | 70,787                                    |
| Philippine peso                 | 410,310                               | –  | –                               | –  | 410,310                                   |
| Singapore dollar                | 298,345                               | –  | 105,476                         | –  | 403,821                                   |
| Sri Lanka rupee                 | –                                     | –  | 15                              | –  | 15  |
| Sterling                        | –                                     | –  | (692)                           | 253,409  | 252,717                                   |
| Taiwan dollar                   | 834,064                               | –  | –                               | –  | 834,064                                   |
| Vietnamese dong                 | 91,634                                | –  | 7,810                           | –  | 99,444                                    |
| Thai baht                       | 431,554                               | –  | –                               | –  | 431,554                                   |
|                                 | 7,503,068                             | –  | 113,339                         | 366,036  | 7,982,443                                 |
| <b>Asian Stars Fund</b>         |                                       |  |                                 |  |   |
| China Yuan                      | 185,437                               | –  | –                               | –  | 185,437                                   |
| Euro                            | –                                     | –  | (121)                           | –  | (121)                                     |
| Hong Kong dollar                | 3,674,356                             | –  | –                               | –  | 3,674,356                                 |
| Indian rupee                    | 2,460,765                             | –  | 79,029                          | –  | 2,539,794                                 |
| Korean won                      | 3,977,049                             | –  | –                               | –  | 3,977,049                                 |
| Singapore dollar                | 187,365                               | –  | 8                               | –  | 187,373                                   |
| Sterling                        | –                                     | (3)  | (109)                           | –  | (112)                                     |
| Taiwan dollar                   | 2,757,034                             | –  | –                               | –  | 2,757,034                                 |
| Vietnamese dong                 | 669,785                               | –  | 65,858                          | –  | 735,643                                   |
|                                 | 13,911,791                            | (3)  | 144,665                         | –  | 14,056,453                                |


**Notes to the Financial Statements** continued  
 For the financial year ended 31 December 2021
**10. Financial Risk Management** continued**Currency risk** continued

| <b>Automation &amp; Artificial Intelligence Fund</b> | <b>Non-USD<br/>Currency<br/>Assets<br/>GBP</b> | <b>Non-USD<br/>Currency<br/>Liabilities<br/>GBP</b> | <b>Non-GBP<br/>Cash Balance<br/>GBP</b> | <b>Forward Foreign<br/>Currency<br/>Contracts<br/>GBP</b> | <b>Net Non-USD<br/>Currency<br/>Assets<br/>GBP</b> |
|--|--|---|---|---|--|
| Euro   | 76,981,156                                     | (32)  | 18,196                                  | (35,892)  | 76,963,428   |
| Hong Kong dollar                                     | 13,129,374                                     | –   | –                                       | –   | 13,129,374   |
| Japanese yen   | 151,122,686                                    | (1,188,483)   | (18,748,290)                            | (4,398,920)   | 126,786,993  |
| Korean won   | 10,916,633                                     | –   | –                                       | –   | 10,916,633   |
| Sterling   | 18,680,719                                     | (195,055)   | (2,528,953)                             | 1,174,266   | 17,130,978   |
| Swedish krona  | 23,971,765                                     | –   | –                                       | –   | 23,971,765   |
| Swiss franc  | 12,313,072                                     | –   | –                                       | –   | 12,313,072   |
| Taiwan dollar  | 50,428,695                                     | –   | –                                       | –   | 50,428,695   |
|  | <b>357,544,100</b>                             | <b>(1,383,570)</b>                                  | <b>(21,259,047)</b>                     | <b>(3,260,546)</b>  | <b>331,640,937</b>                                 |

| <b>Biotechnology Fund</b> | <b>Non-USD<br/>Currency<br/>Assets<br/>US\$</b> | <b>Non-USD<br/>Currency<br/>Liabilities<br/>US\$</b> | <b>Non-USD<br/>Cash Balance<br/>US\$</b> | <b>Forward Foreign<br/>Currency<br/>Contracts<br/>US\$</b> | <b>Net Non-USD<br/>Currency<br/>Assets<br/>US\$</b> |
|---------------------------|---|--|--|--|---|
| Danish krone              | 27,495,685                                      | (813)  | (1,040,123)                              | (200,044)  | 170,104,970   |
| Euro                      | 171,345,950                                     | –  | –  | –  | 27,495,685  |
| Sterling                  | 77,044,076                                      | (2,246,864)  | (954,488)                                | 12,009,355   | 85,852,079  |
| Swedish krona             | 8,499,187                                       | –  | –  | –  | 8,499,187   |
|                           | <b>284,384,898</b>                              | <b>(2,247,677)</b>                                   | <b>(1,994,610)</b>                       | <b>11,809,311</b>  | <b>291,951,922</b>                                  |

| <b>China Stars Fund</b> | <b>Non-USD<br/>Currency<br/>Assets<br/>US\$</b> | <b>Non-USD<br/>Currency<br/>Liabilities<br/>US\$</b> | <b>Non-USD<br/>Cash<br/>Balance<br/>US\$</b> | <b>Forward Foreign<br/>Currency<br/>Contracts<br/>US\$</b> | <b>Net Non-USD<br/>Currency<br/>Assets<br/>US\$</b> |
|-------------------------|---|--|--|--|---|
| China Yuan              | 3,258,926                                       | (27,284)   | –  | 27,284   | 3,258,926   |
| Euro                    | 263,748   | (163)  | (188,753)                                    | –  | 74,832  |
| Hong Kong dollar        | 6,177,671                                       | (78,435)   | –  | 47,421   | 6,146,657   |
| Sterling                | –   | (22,221)   | 56,281                                       | –  | 34,060  |
| Taiwan dollar           | 672,610   | (12,291)   | 239,982                                      | –  | 900,301   |
|                         | <b>10,372,955</b>                               | <b>(140,394)</b>                                     | <b>107,510</b>                               | <b>74,705</b>  | <b>10,414,776</b>                                   |



| <b>Emerging Markets Income Fund</b> | <b>Non-USD<br/>Currency<br/>Assets<br/>US\$</b> | <b>Non-USD<br/>Currency<br/>Liabilities<br/>US\$</b> | <b>Non-USD<br/>Cash Balance<br/>US\$</b> | <b>Forward Foreign<br/>Currency<br/>Contracts<br/>US\$</b> | <b>Net Non-USD<br/>Currency<br/>Assets<br/>US\$</b> |
|-------------------------------------|---|--|--|--|---|
| Brazil real                         | 1,871,091                                       | –  | 20                                       | –  | 1,871,111   |
| Czech koruna                        | 1,900,879                                       | –  | –  | –  | 1,900,879   |
| Euro                                | 3,787,499                                       | (1)  | (966)                                    | –  | 3,786,532   |
| Hong Kong dollar                    | 25,337,839                                      | –  | –  | –  | 25,337,839  |
| Indian rupee                        | 8,973,937                                       | –  | –  | –  | 8,973,937   |
| Indonesian rupiah                   | 3,093,416                                       | –  | –  | –  | 3,093,416   |
| Kuwait dinar                        | 2,247,929                                       | –  | –  | –  | 2,247,929   |
| Korean won                          | 21,981,228                                      | –  | –  | –  | 21,981,228  |
| Malaysian ringgit                   | –   | –  | 696                                      | –  | 696   |
| Mexican peso                        | 4,305,063                                       | –  | –  | –  | 4,305,063   |
| Polish zloty                        | 868,492   | –  | –  | –  | 868,492   |
| Romanian leu                        | 3,463,542                                       | –  | –  | –  | 3,463,542   |
| South Africa rand                   | 3,132,928                                       | –  | –  | –  | 3,132,928   |
| Sterling                            | –   | –  | 57,189                                   | (391)  | 56,798  |
| Taiwan dollar                       | 10,507,884                                      | –  | 2  | –  | 10,507,886  |
| Thai baht                           | 1,601,650                                       | –  | –  | –  | 1,601,650   |
| UAE dirham                          | 1,404,256                                       | –  | –  | –  | 1,404,256   |
|                                     | 94,477,633                                      | (1)  | 56,941                                   | (391)  | 94,534,182  |

| <b>Emerging Markets Stars Fund</b> | <b>Non-USD<br/>Currency<br/>Assets<br/>US\$</b> | <b>Non-USD<br/>Currency<br/>Liabilities<br/>US\$</b> | <b>Non-USD<br/>Cash Balance<br/>US\$</b> | <b>Forward Foreign<br/>Currency<br/>Contracts<br/>US\$</b> | <b>Net Non-USD<br/>Currency<br/>Assets<br/>US\$</b> |
|------------------------------------|---|--|--|--|---|
| Australian dollar                  | 4   | –  | –  | –  | 4   |
| Brazil real                        | 4,615,904                                       | –  | 9,230                                    | –  | 4,625,134   |
| Canadian dollar                    | 8,267,442                                       | –  | –  | –  | 8,267,442   |
| China Yuan                         | 3,658,815                                       | –  | –  | –  | 3,658,815   |
| Euro                               | 7,419,139                                       | (31)   | 258,016                                  | (258,552)  | 7,418,572   |
| Hong Kong dollar                   | 60,042,930                                      | –  | (468)                                    | –  | 60,042,462  |
| Indian rupee                       | 47,883,548                                      | –  | 4,637                                    | –  | 47,888,185  |
| Korean won                         | 76,230,313                                      | –  | 190                                      | –  | 76,230,503  |
| Mexican peso                       | –   | –  | 177                                      | –  | 177   |
| Polish zloty                       | 2,892,962                                       | (1)  | (223)                                    | –  | 2,892,738   |
| Singapore dollar                   | 3,738,129                                       | –  | –  | –  | 3,738,129   |
| South Africa rand                  | –   | (501)  | –  | –  | (501)   |
| Sri Lanka rupee                    | –   | –  | 22,530                                   | –  | 22,530  |
| Sterling                           | –   | (3)  | 83,156                                   | 5,749  | 88,902  |
| Swiss franc                        | –   | (992)  | –  | –  | (992)   |
| Taiwan dollar                      | 51,631,036                                      | –  | 20,489                                   | –  | 51,651,525  |
| Vietnamese dong                    | 11,227,303                                      | –  | 1,896,296                                | –  | 13,123,599  |
|                                    | 277,607,525                                     | (1,528)  | 2,294,030                                | (252,803)  | 279,647,224   |


**Notes to the Financial Statements** continued  
 For the financial year ended 31 December 2021
**10. Financial Risk Management** continued**Currency risk** continued

| <b>European ex UK Income Fund</b> | <b>Non-EUR<br/>Currency<br/>Assets<br/>EUR</b> | <b>Non-EUR<br/>Currency<br/>Liabilities<br/>EUR</b> | <b>Non-EUR<br/>Cash Balance<br/>EUR</b> | <b>Forward Foreign<br/>Currency<br/>Contracts<br/>EUR</b> | <b>Net Non-EUR<br/>Currency<br/>Assets<br/>EUR</b> |
|-----------------------------------|--|---|---|---|--|
| Danish kroner                     | 6,417,097                                      | –   | –                                       | –   | 6,417,097  |
| Sterling                          | –  | (292)   | (120,570)                               | 35,996,473  | 35,875,611   |
| Swedish krona                     | 9,746,282                                      | –   | –                                       | –   | 9,746,282  |
| Swiss franc                       | 34,478,226                                     | –   | –                                       | (770,201)   | 33,708,024   |
| United States dollar              | –  | –   | 1,851                                   | –   | 1,851  |
|                                   | 50,641,605                                     | (292)   | (118,719)                               | 35,226,272  | 85,748,866   |

| <b>Financial Opportunities Fund</b> | <b>Non-USD<br/>Currency<br/>Assets<br/>US\$</b> | <b>Non-USD<br/>Currency<br/>Liabilities<br/>US\$</b> | <b>Non-USD<br/>Cash Balance<br/>US\$</b> | <b>Forward Foreign<br/>Currency<br/>Contracts<br/>US\$</b> | <b>Net Non-USD<br/>Currency<br/>Assets<br/>US\$</b> |
|-------------------------------------|---|--|--|--|---|
| British Sterling Pound              | 789,785   | –  | 21,900                                   | (7,108)  | 804,577   |
| Brazil real                         | 9   | –  | –  | –  | 9   |
| Canadian dollar                     | 246,930   | –  | –  | –  | 246,930   |
| Euro                                | 798,603   | (2)  | (1,758)                                  | –  | 796,843   |
| Hong Kong dollar                    | 1,043,610                                       | –  | –  | –  | 1,043,610   |
| Indian rupee                        | 738,526   | –  | –  | –  | 738,526   |
| Indonesian rupiah                   | 409,139   | –  | –  | –  | 409,139   |
| Mexican peso                        | 126,892   | –  | –  | –  | 126,892   |
| Norwegian krone                     | 239,574   | –  | –  | –  | 239,574   |
| Philippine peso                     | 130,299   | –  | –  | –  | 130,299   |
| Singapore dollar                    | –   | –  | 185                                      | –  | 185   |
| Swedish krona                       | 97,255  | –  | –  | –  | 97,255  |
| Swiss franc                         | 157,393   | (46)   | 30,628                                   | –  | 187,975   |
| Taiwan dollar                       | 165,501   | –  | 32,643                                   | –  | 198,144   |
| Thai baht                           | 262,028   | –  | –  | –  | 262,028   |
| Vietnamese dong                     | 119,556   | –  | 5,531                                    | –  | 125,087   |
|                                     | 5,325,100                                       | (48)   | 89,129                                   | (7,108)  | 5,407,073   |



|                                    | Non-USD<br>Currency<br>Assets<br>US\$ | Non-USD<br>Currency<br>Liabilities<br>US\$ | Non-USD<br>Cash Balance<br>US\$ | Forward Foreign<br>Currency<br>Contracts<br>US\$ | Net Non-USD<br>Currency<br>Assets<br>US\$ |
|------------------------------------|---------------------------------------|--|---------------------------------|--|---|
| <b>Global Absolute Return Fund</b> |                                       |  |                                 |  |   |
| Australian dollar                  | 896,317                               | (1,906)                                    | (731,594)                       | –  | 162,817                                   |
| Euro                               | 9,000,926                             | (3,104,320)                                | 1,329,488                       | 4,184,311  | 11,410,405                                |
| Hong Kong dollar                   | 329,997                               | (106,456)                                  | –                               | –  | 223,541                                   |
| Japanese yen                       | 527,931                               | (4,542)                                    | (801,455)                       | –  | (278,066)                                 |
| Sterling                           | –                                     | (5)  | 290,136                         | 34,823,375                                       | 35,113,506                                |
| Swedish krona                      | –                                     | –  | (1,253)                         | –  | (1,253)                                   |
| Swiss franc                        | 1,190,887                             | (87,274)                                   | (720,026)                       | –  | 383,587                                   |
|                                    | 11,946,058                            | (3,304,503)                                | (634,704)                       | 39,007,686                                       | 47,014,537                                |
| <b>Global Convertible Fund</b>     |                                       |  |                                 |  |   |
|                                    | Non-USD<br>Currency<br>Assets<br>US\$ | Non-USD<br>Currency<br>Liabilities<br>US\$ | Non-USD<br>Cash Balance<br>US\$ | Forward Foreign<br>Currency<br>Contracts<br>US\$ | Net Non-USD<br>Currency<br>Assets<br>US\$ |
| Euro                               | 212,937,716                           | (74,072,554)                               | 6,133,734                       | (23,615,792)                                     | 121,383,104                               |
| Hong Kong dollar                   | 28,608,693                            | (81,732)                                   | (4,333,004)                     | –  | 24,193,957                                |
| Israel shekel                      | 1,437,169                             | –  | (19,729,814)                    | (12,824,231)                                     | (9,275,073)                               |
| Japanese yen                       | 23,278,973                            | (469,588)                                  | (25,550,771)                    | 276,524,417                                      | 317,533,033                               |
| Singapore dollar                   | 16,518,388                            | –  | (572)                           | –  | (572)                                     |
| South African rand                 | –                                     | (272,430)                                  | 1,506,289                       | 9,891,339  | 34,895,630                                |
| Sterling                           | 67,028,975                            | –  | –                               | –  | 1,437,169                                 |
| Swedish krona                      | –                                     | –  | –                               | –  | 16,518,388                                |
| Swiss franc                        | 23,770,432                            | –  | (1,498)                         | –  | (1,498)                                   |
|                                    | 373,580,345                           | (74,896,304)                               | (41,975,636)                    | 249,975,733                                      | 506,684,138                               |
| <b>Global Insurance Fund</b>       |                                       |  |                                 |  |   |
|                                    | Non-GBP<br>Currency<br>Assets<br>GBP  | Non-GBP<br>Currency<br>Liabilities<br>GBP  | Non-GBP<br>Cash Balance<br>GBP  | Forward Foreign<br>Currency<br>Contracts<br>GBP  | Net Non-GBP<br>Currency<br>Assets<br>GBP  |
| Canadian dollar                    | 126,141,590                           | –  | –                               | –  | 126,141,590                               |
| Euro                               | 21,815,119                            | (32)                                       | (89,923)                        | 12,879,832                                       | 34,604,996                                |
| Hong Kong dollar                   | 442,484,635                           | –  | –                               | –  | 42,484,635                                |
| United States dollar               | 1,145,777,322                         | (2,077,659)                                | 4,395,689                       | 3,519,687  | 1,151,615,039                             |
|                                    | 1,336,218,666                         | (2,077,691)                                | 4,305,766                       | 16,399,519                                       | 1,354,846,260                             |


**Notes to the Financial Statements** continued  
 For the financial year ended 31 December 2021
**10. Financial Risk Management** continued**Currency risk** continued

|                               | Non-USD<br>Currency<br>Assets<br>US\$ | Non-USD<br>Currency<br>Liabilities<br>US\$ | Non-USD<br>Cash Balance<br>US\$ | Forward Foreign<br>Currency<br>Contracts<br>US\$ | Net Non-USD<br>Currency<br>Assets<br>US\$ |
|-------------------------------|---------------------------------------|--|---------------------------------|--|---|
| <b>Global Technology Fund</b> |                                       |  |                                 |  |   |
| Euro                          | 463,562,244                           | (4,320)                                    | 2,944,773                       | 553,550,322                                      | 1,020,053,019                             |
| Hong Kong dollar              | 268,546,645                           | –  | 6,761                           | –  | 268,553,406                               |
| Indian rupee                  | –                                     | –  | 3,316                           | –  | 3,316                                     |
| Japanese yen                  | 506,497,456                           | –  | 2,049                           | –  | 506,499,505                               |
| Korean won                    | 340,437,022                           | –  | –                               | –  | 340,437,022                               |
| Sterling                      | 66,505,595                            | (111)                                      | 4,862,335                       | 230,305,972                                      | 301,673,791                               |
| Swiss franc                   | –                                     | (72)                                       | 501,417                         | 142,954,121                                      | 143,455,466                               |
| Swedish Kronor                | 44,470,532                            | –  | –                               | –  | 44,470,532                                |
| Taiwan dollar                 | 334,078,570                           | –  | –                               | –  | 334,078,570                               |
|                               | 1,336,218,666                         | (4,503)                                    | 8,320,651                       | 926,810,415                                      | 2,959,224,627                             |

|                                  | Non-USD<br>Currency<br>Assets<br>US\$ | Non-USD<br>Currency<br>Liabilities<br>US\$ | Non-USD<br>Cash Balance<br>US\$ | Forward Foreign<br>Currency<br>Contracts<br>US\$ | Net Non-USD<br>Currency<br>Assets<br>US\$ |
|----------------------------------|---------------------------------------|--|---------------------------------|--|---|
| <b>Healthcare Blue Chip Fund</b> |                                       |  |                                 |  |   |
| Euro                             | 14,380,155                            | (20)                                       | (2,866)                         | –  | 14,377,269                                |
| Japanese yen                     | 3,426,980                             | –  | –                               | (1,052,537)                                      | 2,374,443                                 |
| Swedish Kronor                   | 1,790,775                             | –  | –                               | –  | 1,790,775                                 |
| Sterling                         | 3,646,304                             | (1,861)                                    | (1,977,137)                     | (5,379)  | 1,661,927                                 |
| Swiss franc                      | 3,322,987                             | –  | –                               | –  | 3,322,987                                 |
|                                  | 26,567,201                            | (1,861)                                    | (1,980,003)                     | (1,057,916)                                      | 23,527,401                                |

|                                  | Non-USD<br>Currency<br>Assets<br>US\$ | Non-USD<br>Currency<br>Liabilities<br>US\$ | Non-USD<br>Cash Balance<br>US\$ | Forward Foreign<br>Currency<br>Contracts<br>US\$ | Net Non-USD<br>Currency<br>Assets<br>US\$ |
|----------------------------------|---------------------------------------|--|---------------------------------|--|---|
| <b>Healthcare Discovery Fund</b> |                                       |  |                                 |  |   |
| Danish krone                     | 1,116,867                             | –  | –                               | –  | 1,116,867                                 |
| Euro                             | 2,694,448                             | –  | 26                              | –  | 2,694,474                                 |
| Hungary Forint                   | 802,958                               | –  | –                               | –  | 802,958                                   |
| Japanese yen                     | 1,433,106                             | –  | –                               | –  | 1,433,106                                 |
| Swedish Kronor                   | 1,847,609                             | –  | –                               | –  | 1,847,609                                 |
| Sterling                         | 963,676                               | –  | –                               | 47   | 963,723                                   |
| Swiss franc                      | 261,080                               | –  | –                               | –  | 261,080                                   |
|                                  | 9,119,744                             | –  | 26                              | 47   | 9,119,817                                 |



|                                      | Non-USD<br>Currency<br>Assets<br>US\$ | Non-USD<br>Currency<br>Liabilities<br>US\$ | Non-USD<br>Cash Balance<br>US\$ | Forward Foreign<br>Currency<br>Contracts<br>US\$ | Net Non-USD<br>Currency<br>Assets<br>US\$ |
|--------------------------------------|---------------------------------------|--|---------------------------------|--|---|
| <b>Healthcare Opportunities Fund</b> |                                       |  |                                 |  |   |
| Danish krone                         | 78,904,060                            | –  | –                               | –  | 78,904,060                                |
| Euro                                 | 113,018,019                           | (100)                                      | 160,098                         | 2,898,815  | 116,076,832                               |
| Hungary Forint                       | 35,621,260                            | –  | –                               | –  | 35,621,260                                |
| Indian rupee                         | –                                     | –  | 6,789                           | –  | 6,789                                     |
| Japanese yen                         | 73,438,345                            | –  | 457                             | –  | 73,438,802                                |
| Sterling                             | 90,163,550                            | (388)                                      | 812,702                         | (857,130)  | 90,118,734                                |
| Swiss franc                          | 116,863,838                           | (3)  | 1,747                           | –  | 116,865,582                               |
|                                      | 508,009,072                           | (491)                                      | 981,793                         | 2,041,685  | 511,032,059                               |
| <b>Income Opportunities Fund</b>     |                                       |  |                                 |  |   |
|                                      | Non-GBP<br>Currency<br>Assets<br>GBP  | Non-GBP<br>Currency<br>Liabilities<br>GBP  | Non-GBP<br>Cash Balance<br>GBP  | Forward Foreign<br>Currency<br>Contracts<br>GBP  | Net Non-GBP<br>Currency<br>Assets<br>GBP  |
| Canadian dollar                      | 848,465                               | –  | –                               | –  | 848,465                                   |
| Euro                                 | 9,527,047                             | –  | 20,879                          | 3,124,459  | 12,672,385                                |
| Hong Kong dollar                     | 557,782                               | –  | –                               | –  | 557,782                                   |
| Norwegian krone                      | 1,225,863                             | –  | –                               | –  | 1,225,863                                 |
| Singapore dollar                     | 779,573                               | –  | –                               | –  | 779,573                                   |
| Swedish krona                        | 1,359,523                             | –  | –                               | –  | 1,359,523                                 |
| United States dollar                 | 25,329,284                            | (16,126)                                   | 26,043                          | 19,054,788                                       | 44,393,989                                |
| Swiss franc                          | 877,213                               | –  | –                               | –  | 877,213                                   |
| Thai baht                            | 1,428,114                             | –  | –                               | –  | 1,428,114                                 |
|                                      | 41,932,864                            | (16,126)                                   | 46,922                          | 22,179,247                                       | 64,142,907                                |
| <b>Japan Value Fund</b>              |                                       |  |                                 |  |   |
|                                      | Non-JPY<br>Currency<br>Assets<br>JPY  | Non-JPY<br>Currency<br>Liabilities<br>JPY  | Non-JPY<br>Cash Balance<br>JPY  | Forward Foreign<br>Currency<br>Contracts<br>JPY  | Net Non-JPY<br>Currency<br>Assets<br>JPY  |
| Euro                                 | –                                     | (1,094)                                    | (6,870,728)                     | 1,352,276,961                                    | 1,345,405,139                             |
| Sterling                             | –                                     | (26,080)                                   | (13,625,485)                    | 2,410,435,793                                    | 2,396,784,228                             |
| Swiss franc                          | –                                     | –  | 4                               | 495,854,405                                      | 495,854,409                               |
| United States dollar                 | –                                     | (15,218)                                   | (54,819,814)                    | 4,439,966,055                                    | 4,385,131,023                             |
|                                      | –                                     | (42,392)                                   | (75,316,023)                    | 8,698,533,214                                    | 8,623,174,799                             |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 10. Financial Risk Management continued

#### Currency risk continued

|                                    | Non-USD<br>Currency<br>Assets<br>US\$ | Non-USD<br>Currency<br>Liabilities<br>US\$ | Non-USD<br>Cash Balance<br>US\$   | Forward Foreign<br>Currency<br>Contracts<br>US\$ | Net Non-USD<br>Currency<br>Assets<br>US\$ |
|------------------------------------|---------------------------------------|--|-----------------------------------|--|---|
| <b>North American Fund</b>         |                                       |  |                                   |  |   |
| Canadian dollar                    | 20,916,488                            | –  | –                                 | –  | 20,916,488                                |
| Euro                               | –                                     | (606)                                      | (848,877)                         | 65,244,940                                       | 64,395,457                                |
| Hong Kong Dollar                   | 13,173,218                            | –  | –                                 | –  | 13,173,218                                |
| Sterling                           | –                                     | –  | 492,619                           | 67,629,225                                       | 68,121,844                                |
| Swiss franc                        | –                                     | (5)  | (22,684)                          | 2,543,591  | 2,520,902                                 |
|                                    | 34,089,706                            | (611)                                      | (378,942)                         | 135,417,756                                      | 169,127,909                               |
|                                    |                                       |  |                                   |  |   |
|                                    | Non-GBP<br>Currency<br>Assets<br>GBP  | Non-GBP<br>Currency<br>Liabilities<br>GBP  | Non-GBP<br>Cash<br>Balance<br>GBP | Forward Foreign<br>Currency<br>Contracts<br>GBP  | Net Non-GBP<br>Currency<br>Assets<br>GBP  |
| <b>UK Value Opportunities Fund</b> |                                       |  |                                   |  |   |
| Euro                               | –                                     | –  | (761)                             | –  | (761)                                     |
| United States dollar               | –                                     | (40)                                       | (38,018)                          | –  | (38,058)                                  |
|                                    | –                                     | (40)                                       | (38,779)                          | –  | (38,819)                                  |

If the exchange rate at 31 December 2021 between the individual Funds' base currencies and all other relevant currencies had increased or decreased by 5% with all other variables held constant, excluding the effect of the share class hedges, this would have decreased or increased net assets attributable to holders of redeemable participating shares of the Funds as set out below. This does not allow for currency exposure on the underlying share class.

| As at 31 December 2021                    | Net Non-USD<br>Currency Monetary<br>Assets<br>US\$ | % Increase/(decrease)<br>in exchange rate | Effect of<br>increase/decrease<br>US\$ |
|---|--|---|--|
| Asian Opportunities Fund                  | 194  | 5   | +/- 10                                 |
| Asian Stars Fund                          | 157,844,171  | 5   | +/- 7,892,209                          |
| Automation & Artificial Intelligence Fund | 345,139,780  | 5   | +/- 17,256,989                         |
| Biotechnology Fund                        | 680,646,964  | 5   | +/- 34,032,348                         |
| China Stars Fund                          | 16,174,026   | 5   | +/- 808,701                            |
| Emerging Markets Income Fund              | (26,670)   | 5   | +/- 1,334                              |
| Emerging Markets Stars Fund               | 1,119,760,544                                      | 5   | +/- 55,988,027                         |
| Financial Opportunities Fund              | 10,918,176   | 5   | +/- 545,909                            |
| Global Absolute Return Fund               | 52,066,677   | 5   | +/- 2,603,334                          |
| Global Convertible Fund                   | 355,155,910  | 5   | +/- 17,757,796                         |
| Global Technology Fund                    | 2,346,170,904                                      | 5   | +/- 117,308,545                        |
| Healthcare Blue Chip Fund                 | 23,179,828   | 5   | +/- 1,158,991                          |
| Healthcare Discovery Fund                 | 15,646,674   | 5   | +/- 782,334                            |
| Healthcare Opportunities Fund             | 511,032,060  | 5   | +/- 25,551,603                         |
| North American Fund                       | 286,227,328  | 5   | +/- 14,311,366                         |
| Smart Energy Fund                         | 13,075,747   | 5   | +/- 653,787                            |
| Smart Mobility Fund                       | 3,925,873  | 5   | +/- 196,294                            |



| <b>As at 31 December 2021</b> | <b>Net Non-JPY<br/>Currency Monetary<br/>Assets<br/>JPY '000</b> | <b>% Increase/(decrease)<br/>in exchange rate</b> | <b>Effect of<br/>increase/decrease<br/>JPY '000</b> |
|-------------------------------|--|---|---|
| Japan Value Fund              | 8,783,117,510  | 5   | +/- 439,155,876                                     |

| <b>As at 31 December 2021</b> | <b>Net Non-GBP<br/>Currency Monetary<br/>Assets<br/>GBP</b> | <b>% Increase/(decrease)<br/>in exchange rate</b> | <b>Effect of<br/>increase/decrease<br/>GBP</b> |
|-------------------------------|---|---|--|
| Global Insurance Fund         | 1,503,987,237   | 5   | +/- 75,199,362                                 |
| Income Opportunities Fund     | 50,659,236  | 5   | +/- 2,532,962                                  |
| UK Value Opportunities        | (48,517)  | 5   | +/- 2,426                                      |

| <b>As at 31 December 2021</b> | <b>Net Non-EUR<br/>Currency Monetary<br/>Assets<br/>EUR</b> | <b>% Increase/(decrease)<br/>in exchange rate</b> | <b>Effect of<br/>increase/decrease<br/>EUR</b> |
|-------------------------------|---|---|--|
| European ex UK Income Fund    | 33,168,696  | 5   | +/- 1,658,435                                  |
| European Income Fund          | –   | 5   | +/-  |

| <b>As at 31 December 2020</b>             | <b>Net Non-USD<br/>Currency Monetary<br/>Assets<br/>US\$</b> | <b>% Increase/(decrease)<br/>in exchange rate</b> | <b>Effect of<br/>increase/decrease<br/>US\$</b> |
|---|--|---|---|
| Asian Opportunities Fund                  | 7,982,442  | 5   | +/- 399,122                                     |
| Asian Stars Fund                          | 14,056,452   | 5   | +/- 702,823                                     |
| Automation & Artificial Intelligence Fund | 331,640,939  | 5   | +/- 16,582,047                                  |
| Biotechnology Fund                        | 291,951,921  | 5   | +/- 14,597,596                                  |
| China Stars Fund                          | 10,414,777   | 5   | +/- 520,739                                     |
| Emerging Markets Income Fund              | 94,534,183   | 5   | +/- 4,726,709                                   |
| Emerging Markets Stars Fund               | 279,647,224  | 5   | +/- 13,982,361                                  |
| Financial Opportunities Fund              | 5,407,074  | 5   | +/- 270,354                                     |
| Global Absolute Return Fund               | 47,014,542   | 5   | +/- 2,350,727                                   |
| Global Convertible Fund                   | 506,684,187  | 5   | +/- 25,334,209                                  |
| Global Technology Fund                    | 2,959,224,626  | 5   | +/- 147,961,231                                 |
| Healthcare Blue Chip Fund                 | 23,527,402   | 5   | +/- 1,176,370                                   |
| Healthcare Discovery Fund                 | 9,119,817  | 5   | +/- 455,991                                     |
| Healthcare Opportunities Fund             | 511,032,060  | 5   | +/- 25,551,603                                  |
| North American Fund                       | 169,127,908  | 5   | +/- 8,456,395                                   |

| <b>As at 31 December 2020</b> | <b>Net Non-JPY<br/>Currency Monetary<br/>Assets<br/>JPY '000</b> | <b>% Increase/(decrease)<br/>in exchange rate</b> | <b>Effect of<br/>increase/decrease<br/>JPY '000</b> |
|-------------------------------|--|---|---|
| Japan Value Fund              | 8,623,174,799  | 5   | +/- 431,158,740                                     |

## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 10. Financial Risk Management continued

#### Currency risk continued

| As at 31 December 2020    | Net Non-GBP<br>Currency Monetary<br>Assets<br>GBP | % Increase/(decrease)<br>in exchange rate | Effect of<br>increase/decrease<br>GBP |
|---------------------------|---|---|---------------------------------------|
| Global Insurance Fund     | 1,354,846,260                                     | 5   | +/- 67,742,313                        |
| Income Opportunities Fund | 64,142,908  | 5   | +/- 3,207,145                         |
| UK Value Opportunities    | 9,747,959   | 5   | +/- 487,398                           |

| As at 31 December 2020     | Net Non-EUR<br>Currency Monetary<br>Assets<br>EUR | % Increase/(decrease)<br>in exchange rate | Effect of<br>increase/decrease<br>EUR |
|----------------------------|---|---|---------------------------------------|
| European ex UK Income Fund | 85,748,866  | 5   | +/- 4,287,443                         |

#### Interest rate risk

Most of the Funds' financial assets and liabilities are non-interest bearing and any excess cash and cash equivalents are invested at short term market interest rates. As a result, the Funds are not subject to significant amounts of risk due to fluctuations in the prevailing level of market interest rates.

The three Funds which invest in interest bearing securities are Global Absolute Return Fund, Global Convertible Fund and Income Opportunities Fund and as such their net asset values are exposed to changes in interest rates, the risk being that if interest rates rise, they will cause the value of the interest-bearing securities component of the Funds' portfolio to decline. These portfolios consist of a variety of positions with varying maturity dates; in general, the longer the period to maturity of the securities, the greater the risk that the net asset value will decline as a result of an increase in interest rates. The Investment Manager regularly monitors the portfolio and particularly the spread of maturity dates and portfolio balances to achieve the investment objective in line with change in interest rates.

As part of its monitoring process the Investment Manager, when looking at individual bonds and the portfolios as a whole, will consider their sensitivity to changes in interest rates. This will include taking into account their position in the capital structure, whether they have fixed maturities or are perpetual, and whether they have call dates. If they have call dates, the terms if not called will be considered, whether fixed or floating, and what margin over the relevant risk free rate the bond will yield if not called. The Investment Manager will also compare the yield on corporate bonds relative to government bonds and the impact that this may have in increasing or reducing the sensitivity of the portfolio to moves in interest rates.

#### Global Absolute Return Fund

| 31 December 2021                                      | Less than<br>1 month<br>(US\$) | 1 month –<br>1 year<br>(US\$) | Greater than<br>1 year<br>(US\$) | Non-Interest<br>bearing<br>(GBP£) | Total<br>US\$ |
|---|--------------------------------|-------------------------------|----------------------------------|-----------------------------------|---------------|
| Financial assets at fair value through profit or loss | –                              | –                             | 49,925,897                       | 32,055,205                        | 81,981,102    |
| Cash at bank  | (12,015,492)                   | –                             | –                                | –                                 | (12,015,492)  |
| Margin cash   | –                              | –                             | –                                | 711,785                           | 711,785       |
| Other debtors   | –                              | –                             | –                                | 143,896                           | 143,896       |
| Financial derivative instruments                      | –                              | –                             | (459,826)                        | 466,815                           | 6,989         |
| Fees and sundry creditors payable                     | –                              | –                             | –                                | (502,896)                         | (502,896)     |
| <b>Total</b>  | (12,015,492)                   | –                             | 49,466,071                       | 32,874,805                        | 70,325,384    |



|   | Less than<br>1 month<br>(US\$) | 1 month –<br>1 year<br>(US\$) | Greater than<br>1 year<br>(US\$) | Non-Interest<br>bearing<br>(GBP£) | Total<br>US\$ |
|---|--------------------------------|-------------------------------|----------------------------------|-----------------------------------|---------------|
| <b>31 December 2020</b>                               |                                |                               |                                  |                                   |               |
| Financial assets at fair value through profit or loss | –                              | –                             | 37,433,458                       | 14,177,268                        | 51,610,726    |
| Cash at bank  | 214,045                        | –                             | –                                | –                                 | 214,045       |
| Other debtors   | –                              | –                             | –                                | 113,209                           | 113,209       |
| Financial derivative instruments                      | –                              | –                             | –                                | (3,219,817)                       | (3,219,817)   |
| Fees and sundry creditors payable                     | –                              | –                             | –                                | (1,651,822)                       | (1,651,822)   |
| <b>Total</b>  | 214,045                        | –                             | 37,433,458                       | 9,418,838                         | 47,066,341    |

As at 31 December 2021, should interest rates have fallen by 0.25%, with all other variables remaining constant, the increase in net assets attributable to the holders of redeemable shares would amount to approximately 0.53% (31 December 2020: 0.30%). An equal change in interest rates in the opposite direction would have decreased net assets attributable to the holders of redeemable shares by 0.52% (31 December 2020: 0.30%).

#### Global Convertible Fund

|   | Less than<br>1 month<br>(US\$) | 1 month –<br>1 year<br>(US\$) | Greater than<br>1 year<br>(US\$) | Non-Interest<br>bearing<br>(US\$) | Total<br>US\$ |
|---|--------------------------------|-------------------------------|----------------------------------|-----------------------------------|---------------|
| <b>31 December 2021</b>                                       |                                |                               |                                  |                                   |               |
| Financial assets at fair value through profit or loss         | –                              | 35,325,870                    | 718,677,255                      | 494,181,215                       | 1,248,184,340 |
| Amounts receivable on sale of redeemable participating shares | –                              | –                             | –                                | 661,143                           | 661,143       |
| Cash at bank  | (188,288,472)                  | –                             | –                                | –                                 | (188,288,472) |
| Other debtors   | –                              | –                             | –                                | 2,957,064                         | 2,957,064     |
| Financial derivative instruments                              | –                              | –                             | (4,598,265)                      | 10,169,068                        | 5,570,803     |
| Fees and sundry creditors payable                             | –                              | –                             | –                                | (2,180,472)                       | (2,180,472)   |
| <b>Total</b>  | (188,288,472)                  | 35,325,870                    | 714,078,990                      | 505,788,018                       | 1,066,904,406 |

|   | Less than<br>1 month<br>(US\$) | 1 month –<br>1 year<br>(US\$) | Greater than<br>1 year<br>(US\$) | Non-Interest<br>bearing<br>(US\$) | Total<br>US\$ |
|---|--------------------------------|-------------------------------|----------------------------------|-----------------------------------|---------------|
| <b>31 December 2020</b>                                       |                                |                               |                                  |                                   |               |
| Financial assets at fair value through profit or loss         | –                              | –                             | 724,444,802                      | 415,875,927                       | 1,140,320,729 |
| Amounts receivable on sale of redeemable participating shares | –                              | –                             | –                                | 1,277,215                         | 1,277,215     |
| Amounts receivable on sale of securities                      | –                              | –                             | –                                | 13,694,099                        | 13,694,099    |
| Cash at bank  | (64,087,192)                   | –                             | –                                | –                                 | (64,087,192)  |
| Other debtors   | –                              | –                             | –                                | 3,885,379                         | (3,885,379)   |
| Financial derivative instruments                              | –                              | –                             | –                                | (38,093,993)                      | 38,093,993    |
| Fees and sundry creditors payable                             | –                              | –                             | –                                | (9,166,636)                       | 9,166,636     |
| <b>Total</b>  | (64,087,192)                   | –                             | 724,444,802                      | 387,471,991                       | 1,047,829,601 |

## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 10. Financial Risk Management continued

#### Interest rate risk continued

As at 31 December 2021 should interest rates have fallen by 0.25%, with all other variables remaining constant, the increase in net assets attributable to the holders of redeemable shares would amount to approximately 0.38% (31 December 2020: 0.35%). An equal change in interest rates in the opposite direction would have decreased net assets attributable to the holders of redeemable shares for the period by 0.38% (31 December 2020: 0.36%).

#### Income Opportunities Fund

| 31 December 2021  | Less than<br>1 month<br>(GBP£) | 1 month –<br>1 year<br>(GBP£) | Greater than<br>1 year<br>(GBP£) | Non-Interest<br>bearing<br>(GBP£) | Total<br>GBP£     |
|---|--------------------------------|-------------------------------|----------------------------------|-----------------------------------|-------------------|
| Financial assets at fair value through profit or loss         | 1,285,639                      | 1,018,325                     | 4,297,311                        | 42,414,010                        | 49,015,285        |
| Amounts receivable on sale of redeemable participating shares | –                              | –                             | –                                | 12,750                            | 12,750            |
| Amounts receivable on sale of securities                      | –                              | –                             | –                                | –                                 | –                 |
| Cash at bank  | 9,817,635                      | –                             | –                                | –                                 | 9,817,635         |
| Margin receivable   | –                              | –                             | –                                | –                                 | –                 |
| Margin cash   | –                              | –                             | –                                | 97,949                            | 97,949            |
| Other debtors   | –                              | –                             | –                                | 213,083                           | 213,083           |
| Financial derivative instruments                              | –                              | –                             | –                                | (417,735)                         | (417,735)         |
| Fees and sundry creditors payable                             | –                              | –                             | –                                | (686,268)                         | (686,268)         |
| <b>Total</b>  | <b>11,103,274</b>              | <b>1,018,325</b>              | <b>4,297,311</b>                 | <b>41,633,789</b>                 | <b>58,052,699</b> |

| 31 December 2020  | Less than<br>1 month<br>(GBP£) | 1 month –<br>1 year<br>(GBP£) | Greater than<br>1 year<br>(GBP£) | Non-Interest<br>bearing<br>(GBP£) | Total<br>GBP£     |
|---|--------------------------------|-------------------------------|----------------------------------|-----------------------------------|-------------------|
| Financial assets at fair value through profit or loss         | –                              | –                             | 15,531,541                       | 44,590,667                        | 60,122,208        |
| Amounts receivable on sale of redeemable participating shares | –                              | –                             | –                                | 2,000                             | 2,000             |
| Amounts receivable on sale of securities                      | –                              | –                             | –                                | 210,122                           | 210,122           |
| Cash at bank  | 617,784                        | –                             | –                                | –                                 | 617,784           |
| Margin cash   | –                              | –                             | –                                | 71,626                            | 71,626            |
| Other debtors   | –                              | –                             | –                                | 215,450                           | (215,450)         |
| Financial derivative instruments                              | –                              | –                             | –                                | (577,225)                         | 577,225           |
| Fees and sundry creditors payable                             | –                              | –                             | –                                | (982,551)                         | 982,551           |
| <b>Total</b>  | <b>617,784</b>                 | <b>–</b>                      | <b>15,531,541</b>                | <b>43,530,289</b>                 | <b>59,679,614</b> |

As at 31 December 2021, should interest rates have fallen by 0.25%, with all other variables remaining constant, the increase in net assets attributable to the holders of redeemable shares would amount to approximately 0.07% (31 December 2020: 0.23%). An equal change in interest rates in the opposite direction would have decreased net assets attributable to the holders of redeemable shares by 0.05% (31 December 2020: 0.22%).



## Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The majority of the Funds' financial assets are equity securities. As a result, they are not subject to significant amounts of credit risk.

The credit rating of the fixed income securities held in the three Funds that do invest in debt securities were as follows at 31 December 2021:

| Global Absolute Return Fund | 31 December 2021 |                   | 31 December 2020 |                   |
|-----------------------------|------------------|-------------------|------------------|-------------------|
|                             | % Holding        | Value US\$        | % Holding        | Value US\$        |
| A                           | 0.00%            | –                 | 2.88%            | 1,484,975         |
| A-                          | 3.38%            | 2,768,295         | 0.00%            | –                 |
| BBB                         | 2.29%            | 1,874,136         | 2.37%            | 1,224,095         |
| CCC+                        | 0.00%            | –                 | 2.93%            | 1,514,594         |
| NR                          | 94.34%           | 77,338,671        | 91.82%           | 47,386,094        |
| <b>Total</b>                | <b>100.00%</b>   | <b>81,981,102</b> | <b>100.00%</b>   | <b>51,609,757</b> |

| Global Convertible Fund | 31 December 2021 |                    | 31 December 2020 |                      |
|-------------------------|------------------|--------------------|------------------|----------------------|
|                         | % Holding        | Value US\$         | % Holding        | Value US\$           |
| A                       | 0.00%            | –                  | 2.47%            | 25,912,102           |
| A-                      | 0.00%            | –                  | 1.512%           | 15,814,016           |
| BBB+                    | 0.55%            | 5,305,501          | 0.97%            | 10,172,033           |
| BBB                     | 2.97%            | 28,940,290         | 0.98%            | 10,282,394           |
| BBB-                    | 0.00%            | –                  | 1.60%            | 16,719,458           |
| BB+                     | 1.92%            | 18,638,438         | 0.00%            | –                    |
| BB                      | 0.00%            | –                  | 0.80%            | 8,389,921            |
| BB-                     | 0.00%            | –                  | 2.24%            | 23,441,313           |
| NR                      | 94.56%           | 919,978,519        | 87.50%           | 916,876,689          |
| <b>Total</b>            | <b>100.00%</b>   | <b>972,862,748</b> | <b>100.00%</b>   | <b>1,027,607,931</b> |

| Income Opportunities Fund | 31 December 2021 |                   | 31 December 2020 |                   |
|---------------------------|------------------|-------------------|------------------|-------------------|
|                           | % Holding        | Value GBP£        | % Holding        | Value GBP£        |
| AAA                       | 12.45%           | 1,480,395         | 0.00%            | –                 |
| AA+                       | 11.47%           | 1,363,760         | 0.00%            | –                 |
| BBB+                      | 0.00%            | –                 | 13.41%           | 2,568,983         |
| BBB                       | 0.00%            | –                 | 2.70%            | 517,933           |
| BB+                       | 0.00%            | –                 | 21.74%           | 4,164,776         |
| BB-                       | 0.00%            | –                 | 5.08%            | 973,589           |
| NR                        | 76.08%           | 9,045,139         | 57.07%           | 10,934,632        |
| <b>Total</b>              | <b>100.00%</b>   | <b>11,889,294</b> | <b>100.00%</b>   | <b>19,159,913</b> |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

## 10. Financial Risk Management continued

### Credit risk continued

#### Credit risk on settlement

Transactions in securities are generally settled or paid for on delivery or cleared through the appropriate clearing system for the market on which the securities are traded. The risk of default is not considered to be material, as delivery of securities sold is only made once the Depository has received confirmation of payment. Payment is also only made on a purchase once confirmation of delivery of the securities has been received by the Depository. The trade will fail if either party fails to deliver the required confirmations.

#### Credit risk on cash and receivables

The Company has an exposure for cash at bank, margin cash and margin receivable as an unsecured creditor to either counterparty risk or the Depository which would involve a significant risk of loss in the event of a default by either. Credit risk for sundry debtors is considered immaterial.

At 31 December 2021 and 31 December 2020, none of the Funds' financial assets were past due or impaired.

The Investment Manager monitors each Fund's credit exposure, where relevant to the Fund's investment strategy, on a daily basis and reports regularly to the Board of Directors, which reviews the information provided by the Investment Manager on significant exposures at its periodic meetings.

#### Credit risk statement

The Depository is responsible for the safe-keeping of assets. The Depository has appointed The Northern Trust Company ('TNTC') as its global sub-custodian. Both the Depository and TNTC are wholly owned subsidiaries of Northern Trust Corporation ('NTC'). As at 31 December 2021, NTC had a long-term credit rating from Standard & Poor's of A+ (31 December 2020: A+).

TNTC, in the discharge of its delegated depository duties, holds in custody (i) all financial instruments that may be registered in a financial instruments account opened on the books of TNTC and (ii) all financial instruments that can be physically delivered to TNTC. TNTC ensures all financial instruments (held in a financial instruments account on the books of TNTC) are held in segregated accounts in the name of the Fund, clearly identifiable as belonging to the Fund, and distinct and separately from the proprietary assets of TNTC, Depository and NTC.

In addition, TNTC, as banker, holds cash of the Funds on deposit. Such cash is held on the balance sheet of TNTC. In the event of insolvency of TNTC, in accordance with standard banking practice, the Fund will rank as an unsecured creditor of TNTC in respect of any cash deposits.

Insolvency of Depository and or one of its agents or affiliates may cause the Fund's rights with respect to its assets to be delayed or may result in the Company not receiving the full value of its assets.

As per Note 2 (E), Cash at bank and bank overdraft balances are comprised of cash balances held at TNTC. As at 31 December 2021 cash was held with counterparties and brokers as follows:

China Stars: US\$6,461 (31 December 2020: US\$6,470)  
 Global Absolute Return Fund: US\$711,785 (31 December 2020: US\$Nil)  
 Global Technology Fund: GBP14,322,512 (31 December 2020: GBP9,919,032)  
 Healthcare Opportunities Fund: US\$100 (31 December 2020: US\$20,502,228)  
 Income Opportunities Fund GBP97,949 (31 December 2020: GBP71,626)  
 UK Value Opportunities Fund: GBP(2) (31 December 2020: GBP17,668)

The Funds' counterparties and brokers had the following long-term credit ratings from Standard & Poor's as at 31 December 2021:

Credit Suisse Securities (Europe) Limited: A+ (31 December 2020: A+). UBS AG: A+ (31 December 2020: A+).



## Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities as they fall due.

The Funds are exposed to daily cash redemptions of redeemable participating shares. The Funds invest the majority of their assets in securities and other instruments that are traded on an active market and which are considered to be liquid as under normal market conditions, they can be readily disposed of in the event that cash needs to be raised to meet redemptions or to pay expenses.

In accordance with Company policy, the Investment Manager monitors the Funds' liquidity on a daily basis and reports regularly to the Board of Directors, which reviews the information provided by the Investment Manager on significant exposures at its periodic meetings.

The Funds' listed securities are considered to be readily realisable as they are principally listed on major European, Asian and US stock exchanges. At 31 December 2021 and 31 December 2020, the Funds all held liquid assets and liabilities that could be realised in less than one month. The residual contractual maturities of financial liabilities held by the Funds are all within 3 months.

## Offsetting Financial Instruments

The Company has not offset any financial assets and financial liabilities in the Statement of Financial Position. Financial assets and financial liabilities which are subject to enforceable master netting arrangements are detailed in the tables below.

|                                    | Gross amounts<br>of recognised<br>assets<br>2021<br>US\$ | Gross amounts<br>offset in the<br>statement<br>of financial<br>position<br>2021<br>US\$ | Net amount<br>presented on<br>the statement<br>of financial<br>position<br>2021<br>US\$ | Related amounts not set off in the<br>Statement of Financial Position |  | Net amount<br>2021<br>US\$ |
|------------------------------------|--|---|---|---|--|----------------------------|
|                                    |  |   |   | Financial<br>instruments<br>2021<br>US\$                              | Cash collateral<br>pledged /<br>received<br>2021<br>US\$ |                            |
| <b>Global Absolute Return Fund</b> |  |   |   |   |  |                            |
| <b>Assets</b>                      |  |   |   |   |  |                            |
| Contracts for difference           | 339,352  | –   | 339,352   | (339,352)   | –  | –                          |
| Forward foreign currency contracts | 938,585  | –   | 938,585   | (393)   | –  | 938,192                    |
| <b>Total</b>                       | <b>1,277,937</b>   | <b>–</b>  | <b>1,277,937</b>  | <b>(339,745)</b>  | <b>–</b>   | <b>938,192</b>             |
| <b>Liabilities</b>                 |  |   |   |   |  |                            |
| Contracts for difference           | (648,292)  | –   | (648,292)   | 339,352   | –  | (308,940)                  |
| Futures contracts                  | (162,437)  | –   | (162,437)   | –   | –  | (162,437)                  |
| Forward foreign currency contracts | (393)  | –   | (393)   | 393   | –  | –                          |
| Swaps                              | (459,826)  | –   | (459,826)   | –   | –  | (459,826)                  |
| <b>Total</b>                       | <b>(1,270,948)</b>                                       | <b>–</b>  | <b>(1,270,948)</b>  | <b>339,745</b>  | <b>–</b>   | <b>(931,203)</b>           |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

## 10. Financial Risk Management continued

## Offsetting Financial Instruments continued

|                                    | Gross amounts<br>of recognised<br>assets<br>2020<br>US\$ | Gross amounts<br>offset in the<br>statement<br>of financial<br>position<br>2020<br>US\$ | Net amount<br>presented on<br>the statement<br>of financial<br>position<br>2020<br>US\$ | Related amounts not set off in the<br>Statement of Financial Position |  | Net amount<br>2020<br>US\$ |
|------------------------------------|--|---|---|---|--|----------------------------|
|                                    |  |   |   | Financial<br>instruments<br>2020<br>US\$                              | Cash collateral<br>pledged /<br>received<br>2020<br>US\$ |                            |
| <b>Global Absolute Return Fund</b> |  |   |   |   |  |                            |
| <b>Assets</b>                      |  |   |   |   |  |                            |
| Contracts for difference           | 176,126  | –   | 176,126   | (176,126)   | –  | –                          |
| Futures contracts                  | –  | –   | –   | –   | –  | –                          |
| Forward foreign currency contracts | 882,099  | –   | 882,099   | (13,670)  | –  | 868,429                    |
| <b>Total</b>                       | <b>1,058,225</b>   | <b>–</b>  | <b>1,058,225</b>  | <b>(189,796)</b>  | <b>–</b>   | <b>868,429</b>             |
| <b>Liabilities</b>                 |  |   |   |   |  |                            |
| Contracts for difference           | (4,223,422)  | –   | (4,223,422)   | 176,126   | –  | (4,047,296)                |
| Futures contracts                  | (40,950)   | –   | (40,950)  | –   | –  | (40,950)                   |
| Forward foreign currency contracts | (13,670)   | –   | (13,670)  | 13,670  | –  | –                          |
| <b>Total</b>                       | <b>(4,278,042)</b>                                       | <b>–</b>  | <b>(4,278,042)</b>  | <b>189,796</b>  | <b>–</b>   | <b>(4,088,246)</b>         |

|                                    | Gross amounts<br>of recognised<br>assets<br>2021<br>US\$ | Gross amounts<br>offset in the<br>statement<br>of financial<br>position<br>2021<br>US\$ | Net amount<br>presented on<br>the statement<br>of financial<br>position<br>2021<br>US\$ | Related amounts not set off in the<br>Statement of Financial Position |  | Net amount<br>2021<br>US\$ |
|------------------------------------|--|---|---|---|--|----------------------------|
|                                    |  |   |   | Financial<br>instruments<br>2021<br>US\$                              | Cash collateral<br>pledged /<br>received<br>2021<br>US\$ |                            |
| <b>Global Convertible Fund</b>     |  |   |   |   |  |                            |
| <b>Assets</b>                      |  |   |   |   |  |                            |
| Contracts for difference           | 5,489,745  | –   | 5,489,745   | (2,495,459)   | –  | 2,994,286                  |
| Futures contracts                  | 1,753,043  | –   | 1,753,043   | (900,607)   | –  | 852,436                    |
| Forward foreign currency contracts | 6,347,293  | –   | 6,347,293   | (24,947)  | –  | 6,322,346                  |
| <b>Total</b>                       | <b>13,590,081</b>  | <b>–</b>  | <b>13,590,081</b>   | <b>(3,421,013)</b>  | <b>–</b>   | <b>10,169,068</b>          |
| <b>Liabilities</b>                 |  |   |   |   |  |                            |
| Contracts for difference           | (2,495,459)  | –   | (2,495,459)   | 2,495,459   | –  | –                          |
| Futures contracts                  | (900,607)  | –   | (900,607)   | 900,607   | –  | –                          |
| Forward foreign currency contracts | (24,947)   | –   | (24,947)  | 24,947  | –  | –                          |
| Swaps                              | (4,598,265)  | –   | (4,598,265)   | –   | –  | (4,598,265)                |
| <b>Total</b>                       | <b>(8,019,278)</b>                                       | <b>–</b>  | <b>(8,019,278)</b>  | <b>3,421,013</b>  | <b>–</b>   | <b>(4,598,265)</b>         |



|                                    | Gross amounts<br>of recognised<br>assets<br>2020<br>US\$ | Gross amounts<br>offset in the<br>statement<br>of financial<br>position<br>2020<br>US\$ | Net amount<br>presented on<br>the statement<br>of financial<br>position<br>2020<br>US\$ | Related amounts not set off in the<br>Statement of Financial Position |  | Net amount<br>2020<br>US\$ |
|------------------------------------|--|---|---|---|--|----------------------------|
|                                    |  |   |   | Financial<br>instruments<br>2020<br>US\$                              | Cash collateral<br>pledged /<br>received<br>2020<br>US\$ |                            |
| <b>Global Convertible Fund</b>     |  |   |   |   |  |                            |
| <b>Assets</b>                      |  |   |   |   |  |                            |
| Contracts for difference           | 1,579,155  | –   | 1,579,155   | (1,579,155)   | –  | –                          |
| Futures contracts                  | 1,170,550  | –   | 1,170,550   | (487,276)   | –  | 683,274                    |
| Forward foreign currency contracts | 4,503,091  | –   | 4,503,091   | (105,865)   | –  | 4,397,226                  |
| <b>Total</b>                       | <b>7,252,796</b>   | <b>–</b>  | <b>7,252,796</b>  | <b>(2,172,296)</b>  | <b>–</b>   | <b>5,080,500</b>           |
| <b>Liabilities</b>                 |  |   |   |   |  |                            |
| Contracts for difference           | (44,753,648)   | –   | (44,753,648)  | 1,579,155   | –  | (43,174,493)               |
| Futures contracts                  | (487,276)  | –   | (487,276)   | 487,276   | –  | –                          |
| Forward foreign currency contracts | (105,865)  | –   | (105,865)   | 105,865   | –  | –                          |
| <b>Total</b>                       | <b>(45,346,789)</b>                                      | <b>–</b>  | <b>(45,346,789)</b>   | <b>2,172,296</b>  | <b>–</b>   | <b>(43,174,493)</b>        |

Global Convertible Fund is party to an ISDA Master Agreement with UBS AG, which was signed on 30 August 2013. The existing Agreement was amended by adding Global Absolute Return Fund on 31 December 2018.

### Fair value hierarchy

Financial assets and financial liabilities at fair value through profit and loss are valued at fair value at the Statement of Financial Position date. Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the Statement of Comprehensive Income within 'Net gain/loss on financial assets and financial liabilities at fair value through profit or loss' in the period in which they arise. Fair value is the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

In determining fair value, securities which are quoted, listed or traded on a recognised exchange will be valued at the last traded price (or, if no last traded price is available, at the mid-market price).

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The fair value of financial assets and liabilities that are not traded in an active market is determined by using valuation techniques.

For instruments for which there is no active market, the Company may use internally developed models, which are usually based on valuation methods and techniques generally recognised as standard within the industry.

Valuation models are used primarily to value unlisted equities, for which markets were or have been inactive during the financial year. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 10. Financial Risk Management continued

#### Fair value hierarchy continued

The table below sets out fair value measurements using the fair value hierarchy:

#### Financial assets and liabilities at fair value through profit or loss as at 31 December 2021

| Asian Stars Fund                                     | Total<br>US\$ | Level 1<br>US\$ | Level 2<br>US\$ | Level 3<br>US\$ |
|--|---------------|-----------------|-----------------|-----------------|
| <b>Assets</b>  |               |                 |                 |                 |
| Equity investments                                   | 167,959,084   | 167,959,084     | –               | –               |
| <b>Total</b>   | 167,959,084   | 167,959,084     | –               | –               |
| <b>Automation &amp; Artificial Intelligence Fund</b> |               |                 |                 |                 |
|  | US\$          | US\$            | US\$            | US\$            |
| <b>Assets</b>  |               |                 |                 |                 |
| Equity investments                                   | 753,389,515   | 753,389,515     | –               | –               |
| Forward foreign currency contracts                   | 1,279         | –               | 1,279           | –               |
| <b>Total</b>   | 753,390,794   | 753,389,515     | 1,279           | –               |
| <b>Biotechnology Fund</b>                            |               |                 |                 |                 |
|  | US\$          | US\$            | US\$            | US\$            |
| <b>Assets</b>  |               |                 |                 |                 |
| Equity investments                                   | 1,708,169,955 | 1,708,169,955   | –               | –               |
| Warrants   | 3,731,510     | –               | 3,731,510       | –               |
| Forward foreign currency contracts                   | 3,649,007     | –               | 3,649,007       | –               |
| <b>Total</b>   | 1,715,550,472 | 1,708,169,955   | 7,380,517       | –               |
| <b>Liabilities</b>                                   |               |                 |                 |                 |
| Forward foreign currency contracts                   | (3,664)       | –               | (3,664)         | –               |
| <b>Total</b>   | (3,664)       | –               | (3,664)         | –               |
| <b>China Stars Fund</b>                              |               |                 |                 |                 |
|  | US\$          | US\$            | US\$            | US\$            |
| <b>Assets</b>  |               |                 |                 |                 |
| Equity investments                                   | 19,021,813    | 19,021,813      | –               | –               |
| <b>Total</b>   | 19,021,813    | 19,021,813      | –               | –               |
| <b>Emerging Markets Stars Fund</b>                   |               |                 |                 |                 |
|  | US\$          | US\$            | US\$            | US\$            |
| <b>Assets</b>  |               |                 |                 |                 |
| Equity investments                                   | 1,269,055,378 | 1,269,055,378   | –               | –               |
| Forward foreign currency contracts                   | 760           | –               | 760             | –               |
| <b>Total</b>   | 1,269,056,138 | 1,269,055,378   | 760             | –               |



| European (ex UK) Income Fund        | Total<br>EUR€        | Level 1<br>EUR€    | Level 2<br>EUR€    | Level 3<br>EUR€ |
|-------------------------------------|----------------------|--------------------|--------------------|-----------------|
| <b>Assets</b>                       |                      |                    |                    |                 |
| Equity investments                  | 117,939,248          | 117,939,248        | –                  | –               |
| Warrants                            | 118,951              | –                  | 118,951            | –               |
| Forward foreign currency contracts  | 19,171               | –                  | 19,171             | –               |
| <b>Total</b>                        | <b>118,077,370</b>   | <b>117,939,248</b> | <b>138,122</b>     | <b>–</b>        |
| <b>Financial Opportunities Fund</b> |                      |                    |                    |                 |
|                                     | US\$                 | US\$               | US\$               | US\$            |
| <b>Assets</b>                       |                      |                    |                    |                 |
| Equity investments                  | 22,023,268           | 22,023,268         | –                  | –               |
| Forward foreign currency contracts  | 112                  | –                  | 112                | –               |
| <b>Total</b>                        | <b>22,023,380</b>    | <b>22,023,268</b>  | <b>112</b>         | <b>–</b>        |
| <b>Global Absolute Return Fund</b>  |                      |                    |                    |                 |
|                                     | US\$                 | US\$               | US\$               | US\$            |
| <b>Assets</b>                       |                      |                    |                    |                 |
| Corporate bonds                     | 84,272,352           | –                  | 84,272,352         | –               |
| Contracts for difference            | 339,352              | –                  | 339,352            | –               |
| Forward foreign currency contracts  | 938,585              | –                  | 938,585            | –               |
| <b>Total</b>                        | <b>85,550,289</b>    | <b>–</b>           | <b>85,550,289</b>  | <b>–</b>        |
| <b>Liabilities</b>                  |                      |                    |                    |                 |
| Corporate bonds                     | (2,291,250)          | –                  | (2,291,250)        | –               |
| Contracts for difference            | (648,292)            | –                  | (648,292)          | –               |
| Forward foreign currency contracts  | (393)                | –                  | (393)              | –               |
| Futures contracts                   | (162,437)            | (162,437)          | –                  | –               |
| Swaps                               | (459,826)            | –                  | (459,826)          | –               |
| <b>Total</b>                        | <b>(3,562,198)</b>   | <b>(162,437)</b>   | <b>(3,399,761)</b> | <b>–</b>        |
| <b>Global Convertible Fund</b>      |                      |                    |                    |                 |
|                                     | US\$                 | US\$               | US\$               | US\$            |
| <b>Assets</b>                       |                      |                    |                    |                 |
| Corporate bonds                     | 972,862,748          | –                  | 972,862,748        | –               |
| Equity investments                  | 275,321,592          | 275,321,592        | –                  | –               |
| Contracts for difference            | 5,489,745            | –                  | 5,489,745          | –               |
| Forward foreign currency contracts  | 6,347,293            | –                  | 6,347,293          | –               |
| Futures contracts                   | 1,753,043            | 1,753,043          | –                  | –               |
| <b>Total</b>                        | <b>1,261,774,421</b> | <b>277,074,635</b> | <b>984,699,786</b> | <b>–</b>        |
| <b>Liabilities</b>                  |                      |                    |                    |                 |
| Contracts for difference            | (2,495,459)          | –                  | (2,495,459)        | –               |
| Forward foreign currency contracts  | (24,947)             | –                  | (24,947)           | –               |
| Futures contracts                   | (900,607)            | (900,607)          | –                  | –               |
| Swaps                               | (4,598,265)          | –                  | (4,598,265)        | –               |
| <b>Total</b>                        | <b>(8,019,278)</b>   | <b>(900,607)</b>   | <b>(7,118,671)</b> | <b>–</b>        |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 10. Financial Risk Management continued

#### Fair value hierarchy continued

#### Financial assets and liabilities at fair value through profit or loss as at 31 December 2021 continued

| Global Insurance Fund              | Total<br>GBP£        | Level 1<br>GBP£      | Level 2<br>GBP£   | Level 3<br>GBP£ |
|------------------------------------|----------------------|----------------------|-------------------|-----------------|
| <b>Assets</b>                      |                      |                      |                   |                 |
| Investment funds                   | 31,030,208           | –                    | 31,030,208        | –               |
| Equity investments                 | 1,670,521,872        | 1,670,521,872        | –                 | –               |
| Forward foreign currency contracts | 255                  | –                    | 255               | –               |
| <b>Total</b>                       | <b>1,701,552,335</b> | <b>1,670,521,872</b> | <b>31,030,463</b> | <b>–</b>        |
| <b>Liabilities</b>                 |                      |                      |                   |                 |
| Forward foreign currency contracts | (222,337)            | –                    | (222,337)         | –               |
| <b>Total</b>                       | <b>(222,337)</b>     | <b>–</b>             | <b>(222,337)</b>  | <b>–</b>        |
| <b>Global Technology Fund</b>      |                      |                      |                   |                 |
|                                    | <b>US\$</b>          | <b>US\$</b>          | <b>US\$</b>       | <b>US\$</b>     |
| <b>Assets</b>                      |                      |                      |                   |                 |
| Equity investments                 | 8,679,284,866        | 8,679,284,866        | –                 | –               |
| Options                            | 25,296,625           | –                    | 25,296,625        | –               |
| Forward foreign currency contracts | 11,628,055           | –                    | 11,628,055        | –               |
| <b>Total</b>                       | <b>8,716,209,546</b> | <b>8,679,284,866</b> | <b>36,924,680</b> | <b>–</b>        |
| <b>Liabilities</b>                 |                      |                      |                   |                 |
| Forward foreign currency contracts | (624,035)            | –                    | (624,035)         | –               |
| <b>Total</b>                       | <b>(624,035)</b>     | <b>–</b>             | <b>(624,035)</b>  | <b>–</b>        |
| <b>Healthcare Blue Chip Fund</b>   |                      |                      |                   |                 |
|                                    | <b>US\$</b>          | <b>US\$</b>          | <b>US\$</b>       | <b>US\$</b>     |
| <b>Assets</b>                      |                      |                      |                   |                 |
| Equity investments                 | 111,068,496          | 111,068,496          | –                 | –               |
| Forward foreign currency contracts | 7,345                | –                    | 7,345             | –               |
| <b>Total</b>                       | <b>111,075,841</b>   | <b>111,068,496</b>   | <b>7,345</b>      | <b>–</b>        |
| <b>Liabilities</b>                 |                      |                      |                   |                 |
| Forward foreign currency contracts | (930)                | –                    | (930)             | –               |
| <b>Total</b>                       | <b>(930)</b>         | <b>–</b>             | <b>(930)</b>      | <b>–</b>        |
| <b>Healthcare Discovery Fund</b>   |                      |                      |                   |                 |
|                                    | <b>US\$</b>          | <b>US\$</b>          | <b>US\$</b>       | <b>US\$</b>     |
| <b>Assets</b>                      |                      |                      |                   |                 |
| Equity investments                 | 69,379,995           | 69,379,995           | –                 | –               |
| Equity investments                 | 1                    | –                    | 1                 | –               |
| <b>Total</b>                       | <b>69,379,996</b>    | <b>69,379,995</b>    | <b>1</b>          | <b>–</b>        |
| <b>Liabilities</b>                 |                      |                      |                   |                 |
| Forward foreign currency contracts | (1)                  | –                    | (1)               | –               |
| <b>Total</b>                       | <b>(1)</b>           | <b>–</b>             | <b>(1)</b>        | <b>–</b>        |



| Healthcare Opportunities Fund      | Total<br>US\$         | Level 1<br>US\$       | Level 2<br>US\$    | Level 3<br>US\$ |
|------------------------------------|-----------------------|-----------------------|--------------------|-----------------|
| <b>Assets</b>                      |                       |                       |                    |                 |
| Equity investments                 | 2,066,481,371         | 2,066,481,371         | –                  | –               |
| Forward foreign currency contracts | 52,093                | –                     | 52,093             | –               |
| <b>Total</b>                       | <b>2,066,533,464</b>  | <b>2,066,481,371</b>  | <b>52,093</b>      | <b>–</b>        |
| <b>Liabilities</b>                 |                       |                       |                    |                 |
| Forward foreign currency contracts | (21,350)              | –                     | (21,350)           | –               |
| <b>Total</b>                       | <b>(21,350)</b>       | <b>–</b>              | <b>(21,350)</b>    | <b>–</b>        |
| <b>Income Opportunities Fund</b>   |                       |                       |                    |                 |
|                                    | GBP£                  | GBP£                  | GBP£               | GBP£            |
| <b>Assets</b>                      |                       |                       |                    |                 |
| Corporate bonds                    | 9,045,139             | –                     | 9,045,139          | –               |
| Equity investments                 | 37,125,991            | 37,125,991            | –                  | –               |
| Futures contracts                  | 25,852                | 25,852                | –                  | –               |
| Government Bonds                   | 2,844,155             | –                     | 2,844,155          | –               |
| <b>Total</b>                       | <b>49,041,137</b>     | <b>37,151,843</b>     | <b>11,889,294</b>  | <b>–</b>        |
| <b>Liabilities</b>                 |                       |                       |                    |                 |
| Forward foreign currency contracts | (443,587)             | –                     | (443,587)          | –               |
| <b>Total</b>                       | <b>(443,587)</b>      | <b>–</b>              | <b>(443,587)</b>   | <b>–</b>        |
| <b>Japan Value Fund</b>            |                       |                       |                    |                 |
|                                    | JPY ¥                 | JPY ¥                 | JPY ¥              | JPY ¥           |
| <b>Assets</b>                      |                       |                       |                    |                 |
| Equity investments                 | 23,411,300,300        | 23,411,300,300        | –                  | –               |
| Forward foreign currency contracts | 187,441,853           | –                     | 187,441,853        | –               |
| <b>Total</b>                       | <b>23,598,742,153</b> | <b>23,411,300,300</b> | <b>187,441,853</b> | <b>–</b>        |
| <b>Liabilities</b>                 |                       |                       |                    |                 |
| Forward foreign currency contracts | (4,935,705)           | –                     | (4,935,705)        | –               |
| <b>Total</b>                       | <b>(4,935,705)</b>    | <b>–</b>              | <b>(4,935,705)</b> | <b>–</b>        |
| <b>North American Fund</b>         |                       |                       |                    |                 |
|                                    | US\$                  | US\$                  | US\$               | US\$            |
| <b>Assets</b>                      |                       |                       |                    |                 |
| Equity investments                 | 1,219,739,666         | 1,219,739,666         | –                  | –               |
| Forward foreign currency contracts | 3,015,040             | –                     | 3,015,040          | –               |
| <b>Total</b>                       | <b>1,222,754,706</b>  | <b>1,219,739,666</b>  | <b>3,015,040</b>   | <b>–</b>        |
| <b>Liabilities</b>                 |                       |                       |                    |                 |
| Forward foreign currency contracts | (18,954)              | –                     | (18,954)           | –               |
| <b>Total</b>                       | <b>(18,954)</b>       | <b>–</b>              | <b>(18,954)</b>    | <b>–</b>        |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

## 10. Financial Risk Management continued

## Fair value hierarchy continued

## Financial assets and liabilities at fair value through profit or loss as at 31 December 2021 continued

| Smart Energy Fund                  | Total<br>US\$ | Level 1<br>US\$ | Level 2<br>US\$ | Level 3<br>US\$ |
|------------------------------------|---------------|-----------------|-----------------|-----------------|
| <b>Assets</b>                      |               |                 |                 |                 |
| Equity investments                 | 27,537,578    | 27,537,578      | –               | –               |
| <b>Total</b>                       | 27,537,578    | 27,537,578      | –               | –               |
| <b>Smart Mobility Fund</b>         |               |                 |                 |                 |
|                                    | US\$          | US\$            | US\$            | US\$            |
| <b>Assets</b>                      |               |                 |                 |                 |
| Equity investments                 | 7,341,000     | 7,341,000       | –               | –               |
| <b>Total</b>                       | 7,341,000     | 7,341,000       | –               | –               |
| <b>UK Value Opportunities Fund</b> |               |                 |                 |                 |
|                                    | GBP£          | GBP£            | GBP£            | GBP£            |
| <b>Assets</b>                      |               |                 |                 |                 |
| Equity investments                 | 1,568,275,932 | 1,568,275,932   | –               | –               |
| <b>Total</b>                       | 1,568,275,932 | 1,568,275,932   | –               | –               |

## Financial assets and liabilities at fair value through profit or loss as at 31 December 2020

| Asian Opportunities Fund                             | Total<br>US\$ | Level 1<br>US\$ | Level 2<br>US\$ | Level 3<br>US\$ |
|--|---------------|-----------------|-----------------|-----------------|
| <b>Assets</b>  |               |                 |                 |                 |
| Equity investments                                   | 8,030,649     | 8,030,649       | –               | –               |
| Forward foreign currency contracts                   | 6,111         | –               | 6,111           | –               |
| <b>Total</b>   | 8,036,760     | 8,030,649       | 6,111           | –               |
| <b>Liabilities</b>                                   |               |                 |                 |                 |
| Forward foreign currency contracts                   | (6)           | –               | (6)             | –               |
| <b>Total</b>   | (6)           | –               | (6)             | –               |
| <b>Asian Stars Fund</b>                              |               |                 |                 |                 |
|  | US\$          | US\$            | US\$            | US\$            |
| <b>Assets</b>  |               |                 |                 |                 |
| Equity investments                                   | 17,352,888    | 17,352,888      | –               | –               |
| <b>Total</b>   | 17,352,888    | 17,352,888      | –               | –               |
| <b>Automation &amp; Artificial Intelligence Fund</b> |               |                 |                 |                 |
|  | US\$          | US\$            | US\$            | US\$            |
| <b>Assets</b>  |               |                 |                 |                 |
| Equity investments                                   | 728,735,691   | 728,735,691     | –               | –               |
| <b>Total</b>   | 728,735,691   | 728,735,691     | –               | –               |



| <b>Biotechnology Fund</b>           | <b>Total<br/>US\$</b> | <b>Level 1<br/>US\$</b> | <b>Level 2<br/>US\$</b> | <b>Level 3<br/>US\$</b> |
|-------------------------------------|-----------------------|-------------------------|-------------------------|-------------------------|
| <b>Assets</b>                       |                       |                         |                         |                         |
| Equity investments                  | 1,165,403,819         | 1,165,403,819           | –                       | –                       |
| Forward foreign currency contracts  | 245,891               | –                       | 245,891                 | –                       |
| <b>Total</b>                        | <b>1,165,649,710</b>  | <b>1,165,403,819</b>    | <b>245,891</b>          | <b>–</b>                |
| <b>Liabilities</b>                  |                       |                         |                         |                         |
| Forward foreign currency contracts  | (1,171)               | –                       | (1,171)                 | –                       |
| <b>Total</b>                        | <b>(1,171)</b>        | <b>–</b>                | <b>(1,171)</b>          | <b>–</b>                |
| <b>China Stars Fund</b>             |                       |                         |                         |                         |
|                                     | <b>US\$</b>           | <b>US\$</b>             | <b>US\$</b>             | <b>US\$</b>             |
| <b>Assets</b>                       |                       |                         |                         |                         |
| Equity investments                  | 13,305,341            | 13,305,341              | –                       | –                       |
| Options                             | 90                    | –                       | 90                      | –                       |
| <b>Total</b>                        | <b>13,305,521</b>     | <b>13,305,341</b>       | <b>90</b>               | <b>–</b>                |
| <b>Emerging Markets Income Fund</b> |                       |                         |                         |                         |
|                                     | <b>US\$</b>           | <b>US\$</b>             | <b>US\$</b>             | <b>US\$</b>             |
| <b>Assets</b>                       |                       |                         |                         |                         |
| Equity investments                  | 103,152,112           | 103,152,112             | –                       | –                       |
| Forward foreign currency contracts  | 7,030                 | –                       | 7,030                   | –                       |
| <b>Total</b>                        | <b>103,159,142</b>    | <b>103,152,112</b>      | <b>7,030</b>            | <b>–</b>                |
| <b>Liabilities</b>                  |                       |                         |                         |                         |
| Forward foreign currency contracts  | (6,893)               | –                       | (6,893)                 | –                       |
| <b>Total</b>                        | <b>(6,893)</b>        | <b>–</b>                | <b>(6,893)</b>          | <b>–</b>                |
| <b>Emerging Markets Stars Fund</b>  |                       |                         |                         |                         |
|                                     | <b>US\$</b>           | <b>US\$</b>             | <b>US\$</b>             | <b>US\$</b>             |
| <b>Assets</b>                       |                       |                         |                         |                         |
| Equity investments                  | 362,968,186           | 362,968,186             | –                       | –                       |
| <b>Total</b>                        | <b>362,968,186</b>    | <b>362,968,186</b>      | <b>–</b>                | <b>–</b>                |
| <b>European ex UK Income Fund</b>   |                       |                         |                         |                         |
|                                     | <b>EUR€</b>           | <b>EUR€</b>             | <b>EUR€</b>             | <b>EUR€</b>             |
| <b>Assets</b>                       |                       |                         |                         |                         |
| Equity investments                  | 189,702,354           | 189,702,354             | –                       | –                       |
| Warrants                            | 26,210                | –                       | 26,210                  | –                       |
| Forward foreign currency contracts  | 866,971               | –                       | 866,971                 | –                       |
| <b>Total</b>                        | <b>190,595,535</b>    | <b>189,702,354</b>      | <b>893,181</b>          | <b>–</b>                |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 10. Financial Risk Management continued

#### Fair value hierarchy continued

#### Financial assets and liabilities at fair value through profit or loss as at 31 December 2020 continued

| Financial Opportunities Fund       | Total<br>US\$ | Level 1<br>US\$ | Level 2<br>US\$ | Level 3<br>US\$ |
|------------------------------------|---------------|-----------------|-----------------|-----------------|
| <b>Assets</b>                      |               |                 |                 |                 |
| Equity investments                 | 10,420,659    | 10,420,659      | –               | –               |
| <b>Total</b>                       | 10,420,659    | 10,420,659      | –               | –               |
| <b>Global Absolute Return Fund</b> |               |                 |                 |                 |
|                                    | US\$          | US\$            | US\$            | US\$            |
| <b>Assets</b>                      |               |                 |                 |                 |
| Corporate bonds                    | 51,609,757    | –               | 51,609,757      | –               |
| Warrants                           | 969           | –               | 969             | –               |
| Contracts for difference           | 176,126       | –               | 176,126         | –               |
| Forward foreign currency contracts | 882,099       | –               | 882,099         | –               |
| <b>Total</b>                       | 52,668,951    | –               | 52,668,951      | –               |
| <b>Liabilities</b>                 |               |                 |                 |                 |
| Contracts for difference           | (4,223,422)   | –               | (4,223,422)     | –               |
| Forward foreign currency contracts | (13,670)      | –               | (13,670)        | –               |
| Futures contracts                  | (40,950)      | (40,950)        | –               | –               |
| <b>Total</b>                       | (4,278,042)   | (40,950)        | (4,237,092)     | –               |
| <b>Global Convertible Fund</b>     |               |                 |                 |                 |
|                                    | US\$          | US\$            | US\$            | US\$            |
| <b>Assets</b>                      |               |                 |                 |                 |
| Corporate bonds                    | 1,027,607,930 | –               | 1,027,607,931   | –               |
| Equity investments                 | 112,712,798   | 112,712,798     | –               | –               |
| Contracts for difference           | 1,579,155     | –               | 1,579,155       | –               |
| Forward foreign currency contracts | 4,508,091     | –               | 4,503,091       | –               |
| Futures contracts                  | 1,170,550     | 1,170,550       | –               | –               |
| <b>Total</b>                       | 1,147,578,525 | 113,883,348     | 1,033,690,177   | –               |
| <b>Liabilities</b>                 |               |                 |                 |                 |
| Contracts for difference           | (44,753,648)  | –               | (44,753,648)    | –               |
| Forward foreign currency contracts | (105,865)     | –               | (105,865)       | –               |
| Futures contracts                  | (487,276)     | (487,276)       | –               | –               |
| <b>Total</b>                       | (45,346,789)  | (487,276)       | (44,859,513)    | –               |



| <b>Global Insurance Fund</b>       | <b>Total<br/>GBP£</b> | <b>Level 1<br/>GBP£</b> | <b>Level 2<br/>GBP£</b> | <b>Level 3<br/>GBP£</b> |
|------------------------------------|-----------------------|-------------------------|-------------------------|-------------------------|
| <b>Assets</b>                      |                       |                         |                         |                         |
| Investment funds                   | 24,063,913            | –                       | 24,063,913              | –                       |
| Equity investments                 | 1,520,706,081         | 1,520,706,081           | –                       | –                       |
| Forward foreign currency contracts | 1,054                 | –                       | 1,054                   | –                       |
| <b>Total</b>                       | <b>1,544,771,048</b>  | <b>1,520,706,081</b>    | <b>24,064,967</b>       | <b>–</b>                |
| <b>Liabilities</b>                 |                       |                         |                         |                         |
| Forward foreign currency contracts | (354,981)             | –                       | (354,981)               | –                       |
| <b>Total</b>                       | <b>(354,981)</b>      | <b>–</b>                | <b>(354,981)</b>        | <b>–</b>                |
| <b>Global Technology Fund</b>      |                       |                         |                         |                         |
|                                    | <b>US\$</b>           | <b>US\$</b>             | <b>US\$</b>             | <b>US\$</b>             |
| <b>Assets</b>                      |                       |                         |                         |                         |
| Equity investments                 | 7,831,220,695         | 7,831,220,695           | –                       | –                       |
| Forward foreign currency contracts | 6,590,906             | –                       | 6,590,906               | –                       |
| Options                            | 50,287,000            | –                       | 50,287,000              | –                       |
| <b>Total</b>                       | <b>7,888,098,601</b>  | <b>7,831,220,695</b>    | <b>56,877,906</b>       | <b>–</b>                |
| <b>Liabilities</b>                 |                       |                         |                         |                         |
| Forward foreign currency contracts | (27,157)              | –                       | (27,157)                | –                       |
| <b>Total</b>                       | <b>(27,157)</b>       | <b>–</b>                | <b>(27,157)</b>         | <b>–</b>                |
| <b>Healthcare Blue Chip Fund</b>   |                       |                         |                         |                         |
|                                    | <b>US\$</b>           | <b>US\$</b>             | <b>US\$</b>             | <b>US\$</b>             |
| <b>Assets</b>                      |                       |                         |                         |                         |
| Equity investments                 | 86,369,420            | 86,369,420              | –                       | –                       |
| Forward foreign currency contracts | 48                    | –                       | 48                      | –                       |
| <b>Total</b>                       | <b>86,369,468</b>     | <b>86,369,420</b>       | <b>48</b>               | <b>–</b>                |
| <b>Healthcare Discovery Fund</b>   |                       |                         |                         |                         |
|                                    | <b>US\$</b>           | <b>US\$</b>             | <b>US\$</b>             | <b>US\$</b>             |
| <b>Assets</b>                      |                       |                         |                         |                         |
| Equity investments                 | 45,272,115            | 45,272,115              | –                       | –                       |
| <b>Total</b>                       | <b>45,272,115</b>     | <b>45,272,115</b>       | <b>–</b>                | <b>–</b>                |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 10. Financial Risk Management continued

#### Fair value hierarchy continued

#### Financial assets and liabilities at fair value through profit or loss as at 31 December 2020 continued

| Healthcare Opportunities Fund      | Total<br>US\$         | Level 1<br>US\$       | Level 2<br>US\$    | Level 3<br>US\$ |
|------------------------------------|-----------------------|-----------------------|--------------------|-----------------|
| <b>Assets</b>                      |                       |                       |                    |                 |
| Equity investments                 | 2,104,298,240         | 2,104,298,240         | –                  | –               |
| Forward foreign currency contracts | 92,664                | –                     | 92,664             | –               |
| <b>Total</b>                       | <b>2,104,390,904</b>  | <b>2,104,298,240</b>  | <b>92,664</b>      | <b>–</b>        |
| <b>Liabilities</b>                 |                       |                       |                    |                 |
| Forward foreign currency contracts | (7)                   | –                     | (7)                | –               |
| <b>Total</b>                       | <b>(7)</b>            | <b>–</b>              | <b>(7)</b>         | <b>–</b>        |
| <b>Income Opportunities Fund</b>   |                       |                       |                    |                 |
|                                    | <b>GBP£</b>           | <b>GBP£</b>           | <b>GBP£</b>        | <b>GBP£</b>     |
| <b>Assets</b>                      |                       |                       |                    |                 |
| Corporate bonds                    | 19,159,913            | –                     | 19,159,913         | –               |
| Equity investments                 | 40,962,295            | 40,962,295            | –                  | –               |
| <b>Total</b>                       | <b>60,122,208</b>     | <b>40,962,295</b>     | <b>19,159,913</b>  | <b>–</b>        |
| <b>Liabilities</b>                 |                       |                       |                    |                 |
| Forward foreign currency contracts | (563,225)             | –                     | (563,225)          | –               |
| Futures contracts                  | (14,000)              | (14,000)              | –                  | –               |
| <b>Total</b>                       | <b>(577,225)</b>      | <b>(14,000)</b>       | <b>(563,225)</b>   | <b>–</b>        |
| <b>Japan Value Fund</b>            |                       |                       |                    |                 |
|                                    | <b>JPY ¥</b>          | <b>JPY ¥</b>          | <b>JPY ¥</b>       | <b>JPY ¥</b>    |
| <b>Assets</b>                      |                       |                       |                    |                 |
| Equity investments                 | 17,653,006,900        | 17,653,006,900        | –                  | –               |
| Forward foreign currency contracts | 39,004,928            | –                     | 39,004,928         | –               |
| <b>Total</b>                       | <b>17,692,011,828</b> | <b>17,653,006,900</b> | <b>39,004,928</b>  | <b>–</b>        |
| <b>Liabilities</b>                 |                       |                       |                    |                 |
| Forward foreign currency contracts | (6,355,778)           | –                     | (6,355,778)        | –               |
| <b>Total</b>                       | <b>(6,355,778)</b>    | <b>–</b>              | <b>(6,355,778)</b> | <b>–</b>        |
| <b>North American Fund</b>         |                       |                       |                    |                 |
|                                    | <b>US\$</b>           | <b>US\$</b>           | <b>US\$</b>        | <b>US\$</b>     |



| <b>Assets</b>                      |                      |                      |                  |             |
|------------------------------------|----------------------|----------------------|------------------|-------------|
| Equity investments                 | 1,027,053,531        | 1,027,053,531        | –                | –           |
| Forward foreign currency contracts | 1,745,802            | –                    | 1,745,802        | –           |
| <b>Total</b>                       | <b>1,028,799,333</b> | <b>1,027,053,531</b> | <b>1,745,802</b> | <b>–</b>    |
| <b>Liabilities</b>                 |                      |                      |                  |             |
| Forward foreign currency contracts | (578)                | –                    | (578)            | –           |
| <b>Total</b>                       | <b>(578)</b>         | <b>–</b>             | <b>(578)</b>     | <b>–</b>    |
| <b>UK Value Opportunities Fund</b> |                      |                      |                  |             |
|                                    | <b>GBP£</b>          | <b>GBP£</b>          | <b>GBP£</b>      | <b>GBP£</b> |
| <b>Assets</b>                      |                      |                      |                  |             |
| Equity investments                 | 1,125,618,319        | 1,125,618,319        | –                | –           |
| <b>Total</b>                       | <b>1,125,618,319</b> | <b>1,125,618,319</b> | <b>–</b>         | <b>–</b>    |

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset as follows:

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

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

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

There are no assets held in level 3 at 31 December 2021 (31 December 2020: Nil). In addition, there were no transfers between level 1 and level 2 of the fair value hierarchy during the financial year from 1 January 2021 to 31 December 2021 and 1 January 2020 to 31 December 2020.

The valuation techniques used by the Company are explained in the accounting policies described in note 2.

## 11. Cross/Segregated Liability

The Company is an umbrella fund investment company with segregated liability between the Funds of the Company. Under Irish law, being the law applicable to the Company, this should result in any liabilities attributable to any Fund being borne solely by that Fund in the event of any insolvency.



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 12. Comparative Figures

|                                      | Net Asset Value<br>Unaudited<br>31 December 2021 | Net Asset Value<br>Audited<br>31 December 2020 | Net Asset Value<br>Audited<br>31 December 2019 |
|--------------------------------------|--|--|--|
| <b>Asian Opportunities Fund*</b>     |  |  |  |
| Class A US Dollar Distribution       | \$0  | \$7,032,683                                    | \$27,824,753                                   |
| Class I Euro Distribution            | €0   | €36,735  | €54,314  |
| Class I Euro Hedged Distribution     | €0   | €91,806  | €384,743                                       |
| Class I Sterling Distribution        | £0   | £151,027                                       | £500,701                                       |
| Class I Sterling Hedged Distribution | £0   | £185,888                                       | £334,436                                       |
| Class I US Dollar Distribution       | \$0  | \$777,006                                      | \$109,773                                      |
|                                      | <b>NAV per share</b>                             | <b>NAV per share</b>                           | <b>NAV per share</b>                           |
| Class A US Dollar Distribution       | \$0.00   | \$456.12                                       | \$407.25                                       |
| Class I Euro Distribution            | €0.00  | €13.07   | €12.60   |
| Class I Euro Hedged Distribution     | €0.00  | €14.50   | €13.05   |
| Class I Sterling Distribution        | £0.00  | £11.75   | £10.71   |
| Class I Sterling Hedged Distribution | £0.00  | £14.87   | £13.46   |
| Class I US Dollar Distribution       | \$0.00   | \$16.04  | \$14.14  |
|                                      |  |  |  |
|                                      | Net Asset Value<br>Unaudited<br>31 December 2021 | Net Asset Value<br>Audited<br>31 December 2020 | Net Asset Value<br>Audited<br>31 December 2019 |
| <b>Asian Stars Fund</b>              |  |  |  |
| Class I Euro Accumulation            | €832,454   | €55,004  | €1,289   |
| Class I Sterling Accumulation        | £1,584,551                                       | £1,024,535                                     | £1,853   |
| Class I US Dollar Accumulation       | \$3,262,841                                      | \$1,784,145                                    | \$272,940                                      |
| Class R Euro Accumulation            | €49,256  | €1,679   | €1,282   |
| Class R Sterling Accumulation        | £1,744   | £1,675   | £1,211   |
| Class R US Dollar Accumulation       | \$20,078   | \$1,797  | \$1,259  |
| Class S Euro Accumulation            | €88,015,725                                      | €1,704   | €1,291   |
| Class S Sterling Accumulation        | £17,870,138                                      | £1,701   | £1,220   |
| Class S US Dollar Accumulation       | \$39,222,288                                     | \$14,219,448                                   | \$6,922,395                                    |
|                                      | <b>NAV per share</b>                             | <b>NAV per share</b>                           | <b>NAV per share</b>                           |
| Class I Euro Accumulation            | €16.52   | €14.81   | €11.28   |
| Class I Sterling Accumulation        | £13.87   | £13.26   | £9.56  |
| Class I US Dollar Accumulation       | \$18.79  | \$18.12  | \$12.66  |
| Class R Euro Accumulation            | €16.30   | €14.69   | €11.22   |
| Class R Sterling Accumulation        | £13.69   | £13.15   | £9.51  |
| Class R US Dollar Accumulation       | \$18.54  | \$17.97  | \$12.59  |
| Class S Euro Accumulation            | €16.70   | €14.91   | €11.30   |
| Class S Sterling Accumulation        | £14.02   | £13.35   | £9.58  |
| Class S US Dollar Accumulation       | \$18.99  | \$18.24  | \$12.69  |

\* Asian Opportunities Fund terminated on 1 March 2021.



|  | Net Asset Value<br>Unaudited<br>31 December 2021          | Net Asset Value<br>Audited<br>31 December 2020          | Net Asset Value<br>Audited<br>31 December 2019          |
|--|---|---|---|
| <b>Automation &amp; Artificial Intelligence Fund</b> |   |   |   |
| Class I Euro Accumulation                            | €26,592,589   | €16,995,934   | €9,822,814  |
| Class I Sterling Accumulation                        | £108,980,129  | £87,407,116   | £33,023,912   |
| Class I US Dollar Accumulation                       | \$61,545,774  | \$70,684,023  | \$30,103,462  |
| Class R Euro Accumulation                            | €26,152,140   | €17,356,198   | €1,406,585  |
| Class R US Dollar Accumulation                       | \$35,429,763  | \$29,014,386  | \$17,890,123  |
| Class S Euro Accumulation                            | €1,497,656  | €1,264,103  | €1,969,041  |
| Class S Sterling Accumulation                        | £183,036,287  | £157,268,407  | £237,703,144  |
| Class S US Dollar Accumulation                       | \$17,569,687  | \$16,539,799  | \$11,380,676  |
| Class Z Sterling Accumulation                        | £145,529,203.04   | \$189,606,198   | \$1,212   |
|  | <b>NAV per share</b>                                      | <b>NAV per share</b>                                    | <b>NAV per share</b>                                    |
| Class I Euro Accumulation                            | €18.29  | €14.58  | €11.43  |
| Class I Sterling Accumulation                        | £15.35  | £13.05  | £9.69   |
| Class I US Dollar Accumulation                       | \$20.80   | \$17.84   | \$12.83   |
| Class R Euro Accumulation                            | €17.95  | €14.38  | €11.33  |
| Class R US Dollar Accumulation                       | \$20.41   | \$17.60   | \$12.72   |
| Class S Euro Accumulation                            | €18.45  | €14.66  | €11.49  |
| Class S Sterling Accumulation                        | £15.49  | £13.12  | £9.73   |
| Class S US Dollar Accumulation                       | \$20.98   | \$17.94   | \$12.90   |
| Class Z Sterling Accumulation                        | £19.99  | £16.86  | £12.12  |
|  | <b>Net Asset Value<br/>Unaudited<br/>31 December 2021</b> | <b>Net Asset Value<br/>Audited<br/>31 December 2020</b> | <b>Net Asset Value<br/>Audited<br/>31 December 2019</b> |
| <b>Biotechnology Fund</b>                            |   |   |   |
| Class I Euro Distribution                            | €161,825,336  | €115,637,498  | €64,169,754   |
| Class I Sterling Distribution                        | £174,232,241  | £155,523,504  | £84,209,344   |
| Class I Sterling Hedged Distribution                 | £115,513,788  | £7,405,175  | £4,847,709  |
| Class I US Dollar Distribution                       | \$486,709,900   | \$398,816,706   | \$156,959,893   |
| Class R Euro Distribution                            | €178,407,960  | €126,483,314  | €49,376,939   |
| Class R Sterling Distribution                        | £7,984,001  | £6,413,725  | £3,595,457  |
| Class R US Dollar Distribution                       | \$427,132,963   | \$324,759,423   | \$137,577,143   |
| Class S Euro Distribution                            | €621,605  | €425,699  | €252,834  |
| Class S Sterling Distribution                        | £1,535,778  | £341,291  | £106,122  |
| Class S US Dollar Distribution                       | \$7,261,299   | \$6,575,820   | \$481,086   |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 12. Comparative Figures continued

| <b>Biotechnology Fund</b> continued  | <b>NAV per share</b><br><b>31 December 2021</b> | <b>NAV per share</b><br><b>31 December 2020</b> | <b>NAV per share</b><br><b>31 December 2019</b> |
|--------------------------------------|---|---|---|
| Class I Euro Distribution            | €36.15  | €32.09  | €24.84  |
| Class I Sterling Distribution        | £30.35  | £28.73  | £21.05  |
| Class I Sterling Hedged Distribution | £16.79  | £16.06  | £11.66  |
| Class I US Dollar Distribution       | \$41.11   | \$39.27   | \$27.88   |
| Class R Euro Distribution            | €34.80  | €31.04  | €24.13  |
| Class R Sterling Distribution        | £29.22  | £27.78  | £20.45  |
| Class R US Dollar Distribution       | \$39.58   | \$37.98   | \$27.09   |
| Class S Euro Distribution            | €36.82  | €32.62  | €25.20  |
| Class S Sterling Distribution        | £30.91  | £29.19  | £21.35  |
| Class S US Dollar Distribution       | \$41.87   | \$39.91   | \$28.29   |

| <b>China Stars Fund</b>        | <b>Net Asset Value</b><br><b>Unaudited</b><br><b>31 December 2021</b> | <b>Net Asset Value</b><br><b>Audited</b><br><b>31 December 2020</b> | <b>Net Asset Value</b><br><b>Audited</b><br><b>31 December 2019</b> |
|--------------------------------|---|---|---|
| Class I Euro Accumulation      | €244,611  | €153,685  | €1,177  |
| Class I Sterling Accumulation  | £1,047,068  | £1,645,723  | £93,240   |
| Class I US Dollar Accumulation | \$26,572  | \$584,747   | \$1,136   |
| Class R Euro Accumulation      | €178,404  | €115,500  | €1,170  |
| Class R Sterling Accumulation  | £1,322  | £1,553  | £1,106  |
| Class R US Dollar Accumulation | \$272,000   | \$592,119   | \$238,631   |
| Class S Euro Accumulation      | €3,807  | €5,460  | €1,184  |
| Class S Sterling Accumulation  | £3,820,482  | £187,121  | £132,114  |
| Class S US Dollar Accumulation | \$12,631,962  | \$9,955,813   | \$6,871,675   |

|                                | <b>NAV per share</b> | <b>NAV per share</b> | <b>NAV per share</b> |
|--------------------------------|----------------------|----------------------|----------------------|
| Class I Euro Accumulation      | €12.28               | €13.47               | €10.12               |
| Class I Sterling Accumulation  | £10.31               | £12.06               | £8.58                |
| Class I US Dollar Accumulation | \$13.96              | \$16.49              | \$11.36              |
| Class R Euro Accumulation      | €12.12               | €13.36               | €10.06               |
| Class R Sterling Accumulation  | £10.18               | £11.96               | £8.52                |
| Class R US Dollar Accumulation | \$13.78              | \$16.35              | \$11.29              |
| Class S Euro Accumulation      | €12.38               | €13.53               | €10.18               |
| Class S Sterling Accumulation  | £10.39               | £12.11               | £8.63                |
| Class S US Dollar Accumulation | \$14.07              | \$16.56              | \$11.43              |



|                                      | Net Asset Value<br>Unaudited<br>31 December 2021 | Net Asset Value<br>Audited<br>31 December 2020 | Net Asset Value<br>Audited<br>31 December 2019 |
|--------------------------------------|--|--|--|
| <b>Emerging Markets Income Fund*</b> |  |  |  |
| Class I Euro Accumulation            | €0   | €18,021  | €373,989                                       |
| Class I Euro Distribution            | €0   | €97,075  | €1,328,070                                     |
| Class I Sterling Accumulation        | £0   | £1,629,438                                     | £1,694,473                                     |
| Class I Sterling Distribution        | £0   | £17,649,050                                    | £35,753,276                                    |
| Class I US Dollar Accumulation       | \$0  | \$1,969,828                                    | \$4,708,250                                    |
| Class I US Dollar Distribution       | \$0  | \$343,532                                      | \$500,391                                      |
| Class R Euro Accumulation            | €0   | €471,007                                       | €684,669                                       |
| Class R Euro Distribution            | €0   | €82,713  | €83,809  |
| Class R Sterling Accumulation        | £0   | £35,500  | £85,807  |
| Class R Sterling Distribution        | £0   | £156,627                                       | £245,661                                       |
| Class R US Dollar Accumulation       | \$0  | \$5,492,142                                    | \$9,167,883                                    |
| Class R US Dollar Distribution       | \$0  | \$1,574,443                                    | \$2,201,709                                    |
| Class S Euro Accumulation            | €0   | €141   | €153   |
| Class S Euro Distribution            | €0   | €141   | €153   |
| Class S Sterling Accumulation        | £0   | £2,264,768                                     | £2,087,697                                     |
| Class S Sterling Distribution        | £0   | £44,293,439                                    | £56,403,611                                    |
| Class S US Dollar Accumulation       | \$0  | \$132  | \$131  |
| Class S US Dollar Distribution       | \$0  | \$3,967,636                                    | \$1,094,278                                    |
|                                      | <b>NAV per share</b>                             | <b>NAV per share</b>                           | <b>NAV per share</b>                           |
| Class I Euro Accumulation            | €0.00  | €10.89   | €11.84   |
| Class I Euro Distribution            | €0.00  | €7.30  | €8.33  |
| Class I Sterling Accumulation        | £0.00  | £9.75  | £10.03   |
| Class I Sterling Distribution        | £0.00  | £6.53  | £7.06  |
| Class I US Dollar Accumulation       | \$0.00   | \$13.33  | \$13.29  |
| Class I US Dollar Distribution       | \$0.00   | \$8.93   | \$9.36   |
| Class R Euro Accumulation            | €0.00  | €10.37   | €11.33   |
| Class R Euro Distribution            | €0.00  | €6.98  | €8.02  |
| Class R Sterling Accumulation        | £0.00  | £9.29  | £9.60  |
| Class R Sterling Distribution        | £0.00  | £6.25  | £6.80  |
| Class R US Dollar Accumulation       | \$0.00   | \$12.69  | \$12.72  |
| Class R US Dollar Distribution       | \$0.00   | \$8.55   | \$9.00   |
| Class S Euro Accumulation            | €0.00  | €10.75   | €11.67   |
| Class S Euro Distribution            | €0.00  | €7.54  | €8.59  |
| Class S Sterling Accumulation        | £0.00  | £9.62  | £9.89  |
| Class S Sterling Distribution        | £0.00  | £6.75  | £7.28  |
| Class S US Dollar Accumulation       | \$0.00   | \$13.15  | \$13.10  |
| Class S US Dollar Distribution       | \$0.00   | \$9.22   | \$9.64   |

\* Emerging Markets Income Fund merged with Emerging Markets Stars Fund on 8 June 2021.



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 12. Comparative Figures continued

| Emerging Markets Stars Fund        | Net Asset Value<br>Unaudited<br>31 December 2021 | Net Asset Value<br>Audited<br>31 December 2020 | Net Asset Value<br>Audited<br>31 December 2019 |
|------------------------------------|--|--|--|
| Class I Euro Accumulation          | €42,371,286                                      | €21,286,003                                    | €3,742,520                                     |
| Class I Sterling Accumulation      | £12,697,758                                      | £7,072,705                                     | £1,900,760                                     |
| Class I US Dollar Accumulation     | \$33,767,572                                     | \$7,789,861                                    | \$800,097                                      |
| Class R Euro Accumulation          | €1,578,632                                       | €242,659                                       | €2,446   |
| Class R Sterling Accumulation      | £170,014   | £145   | £109   |
| Class R US Dollar Accumulation     | \$7,576,233                                      | \$46,768                                       | \$109  |
| Class R USD Distribution*          | \$115,893,782                                    | N/A  | N/A  |
| Class S Euro Accumulation          | €57,513,195                                      | €58,958,267                                    | €5,359,749                                     |
| Class S Euro Distribution*         | €153,939   | N/A  | N/A  |
| Class S Sterling Accumulation      | £78,556,222                                      | £41,591,579                                    | £4,139,243                                     |
| Class S US Dollar Accumulation     | \$169,296,625                                    | \$104,406,643                                  | \$23,975,538                                   |
| Class S US Dollar Distribution     | \$40,511,744                                     | £22,153,872                                    | N/A  |
| Class SX Euro Accumulation         | €1,691   | £1,573   | N/A  |
| Class SX Sterling Accumulation     | £19,644,873                                      | £21,654,906                                    | N/A  |
| Class SX Sterling Distribution*    | £1,000   | N/A  | N/A  |
| Class SX US Dollar Accumulation    | \$226,404,250                                    | £7,546,921                                     | N/A  |
| Class SX US Dollar Distribution*   | \$83,315,890                                     | N/A  | N/A  |
| Class X Swedish Krona Accumulation | SEK. 1,931,763,256                               | SEK. 5,318,484                                 | SEK. 1,180                                     |
| Class X Euro Accumulation          | €24,336,722                                      | €2,454,690                                     | €1,170   |
| Class X US Dollar Accumulation     | \$64,602,145                                     | \$30,681,946                                   | \$1,164  |
|                                    | <b>NAV per share</b>                             | <b>NAV per share</b>                           | <b>NAV per share</b>                           |
| Class I Euro Accumulation          | €13.23   | €12.37   | €9.77  |
| Class I Sterling Accumulation      | £11.11   | £11.07   | £8.28  |
| Class I US Dollar Accumulation     | \$15.05  | \$15.13  | \$10.97  |
| Class R Euro Accumulation          | €13.04   | €12.23   | €9.70  |
| Class R Sterling Accumulation      | £10.95   | £10.95   | £8.22  |
| Class R US Dollar Accumulation     | \$14.83  | \$14.97  | \$10.89  |
| Class R USD Distribution*          | \$9.53   | N/A  | N/A  |
| Class S Euro Accumulation          | €13.41   | €12.47   | €9.82  |
| Class S Euro Distribution*         | €10.01   | N/A  | N/A  |
| Class S Sterling Accumulation      | £11.26   | £11.16   | £8.32  |
| Class S US Dollar Accumulation     | \$15.25  | \$15.25  | \$11.02  |
| Class S US Dollar Distribution     | \$15.47  | £15.48   | N/A  |

\* New Share Classes launched during the year.



| <b>Emerging Markets Stars Fund</b> continued | <b>NAV per share<br/>31 December 2021</b> | <b>NAV per share<br/>31 December 2020</b> | <b>NAV per share<br/>31 December 2019</b> |
|--|---|---|---|
| Class SX Euro Accumulation                   | €16.91                                    | £15.73                                    | N/A                                       |
| Class SX Sterling Accumulation               | £13.79                                    | £13.67                                    | N/A                                       |
| Class SX Sterling Distribution*              | £10.00                                    | N/A                                       | N/A                                       |
| Class SX US Dollar Accumulation              | \$17.54                                   | £17.55                                    | N/A                                       |
| Class SX US Dollar Distribution*             | \$9.36                                    | N/A                                       | N/A                                       |
| Class X Swedish Krona Accumulation           | SEK. 146.16                               | SEK. 133.81                               | SEK. 108.99                               |
| Class X Euro Accumulation                    | €14.20                                    | €13.32                                    | €10.37                                    |
| Class X US Dollar Accumulation               | \$16.14                                   | \$16.29                                   | €11.64                                    |

| <b>European ex UK Income Fund</b>    | <b>Net Asset Value<br/>Unaudited<br/>31 December 2021</b> | <b>Net Asset Value<br/>Audited<br/>31 December 2020</b> | <b>Net Asset Value<br/>Audited<br/>31 December 2019</b> |
|--------------------------------------|---|---|---|
| Class I Euro Accumulation            | €1,031,557  | €544,066  | €342,421  |
| Class I Sterling Accumulation        | £7,489,383  | £25,043,595   | £27,804,365   |
| Class I Sterling Distribution        | £3,113,304  | £3,034,374  | £3,694,555  |
| Class I Sterling Hedged Accumulation | £90,585   | £29,450   | £100,197  |
| Class I Sterling Hedged Distribution | £203,650  | £85,651   | £253,094  |
| Class S Sterling Accumulation        | £10,977,463   | £7,823,982  | £1,182,379  |
| Class S Sterling Distribution        | £28,062,043   | £30,050,659   | £9,994,524  |
| Class S Sterling Hedged Accumulation | £1,414  | £1,183  | £1,333  |
| Class S Sterling Hedged Distribution | £705,561  | £33,454,843   | £120,831,926  |
| Class X Sterling Accumulation        | £1,101  | £995  | £1,066  |
| Class X Sterling Distribution        | £48,539,423   | £70,890,036   | £64,853,634   |

|                                      | <b>NAV per share</b> | <b>NAV per share</b> | <b>NAV per share</b> |
|--------------------------------------|----------------------|----------------------|----------------------|
| Class I Euro Accumulation            | €13.66               | €11.50               | €12.91               |
| Class I Sterling Accumulation        | £11.39               | £10.22               | £10.86               |
| Class I Sterling Distribution        | £8.94                | £8.37                | £9.27                |
| Class I Sterling Hedged Accumulation | £14.08               | £11.78               | £13.28               |
| Class I Sterling Hedged Distribution | £10.95               | £9.56                | £11.23               |
| Class S Sterling Accumulation        | £11.50               | £10.31               | £10.96               |
| Class S Sterling Distribution        | £9.01                | £8.43                | £9.34                |
| Class S Sterling Hedged Accumulation | £14.14               | £11.83               | £13.33               |
| Class S Sterling Hedged Distribution | £10.99               | £9.60                | £11.28               |
| Class X Sterling Accumulation        | £11.01               | £9.95                | £10.66               |
| Class X Sterling Distribution        | £10.00               | £9.44                | £10.58               |

\* New Share Classes launched during the year.



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

## 12. Comparative Figures continued

|                                      | Net Asset Value<br>Unaudited<br>31 December 2021 | Net Asset Value<br>Audited<br>31 December 2020 | Net Asset Value<br>Audited<br>31 December 2019 |
|--------------------------------------|--|--|--|
| <b>Financial Opportunities Fund</b>  |  |  |  |
| Class I Euro Accumulation            | €40,263  | €25,364  | €28,406  |
| Class I Euro Distribution            | €1,689,066                                       | €996,021                                       | €1,103,972                                     |
| Class I Sterling Accumulation        | £4,552,091                                       | £836,795                                       | £6,894,875                                     |
| Class I Sterling Distribution        | £3,685,381                                       | £3,283,306                                     | £2,871,305                                     |
| Class I US Dollar Accumulation       | \$525,278  | \$79   | \$81   |
| Class I US Dollar Distribution       | \$8,546  | \$120,182                                      | \$4,006,660                                    |
| Class R Euro Accumulation            | €71,185  | €120,516                                       | €105,634                                       |
| Class R Euro Distribution            | €15,825  | €62  | €174   |
| Class R Sterling Accumulation        | £152,697   | £4,101   | £27,575  |
| Class R Sterling Distribution        | £74,865  | £77,905  | £68,018  |
| Class R US Dollar Accumulation       | \$236,155  | \$198,124                                      | \$338,839                                      |
| Class R US Dollar Distribution       | \$136  | \$114  | \$118  |
| Class S Sterling Distribution        | \$745,864  | \$120  | N/A  |
| Class S US Dollar Distribution       | \$8,184,614                                      | \$3,345,848                                    | N/A  |
|                                      | <b>NAV per share</b>                             | <b>NAV per share</b>                           | <b>NAV per share</b>                           |
| Class I Euro Accumulation            | €15.46   | €12.01   | €13.45   |
| Class I Euro Distribution            | €14.29   | €11.27   | €12.90   |
| Class I Sterling Accumulation        | £12.98   | £10.75   | £11.40   |
| Class I Sterling Distribution        | £12.00   | £10.09   | £10.93   |
| Class I US Dollar Accumulation       | \$17.59  | \$14.70  | \$15.10  |
| Class I US Dollar Distribution       | \$16.25  | \$13.79  | \$14.48  |
| Class R Euro Accumulation            | €14.85   | €11.58   | €13.04   |
| Class R Euro Distribution            | €13.61   | €10.78   | €12.40   |
| Class R Sterling Accumulation        | £12.47   | £10.37   | £11.05   |
| Class R Sterling Distribution        | £11.43   | £9.65  | £10.51   |
| Class R US Dollar Accumulation       | \$16.89  | \$14.17  | \$14.63  |
| Class R US Dollar Distribution       | \$15.48  | \$13.19  | \$13.92  |
| Class S Sterling Distribution        | \$10.96  | \$9.18   | N/A  |
| Class S US Dollar Distribution       | \$14.85  | \$12.54  | N/A  |
| <b>Global Absolute Return Fund</b>   |  |  |  |
| Class I Hedged Euro Accumulation     | €216,536   | €265,560                                       | €137,294                                       |
| Class I Hedged Sterling Accumulation | £4,270,898                                       | £3,436,309                                     | £847,481                                       |
| Class I US Dollar Accumulation       | \$1,686,465                                      | \$922,944                                      | \$3,075,917                                    |
| Class S Hedged Euro Accumulation     | €2,045,937                                       | €3,169,897                                     | €3,882,424                                     |
| Class S Hedged Sterling Accumulation | £24,776,372                                      | £22,157,413                                    | £24,514,233                                    |
| Class S US Dollar Accumulation       | \$26,721,279                                     | \$6,962,131                                    | \$4,229,429                                    |



| <b>Global Absolute Return Fund</b> continued | <b>NAV per share<br/>31 December 2021</b> | <b>NAV per share<br/>31 December 2020</b> | <b>NAV per share<br/>31 December 2019</b> |
|--|---|---|---|
| Class I Hedged Euro Accumulation             | €123.92                                   | €119.49                                   | €99.83                                    |
| Class I Hedged Sterling Accumulation         | £126.84                                   | £121.75                                   | £101.18                                   |
| Class I US Dollar Accumulation               | \$130.79                                  | \$125.46                                  | \$102.29                                  |
| Class S Hedged Euro Accumulation             | €125.04                                   | €120.10                                   | €100.13                                   |
| Class S Hedged Sterling Accumulation         | £127.76                                   | £122.20                                   | £101.35                                   |
| Class S US Dollar Accumulation               | \$131.80                                  | \$126.06                                  | \$102.57                                  |

| <b>Global Convertible Fund</b>                          | <b>Net Asset Value<br/>Unaudited<br/>31 December 2021</b> | <b>Net Asset Value<br/>Audited<br/>31 December 2020</b> | <b>Net Asset Value<br/>Audited<br/>31 December 2019</b> |
|---|---|---|---|
| Class I Euro Accumulation                               | €46,242,404   | €6,031,429  | €51,336,753   |
| Class I Euro Distribution                               | €1,968,468  | €2,362,856  | €2,024,775  |
| Class I Hedged Euro Accumulation                        | €1,653,530  | €1,288,609  | €221,971  |
| Class I Hedged Sterling Accumulation                    | £41,894,588   | £13,593,147   | £14,621,231   |
| Class I Hedged Sterling Distribution                    | £28,465,818   | £28,774,641   | £22,354,918   |
| Class I Hedged Swiss Franc Accumulation                 | Sfr. 951,876  | Sfr. 8,729,345  | Sfr. 6,674,960  |
| Class I Sterling Accumulation                           | £23,471,443   | £21,762,720   | £17,432,307   |
| Class I Sterling Distribution                           | £165,032,770  | £162,098,233  | £133,660,426  |
| Class I US Dollar Accumulation                          | \$3,146,734   | \$4,360,981   | \$8,169,918   |
| Class I US Dollar Distribution                          | \$2,897,211   | \$4,130,100   | \$3,159,349   |
| Class Portfolio Currency Hedged Euro I Accumulation     | €9,141,039  | €36,022,803   | €3,466,629  |
| Class Portfolio Currency Hedged Sterling I Distribution | £50,325,577   | £68,557,278   | £111,879,694  |
| Class R Euro Accumulation                               | €1,003,421  | €784,930  | €628,871  |
| Class R Euro Distribution                               | €1,722,165  | €1,600,219  | €1,125,370  |
| Class R Sterling Accumulation                           | £146,667  | £215,502  | £202,089  |
| Class R Sterling Distribution                           | £191,243  | £103,100  | £1,539  |
| Class R US Dollar Accumulation                          | \$113,083   | \$1,688   | \$1,338   |
| Class R US Dollar Distribution                          | \$970,444   | \$1,005,361   | \$1,092,503   |
| Class S Euro Accumulation                               | €189,059  | €103,541  | €117,993  |
| Class S Euro Distribution                               | €616,249  | €1,714  | €1,498  |
| Class S Hedged Sterling Accumulation                    | £804,197  | £976,696  | £1,555,873  |
| Class S Hedged Sterling Distribution                    | £1,760,317  | £2,729,389  | £3,406,749  |
| Class S Hedged Swiss Franc Accumulation                 | Sfr. 593.00   | Sfr. 647  | Sfr. 517  |
| Class S Sterling Accumulation                           | £2,005,289  | £2,157,304  | £1,923,103  |
| Class S Sterling Distribution                           | £270,114,392  | £249,077,519  | £267,473,432  |
| Class S US Dollar Accumulation                          | \$794,494   | \$739,201   | \$499,628   |
| Class S US Dollar Distribution                          | \$4,344,785   | \$3,044,915   | \$3,328,757   |
| Class SI Sterling Accumulation                          | £60,707,376   | £68,644,680   | £40,470,568   |
| Class Portfolio Currency Hedged Sterling S Distribution | £80,741,534   | £88,201,998   | £10,314,876   |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 12. Comparative Figures continued

| Global Convertible Fund continued                       | NAV per share<br>31 December 2021 | NAV per share<br>31 December 2020 | NAV per share<br>31 December 2019 |
|---|-----------------------------------|-----------------------------------|-----------------------------------|
| Class I Euro Accumulation                               | €14.16                            | €14.23                            | €12.13                            |
| Class I Euro Distribution                               | €10.22                            | €10.70                            | €9.51                             |
| Class I Hedged Euro Accumulation                        | €12.07                            | €13.18                            | €10.56                            |
| Class I Hedged Sterling Accumulation                    | £12.68                            | £13.77                            | £11.03                            |
| Class I Hedged Sterling Distribution                    | £9.48                             | £10.72                            | £8.95                             |
| Class I Hedged Swiss Franc Accumulation                 | Sfr. 11.58                        | Sfr. 12.70                        | Sfr. 10.19                        |
| Class I Sterling Accumulation                           | £11.89                            | £12.73                            | £10.26                            |
| Class I Sterling Distribution                           | £8.58                             | £9.58                             | £8.05                             |
| Class I US Dollar Accumulation                          | \$16.10                           | \$17.41                           | \$13.61                           |
| Class I US Dollar Distribution                          | \$11.63                           | \$13.09                           | \$10.67                           |
| Class Portfolio Currency Hedged Euro I Accumulation     | €13.02                            | €13.83                            | €11.18                            |
| Class Portfolio Currency Hedged Sterling I Distribution | £10.93                            | £12.04                            | £10.26                            |
| Class R Euro Accumulation                               | €13.66                            | €13.79                            | €11.82                            |
| Class R Euro Distribution                               | €9.83                             | €10.34                            | €9.24                             |
| Class R Sterling Accumulation                           | £11.47                            | £12.35                            | £10.00                            |
| Class R Sterling Distribution                           | £8.26                             | £9.26                             | £7.82                             |
| Class R US Dollar Accumulation                          | \$15.53                           | \$16.88                           | \$13.27                           |
| Class R US Dollar Distribution                          | \$11.18                           | \$12.66                           | \$10.37                           |
| Class S Euro Accumulation                               | €12.51                            | €12.52                            | €10.64                            |
| Class S Euro Distribution                               | €9.25                             | €9.65                             | €8.54                             |
| Class S Hedged Sterling Accumulation                    | £12.99                            | £14.05                            | £11.22                            |
| Class S Hedged Sterling Distribution                    | £9.69                             | £10.92                            | £9.09                             |
| Class S Hedged Swiss Franc Accumulation                 | Sfr. 11.86                        | Sfr. 12.93                        | Sfr. 10.34                        |
| Class S Sterling Accumulation                           | £10.50                            | £11.21                            | £9.01                             |
| Class S Sterling Distribution                           | £7.77                             | £8.64                             | £7.23                             |
| Class S US Dollar Accumulation                          | \$14.22                           | \$15.32                           | \$11.94                           |
| Class S US Dollar Distribution                          | \$10.52                           | \$11.81                           | \$9.59                            |
| Class SI Sterling Accumulation                          | £12.05                            | £12.88                            | £10.36                            |
| Class Portfolio Currency Hedged Sterling S Distribution | £11.03                            | £12.11                            | £10.23                            |



| <b>Global Insurance Fund</b>          | <b>Net Asset Value<br/>Unaudited<br/>31 December 2021</b> | <b>Net Asset Value<br/>Audited<br/>31 December 2020</b> | <b>Net Asset Value<br/>Audited<br/>31 December 2019</b> |
|---------------------------------------|---|---|---|
| Class A Sterling Distribution         | £1,212,349  | £1,419,485  | £2,192,020  |
| Class B Sterling Accumulation         | £8,823,869  | £9,477,097  | £11,332,394   |
| Class E Sterling Distribution         | £612,956,941  | £537,548,317  | £341,673,496  |
| Class F Sterling Accumulation         | £233,811,579  | £197,505,637  | £196,920,938  |
| Class I Euro Accumulation             | €60,093,102   | €57,943,616   | €84,608,193   |
| Class I Euro Distribution             | €11,330,421   | €9,736,031  | €10,218,320   |
| Class I Hedged Euro Accumulation      | €13,835,724   | €14,433,408   | €20,690,644   |
| Class I Hedged US Dollar Accumulation | \$899,241   | \$1,919,064   | \$2,549,571   |
| Class I Sterling Accumulation         | £261,091,073  | £294,421,553  | £343,856,432  |
| Class I Sterling Distribution         | £246,245,991  | £191,847,242  | £198,634,320  |
| Class I US Dollar Accumulation        | \$231,110,844   | \$254,666,196   | \$333,758,414   |
| Class I US Dollar Distribution        | \$24,329,549  | \$19,423,371  | \$17,480,532  |
| Class R Euro Accumulation             | €6,133,614  | €5,418,959  | €9,702,647  |
| Class R Euro Distribution             | €2,295,734  | €1,959,401  | €1,001,350  |
| Class R Sterling Accumulation         | £4,167,556  | £5,486,204  | £7,551,333  |
| Class R Sterling Distribution         | £18,709,879   | £17,049,078   | £21,256,176   |
| Class R US Dollar Accumulation        | \$62,229,195  | \$68,754,492  | \$71,910,584  |
| Class R US Dollar Distribution        | \$1,390,626   | \$1,297,677   | \$1,002,538   |
|                                       | <b>NAV per share</b>                                      | <b>NAV per share</b>                                    | <b>NAV per share</b>                                    |
| Class A Sterling Distribution         | £6.02   | £5.27   | £5.73   |
| Class B Sterling Accumulation         | £8.00   | £6.92   | £7.38   |
| Class E Sterling Distribution         | £6.35   | £5.54   | £5.98   |
| Class F Sterling Accumulation         | £8.52   | £7.33   | £7.78   |
| Class I Euro Accumulation             | €9.85   | €7.95   | €8.89   |
| Class I Euro Distribution             | €7.40   | €6.05   | €6.90   |
| Class I Hedged Euro Accumulation      | €15.73  | €13.60  | €14.46  |
| Class I Hedged US Dollar Accumulation | \$17.06   | \$14.67   | \$15.50   |
| Class I Sterling Accumulation         | £8.27   | £7.11   | £7.53   |
| Class I Sterling Distribution         | £6.21   | £5.42   | £5.84   |
| Class I US Dollar Accumulation        | \$11.20   | \$9.72  | \$9.98  |
| Class I US Dollar Distribution        | \$8.42  | \$7.41  | \$7.74  |
| Class R Euro Accumulation             | €9.27   | €7.52   | €8.46   |
| Class R Euro Distribution             | €7.03   | €5.78   | €6.61   |
| Class R Sterling Accumulation         | £7.78   | £6.73   | £7.17   |
| Class R Sterling Distribution         | £5.90   | £5.17   | £5.60   |
| Class R US Dollar Accumulation        | \$10.54   | \$9.20  | \$9.49  |
| Class R US Dollar Distribution        | \$7.99  | \$7.07  | \$7.42  |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 12. Comparative Figures continued

| <b>Global Technology Fund</b>           | <b>Net Asset Value<br/>Unaudited<br/>31 December 2021</b> | <b>Net Asset Value<br/>Audited<br/>31 December 2020</b> | <b>Net Asset Value<br/>Audited<br/>31 December 2019</b> |
|---|---|---|---|
| Class A Euro Distribution               | €18,933,704   | €21,026,391   | €5,681,779  |
| Class A Sterling Distribution           | £23,940,322   | £25,294,111   | £13,370,134   |
| Class A US Dollar Distribution          | \$86,621,494  | \$96,727,378  | \$57,864,482  |
| Class I Euro Accumulation               | €61,581,326   | €3,250,035  | N/A   |
| Class I Euro Distribution               | €442,999,275  | €512,018,203  | €131,049,557  |
| Class I Hedged Euro Distribution        | €153,836,170  | €153,126,806  | €60,935,800   |
| Class I Hedged Sterling Distribution    | £196,727,125  | £179,945,587  | £94,986,655   |
| Class I Hedged Swiss Franc Distribution | Sfr. 117,469,302  | Sfr. 101,053,907  | Sfr. 34,015,441   |
| Class I Sterling Distribution           | £1,840,558,637  | £1,900,613,783  | £1,063,308,625  |
| Class I US Dollar Distribution          | \$2,139,038,560   | \$2,231,275,507   | \$872,165,059   |
| Class R Euro Accumulation               | €3,320,925  | €891,317  | N/A   |
| Class R Euro Distribution               | €487,270,747  | €398,778,454  | €153,141,681  |
| Class R Hedged Euro Accumulation        | €180,591,732  | €210,484,996  | €52,619,192   |
| Class R Hedged Euro Distribution        | €87,764,299   | €110,228,317  | €56,304,582   |
| Class R Hedged Swiss Franc Distribution | Sfr. 34,784,358   | Sfr. 31,139,483   | Sfr. 11,128,344   |
| Class R Sterling Distribution           | £47,644,324   | £41,818,351   | £20,259,809   |
| Class R US Dollar Distribution          | \$2,194,707,757   | £1,519,309,187  | £578,573,409  |
|   | <b>NAV per share</b>                                      | <b>NAV per share</b>                                    | <b>NAV per share</b>                                    |
| Class A Euro Distribution               | €91.05  | €77.26  | €53.41  |
| Class A Sterling Distribution           | £76.45  | £69.15  | £45.25  |
| Class A US Dollar Distribution          | \$103.55  | \$94.53   | \$59.95   |
| Class I Euro Accumulation.              | €14.14  | €11.94  | N/A   |
| Class I Euro Distribution               | €84.81  | €71.61  | €49.05  |
| Class I Hedged Euro Distribution        | €26.63  | €24.46  | €15.72  |
| Class I Hedged Sterling Distribution    | £38.69  | £35.35  | £22.72  |
| Class I Hedged Swiss Franc Distribution | Sfr. 38.32  | Sfr. 35.35  | Sfr. 22.80  |
| Class I Sterling Distribution           | £71.21  | £64.09  | £41.56  |
| Class I US Dollar Distribution          | \$96.45   | \$87.61   | \$55.06   |
| Class R Euro Accumulation               | €14.06  | €11.93  | N/A   |
| Class R Euro Distribution               | €80.10  | €67.97  | €46.72  |
| Class R Hedged Euro Accumulation        | €26.04  | €24.05  | €15.51  |
| Class R Hedged Euro Distribution        | €38.44  | €35.50  | €22.92  |
| Class R Hedged Swiss Franc Distribution | Sfr. 37.27  | Sfr. 34.54  | Sfr. 22.34  |
| Class R Sterling Distribution           | £67.25  | £60.84  | £39.58  |
| Class R US Dollar Distribution          | \$91.09   | \$83.17   | \$52.44   |



|                                      | Net Asset Value<br>Unaudited<br>31 December 2021 | Net Asset Value<br>Audited<br>31 December 2020 | Net Asset Value<br>Audited<br>31 December 2019 |
|--------------------------------------|--|--|--|
| <b>Healthcare Blue Chip Fund</b>     |  |  |  |
| Class I Euro Accumulation            | €729,776   | €241,965                                       | €8,512   |
| Class I Euro Distribution            | €94,096  | €513,326                                       | €463,803                                       |
| Class I Sterling Accumulation        | £15,449,569                                      | £11,058,140                                    | £9,571,104                                     |
| Class I Sterling Distribution        | £3,297,356                                       | £2,168,948                                     | £5,407,991                                     |
| Class I US Dollar Accumulation       | \$1,233,544                                      | \$1,873,117                                    | \$1,766,712                                    |
| Class I US Dollar Distribution       | \$85,093   | \$56,674                                       | \$22,740                                       |
| Class S Sterling Accumulation        | £3,709,578                                       | £2,889,627                                     | £5,242,226                                     |
| Class S Sterling Distribution        | £736,419   | £582,424                                       | £549,416                                       |
| Class S Sterling Hedged Distribution | £1,790   | £1,467   | £1,394   |
| Class S US Dollar Accumulation       | \$150  | \$123  | \$114  |
| Class S US Dollar Distribution       | \$991  | \$809  | \$749  |
| Class SI Sterling Distribution       | £60,749,208                                      | £48,402,659                                    | £47,169,563                                    |
| Class SI US Dollar Distribution      | \$73,073   | \$160,147                                      | \$110,155                                      |
|                                      | <b>NAV per share</b>                             | <b>NAV per share</b>                           | <b>NAV per share</b>                           |
| Class I Euro Accumulation            | €17.25   | €13.11   | €13.25   |
| Class I Euro Distribution            | €16.22   | €12.40   | €12.65   |
| Class I Sterling Accumulation        | £14.49   | £11.73   | £11.23   |
| Class I Sterling Distribution        | £13.62   | £11.10   | £10.72   |
| Class I US Dollar Accumulation       | \$19.62  | \$16.04  | \$14.87  |
| Class I US Dollar Distribution       | \$18.44  | \$15.17  | \$14.20  |
| Class S Sterling Accumulation        | £14.63   | £11.83   | £11.31   |
| Class S Sterling Distribution        | £13.76   | £11.20   | £10.80   |
| Class S Sterling Hedged Distribution | £17.43   | £14.37   | £13.66   |
| Class S US Dollar Accumulation       | \$19.82  | \$16.18  | \$14.98  |
| Class S US Dollar Distribution       | \$18.63  | \$15.31  | \$14.31  |
| Class SI Sterling Distribution       | £12.19   | £9.91  | £9.53  |
| Class SI US Dollar Distribution      | \$16.52  | \$13.54  | \$12.63  |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

## 12. Comparative Figures continued

|                                      | Net Asset Value<br>Unaudited<br>31 December 2021          | Net Asset Value<br>Audited<br>31 December 2020          | Net Asset Value<br>Audited<br>31 December 2019          |
|--------------------------------------|---|---|---|
| <b>Healthcare Discovery Fund</b>     |   |   |   |
| Class I Sterling Accumulation        | £1,815,430  | £1,247,146  | N/A   |
| Class I US Dollar Accumulation       | \$9,402,846   | £1,334,935  | N/A   |
| Class S Sterling Accumulation        | £34,651,717   | £24,386,965   | N/A   |
| Class S US Dollar Accumulation       | \$13,752,278  | £12,078,174   | N/A   |
|                                      | <b>NAV per share</b>                                      | <b>NAV per share</b>                                    | <b>NAV per share</b>                                    |
| Class I Sterling Accumulation        | £11.42  | £11.01  | N/A   |
| Class I US Dollar Accumulation       | \$15.47   | £15.05  | N/A   |
| Class S Sterling Accumulation        | £11.47  | £11.03  | N/A   |
| Class S US Dollar Accumulation       | \$15.54   | £15.08  | N/A   |
| <b>Healthcare Opportunities Fund</b> |   |   |   |
|                                      | <b>Net Asset Value<br/>Unaudited<br/>31 December 2021</b> | <b>Net Asset Value<br/>Audited<br/>31 December 2020</b> | <b>Net Asset Value<br/>Audited<br/>31 December 2019</b> |
| Class A Euro Distribution            | \$6,169,289   | £6,595,606  | £5,810,432  |
| Class A Sterling Distribution        | \$2,976,956   | £2,923,616  | £2,909,160  |
| Class A US Dollar Distribution       | \$8,280,305   | £8,801,242  | £8,896,760  |
| Class I Euro Distribution            | \$205,605,571   | £197,367,115  | £153,461,338  |
| Class I Euro Accumulation            | \$39,229,856  | £32,469,292   | £1,203,872  |
| Class I Euro Hedged Accumulation     | \$3,734,725   | £2,681,443  | N/A   |
| Class I Sterling Distribution        | \$950,150,017   | £964,995,112  | £814,338,418  |
| Class I US Dollar Distribution       | \$250,066,265   | £237,121,974  | £175,826,922  |
| Class I US Dollar Accumulation       | \$29,503,027  | £36,756,528   | N/A   |
| Class R Euro Distribution            | \$85,419,548  | £66,698,086   | £59,710,465   |
| Class R Euro Accumulation            | \$3,746,997   | £863,140  | N/A   |
| Class R Sterling Distribution        | \$15,296,765  | £13,833,695   | £11,569,737   |
| Class R US Dollar Distribution       | \$137,406,194   | £118,969,723  | £98,745,136   |
| Class R US Dollar Accumulation       | \$10,442,946  | £5,569,520  | N/A   |



| <b>Healthcare Opportunities Fund</b> continued | <b>NAV per share<br/>31 December 2021</b> | <b>NAV per share<br/>31 December 2020</b> | <b>NAV per share<br/>31 December 2019</b> |
|--|---|---|---|
| Class A Euro Distribution                      | \$40.54                                   | €34.74                                    | €32.05                                    |
| Class A Sterling Distribution                  | \$34.04                                   | £31.10                                    | £27.15                                    |
| Class A US Dollar Distribution                 | \$46.10                                   | \$42.51                                   | \$35.97                                   |
| Class I Euro Distribution                      | \$61.90                                   | €52.78                                    | €48.45                                    |
| Class I Euro Accumulation                      | \$14.78                                   | €12.61                                    | €11.57                                    |
| Class I Euro Hedged Accumulation               | \$15.33                                   | €14.22                                    | N/A                                       |
| Class I Sterling Distribution                  | \$51.97                                   | £47.24                                    | £41.05                                    |
| Class I US Dollar Distribution                 | \$70.39                                   | \$64.58                                   | \$54.39                                   |
| Class I Euro Hedged Accumulation               | \$15.33                                   | €63.66                                    | N/A                                       |
| Class R Euro Distribution                      | \$58.23                                   | €49.91                                    | €46.03                                    |
| Class R Euro Accumulation                      | \$57.31                                   | €49.12                                    | N/A                                       |
| Class R Sterling Distribution                  | \$48.89                                   | £44.68                                    | £39.01                                    |
| Class R US Dollar Distribution                 | \$66.22                                   | \$61.07                                   | \$51.67                                   |
| Class R US Dollar Accumulation                 | \$65.17                                   | €60.11                                    | N/A                                       |

| <b>Income Opportunities Fund</b><br>(based on dealing NAV per share) | <b>Net Asset Value<br/>Unaudited<br/>31 December 2021</b> | <b>Net Asset Value<br/>Audited<br/>31 December 2020</b> | <b>Net Asset Value<br/>Audited<br/>31 December 2019</b> |
|--|---|---|---|
| Class A1 Sterling Distribution                                       | £5,227,662  | £5,759,048  | £7,366,727  |
| Class A2 Sterling Accumulation                                       | £2,477,171  | £2,266,692  | £4,264,708  |
| Class B1 Sterling Distribution                                       | £7,602,273  | £7,151,013  | £25,190,078   |
| Class B2 Sterling Accumulation                                       | £21,446,170   | £17,758,731   | £84,374,013   |
| Class I Euro Accumulation  | €101,415  | €1,076  | €1,177  |
| Class I Euro Distribution  | €1,396  | €1,071  | €1,174  |
| Class I Euro Hedged Accumulation                                     | €280,270  | €204,801  | €234,861  |
| Class I Euro Hedged Distribution                                     | €11,690   | €9,975  | €58,204   |
| Class I US Dollar Accumulation                                       | \$1,433   | \$1,182   | \$1,185   |
| Class I US Dollar Distribution                                       | \$659,179   | \$568,132   | \$1,085,281   |
| Class R Euro Accumulation  | €304,243  | €90,501   | €450,081  |
| Class R Euro Distribution  | €109,582  | €621,898  | €798,978  |
| Class R Euro Hedged Accumulation                                     | €1,287,621  | €1,794,911  | €2,737,033  |
| Class R Euro Hedged Distribution                                     | €1,170,434  | €1,593,118  | €3,418,823  |
| Class R US Dollar Accumulation                                       | \$411,451   | \$803,612   | \$2,072,392   |
| Class R US Dollar Distribution                                       | \$1,513,704   | \$2,773,437   | \$3,595,686   |
| Class R US Dollar Hedged Accumulation                                | \$16,898,400  | \$15,276,048  | \$24,509,687  |
| Class R US Dollar Hedged Distribution                                | \$5,756,839   | \$11,817,260  | \$16,982,246  |
| Class Z Sterling Accumulation  | –   | –   | £1,113  |
| Class Z Sterling Distribution  | –   | –   | £1,113  |


**Notes to the Financial Statements** continued  
 For the financial year ended 31 December 2021
**12. Comparative Figures** continued

| <b>Income Opportunities Fund</b> continued<br>(based on dealing NAV per share) | <b>NAV per share</b><br><b>31 December 2021</b> | <b>NAV per share</b><br><b>31 December 2020</b> | <b>NAV per share</b><br><b>31 December 2019</b> |
|--|---|---|---|
| Class A1 Sterling Distribution   | £1.48   | £1.27   | £1.39   |
| Class A2 Sterling Accumulation   | £2.71   | £2.22   | £2.31   |
| Class B1 Sterling Distribution   | £1.57   | £1.34   | £1.47   |
| Class B2 Sterling Accumulation   | £2.85   | £2.33   | £2.41   |
| Class I Euro Accumulation  | €3.39   | €2.60   | €2.84   |
| Class I Euro Distribution  | €1.87   | €1.50   | €1.73   |
| Class I Euro Hedged Accumulation   | €16.29  | €13.38  | €13.89  |
| Class I Euro Hedged Distribution   | €12.59  | €10.81  | €11.84  |
| Class I US Dollar Accumulation   | \$3.86  | \$3.18  | \$3.19  |
| Class I US Dollar Distribution   | \$2.13  | \$1.83  | \$1.94  |
| Class R Euro Accumulation  | €3.23   | €2.48   | €2.73   |
| Class R Euro Distribution  | €1.76   | €1.41   | €1.64   |
| Class R Euro Hedged Accumulation   | €15.87  | €13.09  | €13.66  |
| Class R Euro Hedged Distribution   | €12.28  | €10.60  | €11.65  |
| Class R US Dollar Accumulation   | \$3.67  | \$3.04  | \$3.06  |
| Class R US Dollar Distribution   | \$2.00  | \$1.73  | \$1.84  |
| Class R US Dollar Hedged Accumulation  | \$13.89   | \$11.39   | \$11.65   |
| Class R US Dollar Hedged Distribution  | \$11.33   | \$9.72  | \$10.47   |
| Class Z Sterling Accumulation  | –   | –   | £11.13  |
| Class Z Sterling Distribution  | –   | –   | £11.13  |

| <b>Japan Value Fund</b>                 | <b>Net Asset Value</b><br><b>Unaudited</b><br><b>31 December 2021</b> | <b>Net Asset Value</b><br><b>Audited</b><br><b>31 December 2020</b> | <b>Net Asset Value</b><br><b>Audited</b><br><b>31 December 2019</b> |
|---|---|---|---|
| Class I Euro Distribution               | €1,027  | €919  | €1,910,498  |
| Class I Hedged Swiss Franc Distribution | Sfr. 1,089  | Sfr. 957  | Sfr. 1,109  |
| Class I Hedged Euro Distribution        | €953  | €836  | €970  |
| Class I Hedged Sterling Distribution    | £56,070   | £857  | £988  |
| Class I Hedged US Dollar Distribution   | \$383,554   | \$283,971   | \$9,092   |
| Class I Japanese Yen Distribution       | ¥182,091  | ¥403,407,806  | ¥181,472  |
| Class I Sterling Distribution           | £79,875   | £77,564   | £36,395   |
| Class I US Dollar Distribution          | \$946   | \$4,161   | \$111,425   |
| Class R Hedged Swiss Franc Distribution | Sfr. 2,440,262  | Sfr. 2,195,052  | Sfr. 4,311,454  |
| Class R Hedged Euro Distribution        | €4,849,304  | €6,157,405  | €13,882,908   |
| Class R Hedged Sterling Distribution    | £2,468,610  | £3,703,041  | £3,980,429  |
| Class R Hedged US Dollar Distribution   | \$25,039,578  | \$26,424,023  | \$57,208,526  |
| Class R Euro Distribution               | €99,602   | €298,957  | €670,426  |
| Class R Sterling Distribution           | £5,168  | £7,270  | £11,721   |
| Class R Japanese Yen Distribution       | ¥1,147,693,152  | ¥1,196,931,572  | ¥1,994,412,986  |



| <b>Japan Value Fund</b> continued       | <b>Net Asset Value<br/>Unaudited<br/>31 December 2021</b> | <b>Net Asset Value<br/>Audited<br/>31 December 2020</b> | <b>Net Asset Value<br/>Audited<br/>31 December 2019</b> |
|---|---|---|---|
| Class R US Dollar Distribution          | \$551,453   | \$703,174   | \$1,271,346   |
| Class S Hedged Swiss Franc Distribution | Sfr. 2,150,981  | Sfr. 2,127,695  | Sfr. 4,774,128  |
| Class S Hedged Euro Distribution        | €4,072,121  | €4,670,439  | €19,231,110   |
| Class S Hedged Sterling Distribution    | £12,006,326   | £13,772,452   | £28,631,456   |
| Class S Hedged US Dollar Distribution   | \$18,105,065  | \$16,799,619  | \$49,782,036  |
| Class S Euro Distribution               | €12,623,521   | €311,301  | €1,925,809  |
| Class S Japanese Yen Distribution       | ¥3,154,136,123  | ¥2,178,077,521  | ¥10,884,995,284   |
| Class S Sterling Distribution           | £45,830,446   | £27,399,558   | £28,246,822   |
| Class S US Dollar Distribution          | \$13,166,044  | \$13,150,187  | \$16,390,198  |
|   | <b>NAV per share</b>                                      | <b>NAV per share</b>                                    | <b>NAV per share</b>                                    |
| Class I Euro Distribution               | €0.99   | €0.89   | €1.05   |
| Class I Hedged Swiss Franc Distribution | Sfr. 10.89  | Sfr. 9.57   | Sfr. 11.09  |
| Class I Hedged Euro Distribution        | €9.53   | €8.36   | €9.70   |
| Class I Hedged Sterling Distribution    | £9.79   | £8.57   | £9.88   |
| Class I Hedged US Dollar Distribution   | \$10.28   | \$8.96  | \$10.23   |
| Class I Japanese Yen Distribution       | ¥128.69   | ¥112.12   | ¥128.25   |
| Class I Sterling Distribution           | £0.83   | £0.80   | £0.90   |
| Class I US Dollar Distribution          | \$1.12  | \$1.09  | \$1.17  |
| Class R Hedged Swiss Franc Distribution | Sfr. 10.81  | Sfr. 9.54   | Sfr. 11.09  |
| Class R Hedged Euro Distribution        | €2.26   | €1.99   | €2.32   |
| Class R Hedged Sterling Distribution    | £1.87   | £1.65   | £1.91   |
| Class R Hedged US Dollar Distribution   | \$3.25  | \$2.84  | \$3.25  |
| Class R Euro Distribution               | €2.00   | €1.80   | €2.14   |
| Class R Sterling Distribution           | £1.68   | £1.63   | £1.83   |
| Class R Japanese Yen Distribution       | ¥260.46   | ¥227.72   | ¥261.40   |
| Class R US Dollar Distribution          | \$2.26  | \$2.20  | \$2.39  |
| Class S Hedged Swiss Franc Distribution | Sfr. 10.99  | Sfr. 9.62   | Sfr. 11.11  |
| Class S Hedged Euro Distribution        | €2.39   | €2.09   | €2.41   |
| Class S Hedged Sterling Distribution    | £1.99   | £1.73   | £1.99   |
| Class S Hedged US Dollar Distribution   | \$3.45  | \$2.99  | \$3.40  |
| Class S Euro Distribution               | €2.12   | €1.89   | €2.23   |
| Class S Japanese Yen Distribution       | ¥275.45   | ¥239.03   | ¥272.32   |
| Class S Sterling Distribution           | £1.78   | £1.71   | £1.91   |
| Class S US Dollar Distribution          | \$2.39  | \$2.31  | \$2.49  |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

## 12. Comparative Figures continued

| North American Fund                     | Net Asset Value<br>Unaudited<br>31 December 2021 | Net Asset Value<br>Audited<br>31 December 2020 | Net Asset Value<br>Audited<br>31 December 2019 |
|---|--|--|--|
| Class I Euro Distribution               | €339,509   | €271,480                                       | €159,967,651                                   |
| Class I Hedged Euro Distribution        | €80,455,582                                      | €44,400,932                                    | €127,357,165                                   |
| Class I Hedged Sterling Distribution    | £51,844,686                                      | £26,410,625                                    | £80,295,758                                    |
| Class I Hedged Swiss Franc Distribution | Sfr. 1,990,289                                   | Sfr. 2,291,141                                 | Sfr. 2,504,482                                 |
| Class I Sterling Distribution           | £117,852,890                                     | £123,781,952                                   | £248,794,128                                   |
| Class I US Dollar Distribution          | \$416,954,758                                    | \$334,217,691                                  | \$511,068,660                                  |
| Class R Euro Distribution               | €5,046,768                                       | €1,712,431                                     | €1,874,587                                     |
| Class R Hedged Euro Distribution        | €6,183,533                                       | €4,374,506                                     | €9,079,896                                     |
| Class R Hedged Sterling Distribution    | £1,625,361                                       | £1,300,710                                     | £1,247,525                                     |
| Class R Sterling Distribution           | £564,614   | £446,906                                       | £394,536                                       |
| Class R US Dollar Distribution          | \$57,955,332                                     | \$41,489,186                                   | \$48,502,643                                   |
| Class S Euro Distribution               | €1,300,722                                       | €1,011,963                                     | €1,130,831                                     |
| Class S Hedged Euro Distribution        | €734,223   | €5,457,242                                     | €703,587                                       |
| Class S Hedged Sterling Distribution    | £21,974,628                                      | £23,101,917                                    | £48,096,232                                    |
| Class S Sterling Distribution           | £210,126,020                                     | £198,460,322                                   | £420,748,385                                   |
| Class S US Dollar Distribution          | \$120,289,480                                    | \$96,059,357                                   | \$114,082,854                                  |
|   | <b>NAV per share</b>                             | <b>NAV per share</b>                           | <b>NAV per share</b>                           |
| Class I Euro Distribution               | €34.11   | €25.66   | €24.29   |
| Class I Hedged Euro Distribution        | €33.81   | €27.58   | €24.60   |
| Class I Hedged Sterling Distribution    | £35.19   | £28.63   | £25.75   |
| Class I Hedged Swiss Franc Distribution | Sfr. 18.81                                       | Sfr. 15.38                                     | Sfr. 13.74                                     |
| Class I Sterling Distribution           | £28.64   | £22.96   | £20.58   |
| Class I US Dollar Distribution          | \$38.79  | \$31.39  | \$27.26  |
| Class R Euro Distribution               | €32.19   | €24.36   | €23.20   |
| Class R Hedged Euro Distribution        | €31.86   | €26.15   | €23.46   |
| Class R Hedged Sterling Distribution    | £33.31   | £27.24   | £24.66   |
| Class R Sterling Distribution           | £27.03   | £21.80   | £19.66   |
| Class R US Dollar Distribution          | \$36.61  | \$29.81  | \$26.04  |
| Class S Euro Distribution               | €34.52   | €25.96   | €24.56   |
| Class S Hedged Euro Distribution        | €34.29   | €27.95   | €24.91   |
| Class S Hedged Sterling Distribution    | £35.67   | £28.99   | £26.07   |
| Class S Sterling Distribution           | £28.99   | £23.23   | £20.81   |
| Class S US Dollar Distribution          | \$39.26  | \$31.76  | \$27.57  |



|                                    | Net Asset Value<br>Unaudited<br>31 December 2021          | Net Asset Value<br>Audited<br>31 December 2020          | Net Asset Value<br>Audited<br>31 December 2019          |
|------------------------------------|---|---|---|
| <b>Smart Energy Fund*</b>          |   |   |   |
| Class I Euro Accumulation          | \$5,242,579   | N/A   | N/A   |
| Class I Sterling Accumulation      | \$852,111   | N/A   | N/A   |
| Class I Swedish Krona Accumulation | \$1,101   | N/A   | N/A   |
| Class I Swiss Franc Accumulation   | \$1,040   | N/A   | N/A   |
| Class I US Dollar Accumulation     | \$16,018,982  | N/A   | N/A   |
| Class R Euro Accumulation          | \$594,991   | N/A   | N/A   |
| Class R Sterling Accumulation      | \$1,057   | N/A   | N/A   |
| Class R Swedish Krona Accumulation | \$1,099   | N/A   | N/A   |
| Class R Swiss Franc Accumulation   | \$2,974   | N/A   | N/A   |
| Class R US Dollar Accumulation     | \$3,836,824   | N/A   | N/A   |
|                                    | <b>NAV per share</b>                                      | <b>NAV per share</b>                                    | <b>NAV per share</b>                                    |
| Class I Euro Accumulation          | £9.36   | N/A   | N/A   |
| Class I Sterling Accumulation      | £7.86   | N/A   | N/A   |
| Class I Swedish Krona Accumulation | £96.34  | N/A   | N/A   |
| Class I Swiss Franc Accumulation   | £9.70   | N/A   | N/A   |
| Class I US Dollar Accumulation     | £10.64  | N/A   | N/A   |
| Class R Euro Accumulation          | £9.34   | N/A   | N/A   |
| Class R Sterling Accumulation      | £7.84   | N/A   | N/A   |
| Class R Swedish Krona Accumulation | £96.16  | N/A   | N/A   |
| Class R Swiss Franc Accumulation   | £9.68   | N/A   | N/A   |
| Class R US Dollar Accumulation     | £10.62  | N/A   | N/A   |
|                                    | <b>Net Asset Value<br/>Unaudited<br/>31 December 2021</b> | <b>Net Asset Value<br/>Audited<br/>31 December 2020</b> | <b>Net Asset Value<br/>Audited<br/>31 December 2019</b> |
| <b>Smart Mobility Fund*</b>        |   |   |   |
| Class I Euro Accumulation          | €1,409,097.64   | N/A   | N/A   |
| Class I GBP Accumulation           | £326,829.69   | N/A   | N/A   |
| Class I Swedish Krona Accumulation | kr 1,094.31   | N/A   | N/A   |
| Class I Swiss Franc Accumulation   | CHF 1,032.15  | N/A   | N/A   |
| Class I US Dollar Accumulation     | \$5,304,026.00  | N/A   | N/A   |
| Class R Euro Accumulation          | €17,687.00  | N/A   | N/A   |
| Class R GBP Accumulation           | £1,051.21   | N/A   | N/A   |
| Class R Swedish Krona Accumulation | kr 1,092.82   | N/A   | N/A   |
| Class R Swiss Franc Accumulation   | CHF 1,031.08  | N/A   | N/A   |
| Class R US Dollar Accumulation     | \$1,056.00  | N/A   | N/A   |

\* Smart Energy Fund and Smart Mobility Fund launched on 30 September 2021.


**Notes to the Financial Statements** continued  
 For the financial year ended 31 December 2021
**12. Comparative Figures** continued

| <b>Smart Mobility Fund*</b> continued | <b>NAV per share<br/>31 December 2021</b> | <b>NAV per share<br/>31 December 2020</b> | <b>NAV per share<br/>31 December 2019</b> |
|---------------------------------------|---|---|---|
| Class I Euro Accumulation             | €9.30                                     | N/A                                       | N/A                                       |
| Class I GBP Accumulation              | £7.81                                     | N/A                                       | N/A                                       |
| Class I Swedish Krona Accumulation    | kr 95.74                                  | N/A                                       | N/A                                       |
| Class I Swiss Franc Accumulation      | CHF 9.63                                  | N/A                                       | N/A                                       |
| Class I US Dollar Accumulation        | \$10.57                                   | N/A                                       | N/A                                       |
| Class R Euro Accumulation             | €9.29                                     | N/A                                       | N/A                                       |
| Class R GBP Accumulation              | £7.80                                     | N/A                                       | N/A                                       |
| Class R Swedish Krona Accumulation    | kr 95.61                                  | N/A                                       | N/A                                       |
| Class R Swiss Franc Accumulation      | CHF 9.62                                  | N/A                                       | N/A                                       |
| Class R US Dollar Accumulation        | \$10.56                                   | N/A                                       | N/A                                       |

| <b>UK Absolute Equity Fund*</b>       | <b>Net Asset Value<br/>Unaudited<br/>31 December 2021</b> | <b>Net Asset Value<br/>Audited<br/>31 December 2020</b> | <b>Net Asset Value<br/>Audited<br/>31 December 2019</b> |
|---------------------------------------|---|---|---|
| Class I Euro Distribution             | –   | –   | €1,701,372  |
| Class I Hedged Euro Distribution      | –   | –   | €238,464,437  |
| Class I Hedged US Dollar Distribution | –   | –   | \$40,915,302  |
| Class I Sterling Distribution         | –   | –   | £167,547,222  |
| Class I US Dollar Distribution        | –   | –   | \$18,697,704  |
| Class R Euro Distribution             | –   | –   | €873,098  |
| Class R Hedged Euro Distribution      | –   | –   | €30,434,398   |
| Class R Hedged US Dollar Distribution | –   | –   | \$1,447,597   |
| Class R Sterling Distribution         | –   | –   | £2,511,592  |
| Class R US Dollar Distribution        | –   | –   | \$252,774   |
| Class S Euro Distribution             | –   | –   | €860,779  |
| Class S Hedged Euro Distribution      | –   | –   | €1,132,664  |
| Class S Hedged US Dollar Distribution | –   | –   | \$2,758,886   |
| Class S Sterling Distribution         | –   | –   | £58,470,670   |
| Class S US Dollar Distribution        | –   | –   | \$181   |

\* Smart Mobility Fund launched on 30 September 2021.



| <b>UK Absolute Equity Fund*</b> continued | <b>NAV per share<br/>31 December 2021</b> | <b>NAV per share<br/>31 December 2020</b> | <b>NAV per share<br/>31 December 2019</b> |
|---|---|---|---|
| Class I Euro Distribution                 | –   | –   | €25.99                                    |
| Class I Hedged Euro Distribution          | –   | –   | €27.25                                    |
| Class I Hedged US Dollar Distribution     | –   | –   | \$36.76                                   |
| Class I Sterling Distribution             | –   | –   | £22.09                                    |
| Class I US Dollar Distribution            | –   | –   | \$29.18                                   |
| Class R Euro Distribution                 | –   | –   | €25.50                                    |
| Class R Hedged Euro Distribution          | –   | –   | €26.68                                    |
| Class R Hedged US Dollar Distribution     | –   | –   | \$35.94                                   |
| Class R Sterling Distribution             | –   | –   | £21.67                                    |
| Class R US Dollar Distribution            | –   | –   | \$28.63                                   |
| Class S Euro Distribution                 | –   | –   | €26.31                                    |
| Class S Hedged Euro Distribution          | –   | –   | €27.64                                    |
| Class S Hedged US Dollar Distribution     | –   | –   | \$37.12                                   |
| Class S Sterling Distribution             | –   | –   | £22.36                                    |
| Class S US Dollar Distribution            | –   | –   | \$29.53                                   |

| <b>UK Value Opportunities Fund</b><br>(based on dealing NAV per share) | <b>Net Asset Value<br/>Unaudited<br/>31 December 2021</b> | <b>Net Asset Value<br/>Audited<br/>31 December 2020</b> | <b>Net Asset Value<br/>Audited<br/>31 December 2019</b> |
|--|---|---|---|
| Class I Sterling Accumulation  | £140,431,200  | £169,776,899  | £163,235,912  |
| Class I Sterling Distribution  | £165,459,543  | £82,103,819   | £69,565,964   |
| Class R Sterling Accumulation  | £2,089,281  | £2,772,778  | £2,606,083  |
| Class S Sterling Accumulation  | £243,618,047  | £181,693,640  | £384,429,419  |
| Class S Sterling Distribution  | £1,009,212,051  | £585,158,581  | £652,165,547  |
| Class Z Sterling Accumulation  | £54,887,100   | £132,286,830  | £1,178  |
| Class Z Sterling Distribution  | –   | –   | £1,178  |

|                               | <b>NAV per share</b> | <b>NAV per share</b> | <b>NAV per share</b> |
|-------------------------------|----------------------|----------------------|----------------------|
| Class I Sterling Accumulation | £14.64               | £12.19               | £13.21               |
| Class I Sterling Distribution | £13.83               | £11.59               | £12.82               |
| Class R Sterling Accumulation | £12.25               | £10.23               | £11.13               |
| Class S Sterling Accumulation | £14.72               | £12.25               | £13.25               |
| Class S Sterling Distribution | £13.86               | £11.61               | £12.84               |
| Class Z Sterling Accumulation | £13.30               | £10.97               | £11.78               |
| Class Z Sterling Distribution | –                    | –                    | £11.78               |

\* UK Absolute Equity Fund terminated on 15 May 2020.

## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 13. Distributions

In the financial year ended 31 December 2021 the following Funds declared and paid distributions as follows:

| 31 December 2021  | Date declared | Date of payment | Rate per share | No. of shares | Amount               | Relevant period         |
|---|---------------|-----------------|----------------|---------------|----------------------|-------------------------|
| <b>Emerging Markets Income Fund</b>                         |               |                 |                |               |                      |                         |
| <b>Class R Distributing Shares</b>                          |               |                 |                |               | <b>US\$42,619</b>    |                         |
| Class R US Dollar Distribution                              | 04/01/2021    | 29/01/2021      | \$0.1928       | 184,145       | \$35,503             | 01/07/2020 – 31/12/2020 |
| Class R Sterling Distribution                               | 04/01/2021    | 29/01/2021      | £0.1410        | 25,060        | £3,534               | 01/07/2020 – 31/12/2020 |
| Class R Euro Distribution                                   | 04/01/2021    | 29/01/2021      | €0.1576        | 11,850        | €1,868               | 01/07/2020 – 31/12/2020 |
| <b>Class I Distributing Shares</b>                          |               |                 |                |               | <b>US\$547,601</b>   |                         |
| Class I US Dollar Distribution                              | 04/01/2021    | 29/01/2021      | \$0.1988       | 38,469        | \$7,648              | 01/07/2020 – 31/12/2020 |
| Class I Sterling Distribution                               | 04/01/2021    | 29/01/2021      | £0.1454        | 2,702,764     | £392,982             | 01/07/2020 – 31/12/2020 |
| Class I Euro Distribution                                   | 04/01/2021    | 29/01/2021      | €0.1625        | 13,298        | €2,161               | 01/07/2020 – 31/12/2020 |
| <b>Class S Distributing Shares</b>                          |               |                 |                |               | <b>US\$1,422,242</b> |                         |
| Class S US Dollar Distribution                              | 04/01/2021    | 29/01/2021      | \$0.2034       | 430,329       | \$87,529             | 01/07/2020 – 31/12/2020 |
| Class S Sterling Distribution                               | 04/01/2021    | 29/01/2021      | £0.1488        | 6,561,991     | £976,424             | 01/07/2020 – 31/12/2020 |
| Class S Euro Distribution                                   | 04/01/2021    | 29/01/2021      | €0.1662        | 19            | €3                   | 01/07/2020 – 31/12/2020 |
| <b>Total Distributions for Emerging Markets Income Fund</b> |               |                 |                |               | <b>US\$2,012,462</b> |                         |

| 31 December 2021                          | Date declared | Date of payment | Rate per share | No. of shares | Amount               | Relevant period         |
|---|---------------|-----------------|----------------|---------------|----------------------|-------------------------|
| <b>European ex UK Income Fund</b>         |               |                 |                |               |                      |                         |
| <b>Class I Distribution Shares</b>        |               |                 |                |               | <b>GBP£141,674</b>   |                         |
| Class I Sterling Distribution             | 04/01/2021    | 29/01/2021      | £0.0425        | 362,530       | £15,408              | 01/10/2020 – 31/12/2020 |
| Class I Sterling Distribution             | 01/04/2021    | 30/04/2021      | £0.0561        | 347,393       | £19,489              | 01/01/2021 – 31/03/2021 |
| Class I Sterling Distribution             | 01/07/2021    | 30/07/2021      | £0.2132        | 383,530       | £81,769              | 01/04/2021 – 30/06/2021 |
| Class I Sterling Distribution             | 01/10/2021    | 29/10/2021      | £0.0628        | 398,233       | £25,009              | 01/07/2021 – 30/09/2021 |
| <b>Class S Distribution Shares</b>        |               |                 |                |               | <b>GBP£1,407,669</b> |                         |
| Class S Sterling Distribution             | 04/01/2021    | 29/01/2021      | £0.0427        | 3,564,728     | £152,214             | 01/10/2020 – 31/12/2020 |
| Class S Sterling Distribution             | 01/04/2021    | 30/04/2021      | £0.0566        | 3,768,028     | £213,270             | 01/01/2021 – 31/03/2021 |
| Class S Sterling Distribution             | 01/07/2021    | 30/07/2021      | £0.2148        | 3,811,546     | £818,720             | 01/04/2021 – 30/06/2021 |
| Class S Sterling Distribution             | 01/10/2021    | 29/10/2021      | £0.0633        | 3,530,241     | £223,464             | 01/07/2021 – 30/09/2021 |
| <b>Class I Hedged Distribution Shares</b> |               |                 |                |               | <b>GBP£2,376</b>     |                         |
| Class I Sterling Hedged Distribution      | 04/01/2021    | 29/01/2021      | £0.0479        | 8,959         | £429                 | 01/10/2020 – 31/12/2020 |
| Class I Sterling Hedged Distribution      | 01/04/2021    | 30/04/2021      | £0.0663        | 3,940         | £261                 | 01/01/2021 – 31/03/2021 |
| Class I Sterling Hedged Distribution      | 01/07/2021    | 30/07/2021      | £0.2527        | 4,679         | £1,182               | 01/04/2021 – 30/06/2021 |
| Class I Sterling Hedged Distribution      | 01/10/2021    | 29/10/2021      | £0.0752        | 6,692         | £503                 | 01/07/2021 – 30/09/2021 |



| 31 December 2021  | Date declared | Date of payment | Rate per share | No. of shares | Amount               | Relevant period         |
|---|---------------|-----------------|----------------|---------------|----------------------|-------------------------|
| <b>European ex UK Income Fund</b> continued                 |               |                 |                |               |                      |                         |
| <b>Class S Hedged Distribution Shares</b>                   |               |                 |                |               | <b>GBP£716,518</b>   |                         |
| Class S Sterling Hedged Distribution                        | 04/01/2021    | 29/01/2021      | £0.0482        | 3,484,880     | £167,971             | 01/10/2020 – 31/12/2020 |
| Class S Sterling Hedged Distribution                        | 01/04/2021    | 30/04/2021      | £0.0665        | 1,906,971     | £126,814             | 01/01/2021 – 31/03/2021 |
| Class S Sterling Hedged Distribution                        | 01/07/2021    | 30/07/2021      | £0.2540        | 1,645,615     | £417,986             | 01/04/2021 – 30/06/2021 |
| Class S Sterling Hedged Distribution                        | 01/10/2021    | 29/10/2021      | £0.0755        | 49,631        | £3,747               | 01/07/2021 – 30/09/2021 |
| <b>Class X Distribution Shares</b>                          |               |                 |                |               | <b>GBP£2,598,404</b> |                         |
| Class X Sterling Distribution                               | 04/01/2021    | 29/01/2021      | £0.0479        | 7,509,538     | £359,707             | 01/10/2020 – 31/12/2020 |
| Class X Sterling Distribution                               | 01/04/2021    | 30/04/2021      | £0.0632        | 6,709,538     | £424,043             | 01/01/2021 – 31/03/2021 |
| Class X Sterling Distribution                               | 01/07/2021    | 30/07/2021      | £0.2398        | 6,072,338.91  | £1,456,147           | 01/04/2021 – 30/06/2021 |
| Class X Sterling Distribution                               | 01/10/2021    | 29/10/2021      | £0.0704        | 5,092,442     | £358,508             | 01/07/2021 – 30/09/2021 |
| <b>Total Distributions for European ex UK Income Fund</b>   |               |                 |                |               | <b>EUR€5,627,689</b> |                         |
| <b>Financial Opportunities Fund</b>                         |               |                 |                |               |                      |                         |
| <b>Class R Distributing Shares</b>                          |               |                 |                |               | <b>US\$2,033</b>     |                         |
| Class R US Dollar Distribution                              | 04/01/2021    | 29/01/2021      | \$0.0775       | 9             | \$1                  | 01/07/2020 – 31/12/2020 |
| Class R Sterling Distribution                               | 04/01/2021    | 29/01/2021      | £0.0567        | 8,073         | £458                 | 01/07/2020 – 31/12/2020 |
| Class R Euro Distribution                                   | 04/01/2021    | 29/01/2021      | €0.0634        | 6             | €0                   | 01/07/2020 – 31/12/2020 |
| Class R US Dollar Distribution                              | 01/07/2021    | 30/07/2021      | \$0.1519       | 9             | \$1                  | 01/04/2021 – 30/06/2021 |
| Class R Sterling Distribution                               | 01/07/2021    | 30/07/2021      | £0.1099        | 8,092         | £889                 | 01/04/2021 – 30/06/2021 |
| Class R Euro Distribution                                   | 01/07/2021    | 30/07/2021      | €0.1281        | 1,163         | €149                 | 01/04/2021 – 30/06/2021 |
| <b>Class I Distributing Shares</b>                          |               |                 |                |               | <b>US\$99,619</b>    |                         |
| Class I US Dollar Distribution                              | 04/01/2021    | 29/01/2021      | \$0.0810       | 8,715         | \$706                | 01/07/2020 – 31/12/2020 |
| Class I Sterling Distribution                               | 04/01/2021    | 29/01/2021      | £0.0592        | 325,402       | £19,264              | 01/07/2020 – 31/12/2020 |
| Class I Euro Distribution                                   | 04/01/2021    | 29/01/2021      | €0.0662        | 88,378        | €5,851               | 01/07/2020 – 31/12/2020 |
| Class I US Dollar Distribution                              | 01/07/2021    | 30/07/2021      | \$0.1588       | 9,149         | \$1,453              | 01/04/2021 – 30/06/2021 |
| Class I Sterling Distribution                               | 01/07/2021    | 30/07/2021      | £0.1149        | 313,547       | £36,027              | 01/04/2021 – 30/06/2021 |
| Class I Euro Distribution                                   | 01/07/2021    | 30/07/2021      | €0.1339        | 89,121        | €11,933              | 01/04/2021 – 30/06/2021 |
| <b>Class S Distributing Shares</b>                          |               |                 |                |               | <b>US\$85,652</b>    |                         |
| Class S US Dollar Distribution                              | 04/01/2021    | 29/01/2021      | €0.0537        | 266,814       | €14,328              | 01/07/2020 – 31/12/2020 |
| Class S Sterling Distribution                               | 04/01/2021    | 29/01/2021      | €0.0393        | 13            | €1                   | 01/07/2020 – 31/12/2020 |
| Class S US Dollar Distribution                              | 01/07/2021    | 30/07/2021      | €0.1448        | 484,663       | £70,179              | 01/04/2021 – 30/06/2021 |
| Class S Sterling Distribution                               | 01/07/2021    | 30/07/2021      | €0.1048        | 7,903         | €828                 | 01/04/2021 – 30/06/2021 |
| <b>Total Distributions for Financial Opportunities Fund</b> |               |                 |                |               | <b>US\$187,304</b>   |                         |

## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 13. Distributions continued

| 31 December 2021                   | Date declared | Date of payment | Rate per share | No. of shares | Amount                | Relevant period         |
|------------------------------------|---------------|-----------------|----------------|---------------|-----------------------|-------------------------|
| <b>Global Convertible Fund</b>     |               |                 |                |               |                       |                         |
| <b>Class R Distributing Shares</b> |               |                 |                |               | <b>US\$135,334</b>    |                         |
| Class R US Dollar Distribution     | 04/01/2021    | 29/01/2021      | \$0.1329       | 79,412        | \$10,554              | 01/10/2020 – 31/12/2020 |
| Class R Sterling Distribution      | 04/01/2021    | 29/01/2021      | £0.0972        | 11,134        | £1,082                | 01/10/2020 – 31/12/2020 |
| Class R Euro Distribution          | 04/01/2021    | 29/01/2021      | €0.1086        | 154,760       | €16,807               | 01/10/2020 – 31/12/2020 |
| Class R US Dollar Distribution     | 01/04/2021    | 30/04/2021      | \$0.1213       | 81,742        | \$9,915               | 01/01/2021 – 31/03/2021 |
| Class R Sterling Distribution      | 01/04/2021    | 30/04/2021      | £0.0879        | 21,195        | £1,863                | 01/01/2021 – 31/03/2021 |
| Class R Euro Distribution          | 01/04/2021    | 30/04/2021      | €0.1032        | 152,850       | €15,774               | 01/01/2021 – 31/03/2021 |
| Class R US Dollar Distribution     | 01/07/2021    | 31/07/2021      | \$0.1227       | 96,723        | \$11,868              | 01/04/2021 – 30/06/2021 |
| Class R Sterling Distribution      | 01/07/2021    | 31/07/2021      | £0.0888        | 23,634        | £2,099                | 01/04/2021 – 30/06/2021 |
| Class R Euro Distribution          | 01/07/2021    | 31/07/2021      | €0.1035        | 179,130       | €18,540               | 01/04/2021 – 30/06/2021 |
| Class R US Dollar Distribution     | 01/10/2021    | 29/10/2021      | \$0.1142       | 104,805       | \$11,969              | 01/07/2021 – 30/09/2021 |
| Class R Sterling Distribution      | 01/10/2021    | 29/10/2021      | £0.0847        | 26,124        | £2,213                | 01/07/2021 – 30/09/2021 |
| Class R Euro Distribution          | 01/10/2021    | 29/10/2021      | €0.0985        | 175,193       | €17,257               | 01/07/2021 – 30/09/2021 |
| <b>Class I Distributing Shares</b> |               |                 |                |               | <b>US\$9,331,289</b>  |                         |
| Class I US Dollar Distribution     | 04/01/2021    | 29/01/2021      | \$0.1374       | 315,516       | \$43,352              | 01/10/2020 – 31/12/2020 |
| Class I Sterling Distribution      | 04/01/2021    | 29/01/2021      | £0.1005        | 16,920,484    | £1,700,509            | 01/10/2020 – 31/12/2020 |
| Class I Euro Distribution          | 04/01/2021    | 29/01/2021      | €0.1123        | 220,828       | €24,799               | 01/10/2020 – 31/12/2020 |
| Class I US Dollar Distribution     | 01/04/2021    | 30/04/2021      | \$0.1255       | 326,369       | \$40,959              | 01/01/2021 – 31/03/2021 |
| Class I Sterling Distribution      | 01/04/2021    | 30/04/2021      | £0.0910        | 17,501,487    | £1,592,635            | 01/01/2021 – 31/03/2021 |
| Class I Euro Distribution          | 01/04/2021    | 30/04/2021      | €0.1068        | 185,127       | €19,772               | 01/01/2021 – 31/03/2021 |
| Class I US Dollar Distribution     | 01/07/2021    | 31/07/2021      | \$0.1272       | 326,448       | \$41,524              | 01/04/2021 – 30/06/2021 |
| Class I Sterling Distribution      | 01/07/2021    | 31/07/2021      | £0.0921        | 18,239,323    | £1,679,842            | 01/04/2021 – 30/06/2021 |
| Class I Euro Distribution          | 01/07/2021    | 31/07/2021      | €0.1073        | 186,092       | €19,968               | 01/04/2021 – 30/06/2021 |
| Class I US Dollar Distribution     | 01/10/2021    | 29/10/2021      | \$0.1186       | 262,460       | \$31,128              | 01/07/2021 – 30/09/2021 |
| Class I Sterling Distribution      | 01/10/2021    | 29/10/2021      | £0.0880        | 18,814,235    | £1,655,653            | 01/07/2021 – 30/09/2021 |
| Class I Euro Distribution          | 01/10/2021    | 29/10/2021      | €0.1023        | 191,823       | €19,624               | 01/07/2021 – 30/09/2021 |
| <b>Class S Distributing Shares</b> |               |                 |                |               | <b>US\$14,682,837</b> |                         |
| Class S US Dollar Distribution     | 04/01/2021    | 29/01/2021      | \$0.1239       | 257,825       | \$31,945              | 01/10/2020 – 31/12/2020 |
| Class S Sterling Distribution      | 04/01/2021    | 29/01/2021      | £0.0906        | 28,828,417    | £2,611,855            | 01/10/2020 – 31/12/2020 |
| Class S Euro Distribution          | 04/01/2021    | 29/01/2021      | €0.1013        | 178           | €18                   | 01/10/2020 – 31/12/2020 |
| Class S US Dollar Distribution     | 01/04/2021    | 30/04/2021      | \$0.1134       | 267,077       | \$30,286              | 01/01/2021 – 31/03/2021 |
| Class S Sterling Distribution      | 01/04/2021    | 30/04/2021      | £0.0822        | 29,915,744    | £2,459,074            | 01/01/2021 – 31/03/2021 |
| Class S Euro Distribution          | 01/04/2021    | 30/04/2021      | €0.0965        | 179           | €17                   | 01/01/2021 – 31/03/2021 |
| Class S US Dollar Distribution     | 01/07/2021    | 31/07/2021      | \$0.1147       | 394,543       | \$45,254              | 01/04/2021 – 30/06/2021 |
| Class S Sterling Distribution      | 01/07/2021    | 31/07/2021      | £0.0830        | 33,531,853    | £2,783,144            | 01/04/2021 – 30/06/2021 |
| Class S Euro Distribution          | 01/07/2021    | 31/07/2021      | €0.0967        | 61,133        | €5,912                | 01/04/2021 – 30/06/2021 |
| Class S US Dollar Distribution     | 01/10/2021    | 29/10/2021      | \$0.1075       | 397,791       | \$42,763              | 01/07/2021 – 30/09/2021 |
| Class S Sterling Distribution      | 01/10/2021    | 29/10/2021      | £0.0797        | 34,517,997    | £2,751,084            | 01/07/2021 – 30/09/2021 |
| Class S Euro Distribution          | 01/10/2021    | 29/10/2021      | €0.0928        | 65,562        | €6,084                | 01/07/2021 – 30/09/2021 |



| 31 December 2021   | Date declared | Date of payment | Rate per share | No. of shares | Amount                | Relevant period         |
|--|---------------|-----------------|----------------|---------------|-----------------------|-------------------------|
| <b>Global Convertible Fund</b> continued                     |               |                 |                |               |                       |                         |
| <b>Class I Hedged Distributing Shares</b>                    |               |                 |                |               | <b>GBP£561,870</b>    |                         |
| Class I Hedged Sterling Distribution                         | 04/01/2021    | 29/01/2021      | £0.1126        | 2,684,202     | £302,241              | 01/10/2020 – 31/12/2020 |
| Class I Hedged Sterling Distribution                         | 01/04/2021    | 30/04/2021      | £0.1027        | 2,528,028     | £259,628              | 01/01/2021 – 31/03/2021 |
| Class I Hedged Sterling Distribution                         | 01/07/2021    | 31/07/2021      | £0.1039        | 2,923,761     | £303,779              | 01/04/2021 – 30/06/2021 |
| Class I Hedged Sterling Distribution                         | 01/10/2021    | 29/10/2021      | £0.0967        | 2,885,834     | £279,060              | 01/07/2021 – 30/09/2021 |
| <b>Class S Hedged Distributing Shares</b>                    |               |                 |                |               | <b>GBP£46,625</b>     |                         |
| Class S Hedged Sterling Distribution                         | 04/01/2021    | 29/01/2021      | £0.1149        | 249,944       | £28,719               | 01/10/2020 – 31/12/2020 |
| Class S Hedged Sterling Distribution                         | 01/04/2021    | 30/04/2021      | £0.1046        | 171,185       | £17,906               | 01/01/2021 – 31/03/2021 |
| Class S Hedged Sterling Distribution                         | 01/07/2021    | 31/07/2021      | £0.1059        | 174,116       | £18,439               | 01/04/2021 – 30/06/2021 |
| Class S Hedged Sterling Distribution                         | 01/10/2021    | 29/10/2021      | £0.0998        | 193,089       | £19,270               | 01/07/2021 – 30/09/2021 |
| <b>Class Portfolio Currency Hedged I Distribution Shares</b> |               |                 |                |               | <b>GBP£1,369,910</b>  |                         |
| Class Portfolio Currency Hedged Sterling I Distribution      | 04/01/2021    | 29/01/2021      | £0.1264        | 5,694,126     | £719,738              | 01/10/2020 – 31/12/2020 |
| Class Portfolio Currency Hedged Sterling I Distribution      | 01/04/2021    | 30/04/2021      | £0.1172        | 5,547,549     | £650,173              | 01/01/2021 – 31/03/2021 |
| Class Portfolio Currency Hedged Sterling I Distribution      | 01/07/2021    | 31/07/2021      | £0.1183        | 5,532,420     | £654,485              | 01/04/2021 – 30/06/2021 |
| Class Portfolio Currency Hedged Sterling I Distribution      | 01/10/2021    | 29/10/2021      | £0.1109        | 4,636,764     | £514,217              | 01/07/2021 – 30/09/2021 |
| <b>Class Portfolio Currency Hedged S Distribution Shares</b> |               |                 |                |               | <b>GBP£1,762,282</b>  |                         |
| Class Portfolio Currency Hedged Sterling S Distribution      | 04/01/2021    | 29/01/2021      | £0.1272        | 7,283,402     | £926,449              | 01/10/2020 – 31/12/2020 |
| Class Portfolio Currency Hedged Sterling S Distribution      | 01/04/2021    | 30/04/2021      | £0.1181        | 7,077,336     | £835,833              | 01/01/2021 – 31/03/2021 |
| Class Portfolio Currency Hedged Sterling S Distribution      | 01/07/2021    | 31/07/2021      | £0.1191        | 7,262,785     | £864,998              | 01/04/2021 – 30/06/2021 |
| Class Portfolio Currency Hedged Sterling S Distribution      | 01/10/2021    | 29/10/2021      | £0.1118        | 7,270,043     | £812,791              | 01/07/2021 – 30/09/2021 |
| <b>Total Distributions for Global Convertible Fund</b>       |               |                 |                |               | <b>US\$34,011,104</b> |                         |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 13. Distributions continued

| 31 December 2021                                     | Date declared | Date of payment | Rate per share | No. of shares | Amount                | Relevant period         |
|--|---------------|-----------------|----------------|---------------|-----------------------|-------------------------|
| <b>Global Insurance Fund</b>                         |               |                 |                |               |                       |                         |
| <b>Class R Distributing Shares</b>                   |               |                 |                |               | <b>GBP£283,735</b>    |                         |
| Class R US Dollar Distribution                       | 04/01/2021    | 29/01/2021      | \$0.0158       | 183,594       | \$2,901               | 01/10/2020 – 31/12/2020 |
| Class R Sterling Distribution                        | 04/01/2021    | 29/01/2021      | £0.0116        | 3,297,184     | £38,247               | 01/10/2020 – 31/12/2020 |
| Class R Euro Distribution                            | 04/01/2021    | 29/01/2021      | €0.0129        | 339,185       | €4,375                | 01/10/2020 – 31/12/2020 |
| Class R US Dollar Distribution                       | 01/04/2021    | 30/04/2021      | \$0.0279       | 190,626       | \$5,318               | 01/01/2021 – 31/03/2021 |
| Class R Sterling Distribution                        | 01/04/2021    | 30/04/2021      | £0.0203        | 3,218,559     | £65,337               | 01/01/2021 – 31/03/2021 |
| Class R Euro Distribution                            | 01/04/2021    | 30/04/2021      | €0.0238        | 338,959       | €8,067                | 01/01/2021 – 31/03/2021 |
| Class R US Dollar Distribution                       | 01/07/2021    | 30/07/2021      | \$0.0359       | 184,638       | \$6,628               | 01/04/2021 – 30/06/2021 |
| Class R Sterling Distribution                        | 01/07/2021    | 30/07/2021      | £0.0260        | 3,215,311     | £83,598               | 01/04/2021 – 30/06/2021 |
| Class R Euro Distribution                            | 01/07/2021    | 30/07/2021      | €0.0302        | 339,655       | €10,258               | 01/04/2021 – 30/06/2021 |
| Class R US Dollar Distribution                       | 01/10/2021    | 29/10/2021      | \$0.0240       | 174,058       | \$4,177.3858          | 01/07/2021 – 30/09/2021 |
| Class R Sterling Distribution                        | 01/10/2021    | 29/10/2021      | £0.0178        | 3,212,708     | £57,186               | 01/07/2021 – 30/09/2021 |
| Class R Euro Distribution                            | 01/10/2021    | 29/10/2021      | €0.0207        | 328,788       | €6,806                | 01/07/2021 – 30/09/2021 |
| <b>Class I Distributing Shares</b>                   |               |                 |                |               | <b>GBP£3,298,234</b>  |                         |
| Class I US Dollar Distribution                       | 04/01/2021    | 29/01/2021      | \$0.0166       | 2,622,512     | \$43,534              | 01/10/2020 – 31/12/2020 |
| Class I Sterling Distribution                        | 04/01/2021    | 29/01/2021      | £0.0121        | 35,407,929    | £428,436              | 01/10/2020 – 31/12/2020 |
| Class I Euro Distribution                            | 04/01/2021    | 29/01/2021      | €0.0135        | 1,608,411     | €21,714               | 01/10/2020 – 31/12/2020 |
| Class I US Dollar Distribution                       | 01/04/2021    | 30/04/2021      | \$0.0294       | 2,617,357     | \$76,950              | 01/01/2021 – 31/03/2021 |
| Class I Sterling Distribution                        | 01/04/2021    | 30/04/2021      | £0.0213        | 36,537,746    | £778,254              | 01/01/2021 – 31/03/2021 |
| Class I Euro Distribution                            | 01/04/2021    | 30/04/2021      | €0.0250        | 1,576,608     | €39,415               | 01/01/2021 – 31/03/2021 |
| Class I US Dollar Distribution                       | 01/07/2021    | 30/07/2021      | \$0.0377       | 2,744,285     | \$103,460             | 01/04/2021 – 30/06/2021 |
| Class I Sterling Distribution                        | 01/07/2021    | 30/07/2021      | £0.0273        | 36,466,034    | £995,523              | 01/04/2021 – 30/06/2021 |
| Class I Euro Distribution                            | 01/07/2021    | 30/07/2021      | €0.0318        | 1,578,108     | €50,184               | 01/04/2021 – 30/06/2021 |
| Class I US Dollar Distribution                       | 01/10/2021    | 29/10/2021      | \$0.0252       | 2,885,250     | \$72,708.2913         | 01/07/2021 – 30/09/2021 |
| Class I Sterling Distribution                        | 01/10/2021    | 29/10/2021      | £0.0187        | 40,326,210    | £754,100              | 01/07/2021 – 30/09/2021 |
| Class I Euro Distribution                            | 01/10/2021    | 29/10/2021      | €0.0218        | 1,574,358     | €34,321               | 01/07/2021 – 30/09/2021 |
| <b>Class A Distributing Shares</b>                   |               |                 |                |               | <b>GBP£17,845</b>     |                         |
| Class A Sterling Distribution                        | 04/01/2021    | 29/01/2021      | £0.0119        | 269,148       | £3,203                | 01/10/2020 – 31/12/2020 |
| Class A Sterling Distribution                        | 01/04/2021    | 30/04/2021      | £0.0206        | 269,223       | £5,546                | 01/01/2021 – 31/03/2021 |
| Class A Sterling Distribution                        | 01/07/2021    | 30/07/2021      | £0.0266        | 203,788       | £5,421                | 01/04/2021 – 30/06/2021 |
| Class A Sterling Distribution                        | 01/10/2021    | 29/10/2021      | £0.0182        | 201,919       | £3,675                | 01/07/2021 – 30/09/2021 |
| <b>Class E Distributing Shares</b>                   |               |                 |                |               | <b>GBP£7,759,155</b>  |                         |
| Class E Sterling Distribution                        | 04/01/2021    | 29/01/2021      | £0.0125        | 97,072,435    | £1,213,405            | 01/10/2020 – 31/12/2020 |
| Class E Sterling Distribution                        | 01/04/2021    | 30/04/2021      | £0.0217        | 93,920,954    | £2,038,085            | 01/01/2021 – 31/03/2021 |
| Class E Sterling Distribution                        | 01/07/2021    | 30/07/2021      | £0.0279        | 95,297,630    | £2,658,804            | 01/04/2021 – 30/06/2021 |
| Class E Sterling Distribution                        | 01/10/2021    | 29/10/2021      | £0.0191        | 96,799,029    | £1,848,861            | 01/07/2021 – 30/09/2021 |
| <b>Total Distributions for Global Insurance Fund</b> |               |                 |                |               | <b>GBP£11,359,000</b> |                         |



| 31 December 2021   | Date declared | Date of payment | Rate per share | No. of shares | Amount             | Relevant period         |
|--|---------------|-----------------|----------------|---------------|--------------------|-------------------------|
| <b>Healthcare Blue Chip Fund</b>                         |               |                 |                |               |                    |                         |
| <b>Class I Distributing Shares</b>                       |               |                 |                |               | <b>US\$24,029</b>  |                         |
| Class I US Dollar Distribution                           | 04/01/2021    | 29/01/2021      | \$0.0999       | 3,736         | \$373              | 01/01/2020 – 31/12/2020 |
| Class I Sterling Distribution                            | 04/01/2021    | 29/01/2021      | £0.0731        | 195,401       | £14,284            | 01/01/2020 – 31/12/2020 |
| Class I Euro Distribution                                | 04/01/2021    | 29/01/2021      | €0.0817        | 41,397        | €3,382             | 01/01/2020 – 31/12/2020 |
| <b>Class S Distributing Shares</b>                       |               |                 |                |               | <b>US\$5,247</b>   |                         |
| Class S US Dollar Distribution                           | 04/01/2021    | 29/01/2021      | \$0.1008       | 53            | \$5                | 01/01/2020 – 31/12/2020 |
| Class S Sterling Distribution                            | 04/01/2021    | 29/01/2021      | £0.0737        | 52,002        | £3,833             | 01/01/2020 – 31/12/2020 |
| <b>Class SI Distributing Shares</b>                      |               |                 |                |               | <b>US\$436,238</b> |                         |
| Class SI US Dollar Distribution                          | 04/01/2021    | 29/01/2021      | \$0.0891       | 11,828        | \$1,054            | 01/01/2020 – 31/12/2020 |
| Class SI Sterling Distribution                           | 04/01/2021    | 29/01/2021      | £0.0652        | 4,884,224     | £318,451           | 01/01/2020 – 31/12/2020 |
| <b>Class S Hedged Distribution Shares</b>                |               |                 |                |               | <b>US\$13</b>      |                         |
| Class S Sterling Hedged Distribution                     | 04/01/2021    | 29/01/2021      | 0.0900         | 102           | €9                 | 01/01/2020 – 31/12/2020 |
| <b>Total Distributions for Healthcare Blue Chip Fund</b> |               |                 |                |               | <b>US\$465,527</b> |                         |
| 31 December 2021   | Date declared | Date of payment | Rate per share | No. of shares | Amount             | Relevant period         |
| <b>Income Opportunities Fund</b>                         |               |                 |                |               |                    |                         |
| <b>Class A1 Distribution Shares</b>                      |               |                 |                |               | <b>GBP£348,236</b> |                         |
| Class A1 Sterling Distribution                           | 04/01/2021    | 29/01/2021      | £0.0150        | 4,548,293     | £68,224            | 01/10/2020 – 31/12/2020 |
| Class R US Dollar Distribution                           | 04/01/2021    | 29/01/2021      | \$0.0205       | 1,602,402     | \$32,849           | 01/10/2020 – 31/12/2020 |
| Class R Euro Distribution                                | 04/01/2021    | 29/01/2021      | €0.0168        | 439,628       | €7,386             | 01/10/2020 – 31/12/2020 |
| Class A1 Sterling Distribution                           | 01/04/2021    | 30/04/2021      | £0.0150        | 4,440,621     | £66,609            | 01/01/2021 – 31/03/2021 |
| Class R US Dollar Distribution                           | 01/04/2021    | 30/04/2021      | \$0.0207       | 1,448,702     | \$29,988           | 01/01/2021 – 31/03/2021 |
| Class R Euro Distribution                                | 01/04/2021    | 30/04/2021      | €0.0176        | 375,660       | €6,612             | 01/01/2021 – 31/03/2021 |
| Class A1 Sterling Distribution                           | 01/07/2021    | 30/07/2021      | £0.0152        | 4,145,387     | £62,803            | 01/04/2021 – 30/06/2021 |
| Class R US Dollar Distribution                           | 01/07/2021    | 30/07/2021      | \$0.0209       | 856,345       | \$17,898           | 01/04/2021 – 30/06/2021 |
| Class R Euro Distribution                                | 01/07/2021    | 30/07/2021      | €0.0176        | 375,668       | €6,612             | 01/04/2021 – 30/06/2021 |
| Class A1 Sterling Distribution                           | 01/10/2021    | 29/10/2021      | £0.0152        | 3,841,326     | £58,196.0951       | 01/07/2021 – 30/09/2021 |
| Class R US Dollar Distribution                           | 01/10/2021    | 29/10/2021      | \$0.0204       | 856,352       | \$17,470           | 01/07/2021 – 30/09/2021 |
| Class R Euro Distribution                                | 01/10/2021    | 29/10/2021      | €0.0176        | 62,311        | €1,097             | 01/07/2021 – 30/09/2021 |

## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 13. Distributions continued

| 31 December 2021   | Date declared | Date of payment | Rate per share | No. of shares | Amount               | Relevant period         |
|--|---------------|-----------------|----------------|---------------|----------------------|-------------------------|
| <b>Income Opportunities Fund</b> continued                 |               |                 |                |               |                      |                         |
| <b>Class B1 Distribution Shares</b>                        |               |                 |                |               | <b>GBP£337,131</b>   |                         |
|  | 04/01/2021    | 29/01/2021      | £0.0158        | 5,330,212     | £83,951              | 01/10/2020 – 31/12/2020 |
|  | 04/01/2021    | 29/01/2021      | \$0.0215       | 309,795       | \$6,661              | 01/10/2020 – 31/12/2020 |
|  | 04/01/2021    | 29/01/2021      | €0.0176        | 714           | €13                  | 01/10/2020 – 31/12/2020 |
|  | 01/04/2021    | 30/04/2021      | £0.0158        | 5,124,150     | £80,705              | 01/01/2021 – 31/03/2021 |
|  | 01/04/2021    | 30/04/2021      | \$0.0217       | 309,802       | \$6,723              | 01/01/2021 – 31/03/2021 |
|  | 01/04/2021    | 30/04/2021      | €0.0185        | 723           | €13                  | 01/01/2021 – 31/03/2021 |
|  | 01/07/2021    | 30/07/2021      | £0.0163        | 5,042,411     | £81,939              | 01/04/2021 – 30/06/2021 |
|  | 01/07/2021    | 30/07/2021      | \$0.0224       | 309,809       | \$6,940              | 01/04/2021 – 30/06/2021 |
|  | 01/07/2021    | 30/07/2021      | €0.0189        | 731           | €14                  | 01/04/2021 – 30/06/2021 |
|  | 01/10/2021    | 29/10/2021      | £0.0163        | 4,996,752     | £81,197,2214         | 01/07/2021 – 30/09/2021 |
|  | 01/10/2021    | 29/10/2021      | \$0.0219       | 309,816       | \$6,785              | 01/07/2021 – 30/09/2021 |
|  | 01/10/2021    | 29/10/2021      | €0.0189        | 739           | €14                  | 01/07/2021 – 30/09/2021 |
| <b>Class R Hedged Distribution Shares</b>                  |               |                 |                |               | <b>EUR€61,539</b>    |                         |
|  | 04/01/2021    | 29/01/2021      | €0.1275        | 150,328       | €19,167              | 01/10/2020 – 31/12/2020 |
|  | 01/04/2021    | 30/04/2021      | €0.1275        | 146,810       | €18,718              | 01/01/2021 – 31/03/2021 |
|  | 01/07/2021    | 30/07/2021      | €0.1300        | 95,311        | €12,390              | 01/04/2021 – 30/06/2021 |
|  | 01/10/2021    | 29/10/2021      | €0.1300        | 95,312        | €12,391              | 01/07/2021 – 30/09/2021 |
| <b>Class I Hedged Distribution Shares</b>                  |               |                 |                |               | <b>EUR€465</b>       |                         |
|  | 04/01/2021    | 29/01/2021      | €0.1275        | 923           | €118                 | 01/10/2020 – 31/12/2020 |
|  | 01/04/2021    | 30/04/2021      | €0.1275        | 924           | €118                 | 01/01/2021 – 31/03/2021 |
|  | 01/07/2021    | 30/07/2021      | €0.1300        | 926           | €120                 | 01/04/2021 – 30/06/2021 |
|  | 01/10/2021    | 29/10/2021      | €0.1300        | 927           | €121                 | 01/07/2021 – 30/09/2021 |
| <b>Class R Hedged Distribution Shares</b>                  |               |                 |                |               | <b>US\$381,128</b>   |                         |
|  | 04/01/2021    | 29/01/2021      | \$0.1125       | 1,215,267     | \$136,718            | 01/10/2020 – 31/12/2020 |
|  | 01/04/2021    | 30/04/2021      | €0.1125        | 1,081,194     | \$121,634            | 01/01/2021 – 31/03/2021 |
|  | 01/07/2021    | 30/07/2021      | \$0.1175       | 619,955       | \$72,845             | 01/04/2021 – 30/06/2021 |
|  | 01/10/2021    | 29/10/2021      | €0.1175        | 543,156       | \$63,821             | 01/07/2021 – 30/09/2021 |
| <b>Total Distributions for Income Opportunities Fund</b>   |               |                 |                |               | <b>GBP£1,037,712</b> |                         |
| 31 December 2021   | Date declared | Date of payment | Rate per share | No. of shares | Amount               | Relevant period         |
| <b>UK Value Opportunities Fund</b>                         |               |                 |                |               |                      |                         |
|  | 04/01/2021    | 29/01/2021      | £0.0704        | 7,084,022     | £498,715             | 01/01/2020 – 31/12/2020 |
|  | 04/01/2021    | 29/01/2021      | £0.0785        | 50,401,256    | £3,956,499           | 01/01/2020 – 31/12/2020 |
| <b>Total Distributions for UK Value Opportunities Fund</b> |               |                 |                |               | <b>GBP£4,455,214</b> |                         |



In the financial year ended 31 December 2020 the following Funds declared and paid distributions as follows:

| 31 December 2020  | Date declared | Date of payment | Rate per share | No. of shares | Amount               | Relevant period         |
|---|---------------|-----------------|----------------|---------------|----------------------|-------------------------|
| <b>Emerging Markets Income Fund</b>                         |               |                 |                |               |                      |                         |
| <b>Class R Distributing Shares</b>                          |               |                 |                |               | <b>US\$107,813</b>   |                         |
| Class R US Dollar Distribution                              | 02/01/2020    | 31/01/2020      | \$0.2073       | 244,634.30    | \$50,713             | 01/07/2019 – 31/12/2019 |
| Class R Sterling Distribution                               | 02/01/2020    | 31/01/2020      | £0.1565        | 36,126.66     | £5,654               | 01/07/2019 – 31/12/2019 |
| Class R Euro Distribution                                   | 02/01/2020    | 31/01/2020      | €0.1847        | 10,450.00     | €1,930               | 01/07/2019 – 31/12/2019 |
| Class R US Dollar Distribution                              | 01/07/2020    | 31/07/2020      | \$0.1825       | 219,858.29    | \$40,124             | 01/01/2020 – 30/06/2020 |
| Class R Sterling Distribution                               | 01/07/2020    | 31/07/2020      | £0.1477        | 28,265.34     | £4,175               | 01/01/2020 – 30/06/2020 |
| Class R Euro Distribution                                   | 01/07/2020    | 31/07/2020      | €0.1625        | 11,850.00     | €1,926               | 01/01/2020 – 30/06/2020 |
| <b>Class I Distributing Shares</b>                          |               |                 |                |               | <b>US\$1,882,192</b> |                         |
| Class I US Dollar Distribution                              | 02/01/2020    | 31/01/2020      | \$0.2137       | 53,460.54     | \$11,425             | 01/07/2019 – 31/12/2019 |
| Class I Sterling Distribution                               | 02/01/2020    | 31/01/2020      | £0.1613        | 5,066,321.13  | £817,198             | 01/07/2019 – 31/12/2019 |
| Class I Euro Distribution                                   | 02/01/2020    | 31/01/2020      | €0.1904        | 159,432.19    | €30,356              | 01/07/2019 – 31/12/2019 |
| Class I US Dollar Distribution                              | 01/07/2020    | 31/07/2020      | \$0.1863       | 49,050.39     | \$9,136              | 01/01/2020 – 30/06/2020 |
| Class I Sterling Distribution                               | 01/07/2020    | 31/07/2020      | £0.1507        | 3,832,360.21  | £577,537             | 01/01/2020 – 30/06/2020 |
| Class I Euro Distribution                                   | 01/07/2020    | 31/07/2020      | €0.1658        | 166,822.30    | €27,659              | 01/01/2020 – 30/06/2020 |
| <b>Class S Distributing Shares</b>                          |               |                 |                |               | <b>US\$3,196,704</b> |                         |
| Class S US Dollar Distribution                              | 02/01/2020    | 31/01/2020      | \$0.2187       | 113,514.28    | \$24,826             | 01/07/2019 – 31/12/2019 |
| Class S Sterling Distribution                               | 02/01/2020    | 31/01/2020      | £0.1651        | 7,747,548.81  | £1,279,120           | 01/07/2019 – 31/12/2019 |
| Class S Euro Distribution                                   | 02/01/2020    | 31/01/2020      | €0.1948        | 17.82         | €3                   | 01/07/2019 – 31/12/2019 |
| Class S US Dollar Distribution                              | 01/07/2020    | 31/07/2020      | \$0.1892       | 61,324.28     | \$11,603             | 01/01/2020 – 30/06/2020 |
| Class S Sterling Distribution                               | 01/07/2020    | 31/07/2020      | £0.1531        | 7,747,779.83  | £1,186,185           | 01/01/2020 – 30/06/2020 |
| Class S Euro Distribution                                   | 01/07/2020    | 31/07/2020      | €0.1685        | 18.24         | €3                   | 01/01/2020 – 30/06/2020 |
| <b>Total Distributions for Emerging Markets Income Fund</b> |               |                 |                |               | <b>US\$5,186,709</b> |                         |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 13. Distributions continued

| 31 December 2020  | Date declared | Date of payment | Rate per share | No. of shares | Amount               | Relevant period         |
|---|---------------|-----------------|----------------|---------------|----------------------|-------------------------|
| <b>European ex UK Income Fund</b>                         |               |                 |                |               |                      |                         |
| <b>Class I Distribution Shares</b>                        |               |                 |                |               | <b>GBP£121,863</b>   |                         |
| Class I Sterling Distribution                             | 02/01/2020    | 31/01/2020      | £0.0255        | 399,280.11    | £10,182              | 01/10/2019 – 31/12/2019 |
| Class I Sterling Distribution                             | 01/04/2020    | 30/04/2020      | £0.0658        | 371,115.71    | £24,419              | 01/01/2020 – 31/03/2020 |
| Class I Sterling Distribution                             | 01/07/2020    | 31/07/2020      | £0.1665        | 376,120.16    | £62,624              | 01/04/2020 – 30/06/2020 |
| Class I Sterling Distribution                             | 01/10/2020    | 30/10/2020      | £0.0684        | 360,208.20    | £24,638              | 01/07/2020 – 30/09/2020 |
| <b>Class S Distribution Shares</b>                        |               |                 |                |               | <b>GBP£891,951</b>   |                         |
| Class S Sterling Distribution                             | 02/01/2020    | 31/01/2020      | £0.0257        | 1,070,100.45  | £27,502              | 01/10/2019 – 31/12/2019 |
| Class S Sterling Distribution                             | 01/04/2020    | 30/04/2020      | £0.0663        | 1,124,181.12  | £74,533              | 01/01/2020 – 31/03/2020 |
| Class S Sterling Distribution                             | 01/07/2020    | 31/07/2020      | £0.1676        | 3,307,479.03  | £554,333             | 01/04/2020 – 30/06/2020 |
| Class S Sterling Distribution                             | 01/10/2020    | 30/10/2020      | £0.0690        | 3,414,248.10  | £235,583             | 01/07/2020 – 30/09/2020 |
| <b>Class I Hedged Distribution Shares</b>                 |               |                 |                |               | <b>GBP£8,352</b>     |                         |
| Class I Sterling Hedged Distribution                      | 02/01/2020    | 31/01/2020      | £0.0306        | 22,537.28     | £690                 | 01/10/2019 – 31/12/2019 |
| Class I Sterling Hedged Distribution                      | 01/04/2020    | 30/04/2020      | £0.0760        | 25,949.69     | £1,972               | 01/01/2020 – 31/03/2020 |
| Class I Sterling Hedged Distribution                      | 01/07/2020    | 31/07/2020      | £0.1908        | 25,710.70     | £4,906               | 01/04/2020 – 30/06/2020 |
| Class I Sterling Hedged Distribution                      | 01/10/2020    | 30/10/2020      | £0.0772        | 10,158.18     | £784                 | 01/07/2020 – 30/09/2020 |
| <b>Class S Hedged Distribution Shares</b>                 |               |                 |                |               | <b>GBP£3,995,895</b> |                         |
| Class S Sterling Hedged Distribution                      | 02/01/2020    | 31/01/2020      | £0.0308        | 10,712,050.17 | £329,931             | 01/10/2019 – 31/12/2019 |
| Class S Sterling Hedged Distribution                      | 01/04/2020    | 30/04/2020      | £0.0763        | 10,873,070.10 | £829,615             | 01/01/2020 – 31/03/2020 |
| Class S Sterling Hedged Distribution                      | 01/07/2020    | 31/07/2020      | £0.1917        | 11,221,955.97 | £2,151,249           | 01/04/2020 – 30/06/2020 |
| Class S Sterling Hedged Distribution                      | 01/10/2020    | 30/10/2020      | £0.0775        | 8,839,997.72  | £685,100             | 01/07/2020 – 30/09/2020 |
| <b>Class X Distribution Shares</b>                        |               |                 |                |               | <b>GBP£2,459,160</b> |                         |
| Class X Sterling Distribution                             | 02/01/2020    | 31/01/2020      | £0.0034        | 6,129,833.08  | £20,841              | 01/10/2019 – 31/12/2019 |
| Class X Sterling Distribution                             | 01/04/2020    | 30/04/2020      | £0.0520        | 6,059,033.11  | £315,070             | 01/01/2020 – 31/03/2020 |
| Class X Sterling Distribution                             | 01/07/2020    | 31/07/2020      | £0.2640        | 6,113,033.71  | £1,613,841           | 01/04/2020 – 30/06/2020 |
| Class X Sterling Distribution                             | 01/10/2020    | 30/10/2020      | £0.0776        | 6,564,536.7   | £509,408             | 01/07/2020 – 30/09/2020 |
| <b>Total Distributions for European ex UK Income Fund</b> |               |                 |                |               | <b>EUR€8,438,293</b> |                         |



| 31 December 2020  | Date declared | Date of payment | Rate per share | No. of shares | Amount             | Relevant period         |
|---|---------------|-----------------|----------------|---------------|--------------------|-------------------------|
| <b>Financial Opportunities Fund</b>                         |               |                 |                |               |                    |                         |
| <b>Class R Distributing Shares</b>                          |               |                 |                |               | <b>US\$1,928</b>   |                         |
| Class R US Dollar Distribution                              | 02/01/2020    | 31/01/2020      | \$0.1092       | 8.46          | \$1                | 01/01/2019 – 31/12/2019 |
| Class R Sterling Distribution                               | 02/01/2020    | 31/01/2020      | £0.0824        | 6,471.75      | £533               | 01/01/2019 – 31/12/2019 |
| Class R Euro Distribution                                   | 02/01/2020    | 31/01/2020      | €0.0973        | 14.06         | €1                 | 01/01/2019 – 31/12/2019 |
| Class R US Dollar Distribution                              | 01/07/2020    | 31/07/2020      | \$0.1455       | 8.53          | \$1                | 01/01/2020 – 30/06/2020 |
| Class R Sterling Distribution                               | 01/07/2020    | 31/07/2020      | £0.1178        | 8,364.55      | £985               | 01/01/2020 – 30/06/2020 |
| Class R Euro Distribution                                   | 01/07/2020    | 31/07/2020      | €0.1296        | 5.67          | €1                 | 01/01/2020 – 30/06/2020 |
| <b>Class I Distributing Shares</b>                          |               |                 |                |               | <b>US\$158,770</b> |                         |
| Class I US Dollar Distribution                              | 02/01/2020    | 31/01/2020      | \$0.1135       | 276,703.06    | \$31,406           | 01/01/2019 – 31/12/2019 |
| Class I Sterling Distribution                               | 02/01/2020    | 31/01/2020      | £0.0857        | 262,699.47    | £22,513            | 01/01/2019 – 31/12/2019 |
| Class I Euro Distribution                                   | 02/01/2020    | 31/01/2020      | €0.1011        | 85,579.26     | €8,652             | 01/01/2019 – 31/12/2019 |
| Class I US Dollar Distribution                              | 01/07/2020    | 31/07/2020      | \$0.1516       | 254,473.11    | \$38,578           | 01/01/2020 – 30/06/2020 |
| Class I Sterling Distribution                               | 01/07/2020    | 31/07/2020      | £0.1227        | 238,651.55    | £29,283            | 01/01/2020 – 30/06/2020 |
| Class I Euro Distribution                                   | 01/07/2020    | 31/07/2020      | €0.1349        | 86,262.13     | €11,637            | 01/01/2020 – 30/06/2020 |
| <b>Total Distributions for Financial Opportunities Fund</b> |               |                 |                |               | <b>US\$160,699</b> |                         |
| 31 December 2020  | Date declared | Date of payment | Rate per share | No. of shares | Amount             | Relevant period         |
| <b>Global Convertible Fund</b>                              |               |                 |                |               |                    |                         |
| <b>Class R Distributing Shares</b>                          |               |                 |                |               | <b>US\$104,334</b> |                         |
| Class R US Dollar Distribution                              | 02/01/2020    | 31/01/2020      | \$0.1037       | 105,352.27    | \$10,925           | 01/10/2019 – 31/12/2019 |
| Class R Sterling Distribution                               | 02/01/2020    | 31/01/2020      | £0.0782        | 196.76        | £15                | 01/10/2019 – 31/12/2019 |
| Class R Euro Distribution                                   | 02/01/2020    | 31/01/2020      | €0.0924        | 121,793.28    | €11,254            | 01/10/2019 – 31/12/2019 |
| Class R US Dollar Distribution                              | 01/04/2020    | 30/04/2020      | \$0.0906       | 91,958.54     | \$8,331            | 01/01/2020 – 31/03/2020 |
| Class R Sterling Distribution                               | 01/04/2020    | 30/04/2020      | £0.0731        | 198.70        | £15                | 01/01/2020 – 31/03/2020 |
| Class R Euro Distribution                                   | 01/04/2020    | 30/04/2020      | €0.0826        | 140,833.82    | €11,633            | 01/01/2020 – 31/03/2020 |
| Class R US Dollar Distribution                              | 01/07/2020    | 31/07/2020      | \$0.1111       | 98,259.75     | \$10,917           | 01/04/2020 – 30/06/2020 |
| Class R Sterling Distribution                               | 01/07/2020    | 31/07/2020      | £0.0899        | 200.57        | £18                | 01/04/2020 – 30/06/2020 |
| Class R Euro Distribution                                   | 01/07/2020    | 31/07/2020      | €0.0989        | 140,756.51    | €13,921            | 01/04/2020 – 30/06/2020 |
| Class R US Dollar Distribution                              | 01/10/2020    | 30/10/2020      | \$0.1165       | 118,111.06    | \$13,760           | 01/07/2020 – 30/09/2020 |
| Class R Sterling Distribution                               | 01/10/2020    | 30/10/2020      | £0.0901        | 202.71        | £18                | 01/07/2020 – 30/09/2020 |
| Class R Euro Distribution                                   | 01/10/2020    | 30/10/2020      | €0.0993        | 165,569.19    | €16,441            | 01/07/2020 – 30/09/2020 |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

## 13. Distributions continued

| 31 December 2020                          | Date declared | Date of payment | Rate per share | No. of shares | Amount                | Relevant period         |
|---|---------------|-----------------|----------------|---------------|-----------------------|-------------------------|
| <b>Global Convertible Fund</b> continued  |               |                 |                |               |                       |                         |
| <b>Class I Distributing Shares</b>        |               |                 |                |               | <b>US\$7,958,741</b>  |                         |
| Class I US Dollar Distribution            | 02/01/2020    | 31/01/2020      | \$0.1067       | 296,096.42    | \$31,593              | 01/10/2019 – 31/12/2019 |
| Class I Sterling Distribution             | 02/01/2020    | 31/01/2020      | £0.0804        | 16,604,638.65 | £1,335,013            | 01/10/2019 – 31/12/2019 |
| Class I Euro Distribution                 | 02/01/2020    | 31/01/2020      | €0.0950        | 212,910.10    | €20,226               | 01/10/2019 – 31/12/2019 |
| Class I US Dollar Distribution            | 01/04/2020    | 30/04/2020      | \$0.0927       | 279,304.90    | \$25,892              | 01/01/2020 – 31/03/2020 |
| Class I Sterling Distribution             | 01/04/2020    | 30/04/2020      | £0.0748        | 18,447,384.40 | £1,379,864            | 01/01/2020 – 31/03/2020 |
| Class I Euro Distribution                 | 01/04/2020    | 30/04/2020      | €0.0845        | 238,770.10    | €20,176               | 01/01/2020 – 31/03/2020 |
| Class I US Dollar Distribution            | 01/07/2020    | 31/07/2020      | \$0.1146       | 287,908.51    | \$32,994              | 01/04/2020 – 30/06/2020 |
| Class I Sterling Distribution             | 01/07/2020    | 31/07/2020      | £0.0927        | 18,425,349.09 | £1,708,030            | 01/04/2020 – 30/06/2020 |
| Class I Euro Distribution                 | 01/07/2020    | 31/07/2020      | €0.1020        | 216,827.65    | €22,116               | 01/04/2020 – 30/06/2020 |
| Class I US Dollar Distribution            | 01/10/2020    | 30/10/2020      | \$0.1204       | 319,880.65    | \$38,514              | 01/07/2020 – 30/09/2020 |
| Class I Sterling Distribution             | 01/10/2020    | 30/10/2020      | £0.0931        | 17,779,149.47 | £1,655,239            | 01/07/2020 – 30/09/2020 |
| Class I Euro Distribution                 | 01/10/2020    | 30/10/2020      | €0.1027        | 216,827.65    | €22,268               | 01/07/2020 – 30/09/2020 |
| <b>Class S Distributing Shares</b>        |               |                 |                |               | <b>US\$12,209,934</b> |                         |
| Class S US Dollar Distribution            | 02/01/2020    | 31/01/2020      | \$0.0959       | 347,107.06    | \$33,288              | 01/10/2019 – 31/12/2019 |
| Class S Sterling Distribution             | 02/01/2020    | 31/01/2020      | £0.0723        | 37,005,989.75 | £2,675,533            | 01/10/2019 – 31/12/2019 |
| Class S Euro Distribution                 | 02/01/2020    | 31/01/2020      | €0.0854        | 175.39        | €15                   | 01/10/2019 – 31/12/2019 |
| Class S US Dollar Distribution            | 01/04/2020    | 30/04/2020      | \$0.0845       | 332,911.84    | \$28,131              | 01/01/2020 – 31/03/2020 |
| Class S Sterling Distribution             | 01/04/2020    | 30/04/2020      | £0.0681        | 32,134,219.38 | £2,188,340            | 01/01/2020 – 31/03/2020 |
| Class S Euro Distribution                 | 01/04/2020    | 30/04/2020      | €0.0770        | 172.37        | €13                   | 01/01/2020 – 31/03/2020 |
| Class S US Dollar Distribution            | 01/07/2020    | 31/07/2020      | \$0.1031       | 272,899.64    | \$28,136              | 01/04/2020 – 30/06/2020 |
| Class S Sterling Distribution             | 01/07/2020    | 31/07/2020      | £0.0834        | 27,221,937.13 | £2,270,310            | 01/04/2020 – 30/06/2020 |
| Class S Euro Distribution                 | 01/07/2020    | 31/07/2020      | €0.0918        | 173.97        | €16                   | 01/04/2020 – 30/06/2020 |
| Class S US Dollar Distribution            | 01/10/2020    | 30/10/2020      | \$0.1084       | 275,250.92    | \$29,837              | 01/07/2020 – 30/09/2020 |
| Class S Sterling Distribution             | 01/10/2020    | 30/10/2020      | £0.0838        | 27,856,793.15 | £2,334,399            | 01/07/2020 – 30/09/2020 |
| Class S Euro Distribution                 | 01/10/2020    | 30/10/2020      | €0.0924        | 175.77        | €16                   | 01/07/2020 – 30/09/2020 |
| <b>Class I Hedged Distributing Shares</b> |               |                 |                |               | <b>GBP£357,986</b>    |                         |
| Class I Hedged Sterling Distribution      | 02/01/2020    | 31/01/2020      | £0.0895        | 2,497,162.29  | £223,496              | 01/10/2019 – 31/12/2019 |
| Class I Hedged Sterling Distribution      | 01/04/2020    | 30/04/2020      | £0.0769        | 1,748,889.23  | £134,490              | 01/01/2020 – 31/03/2020 |
| Class I Hedged Sterling Distribution      | 01/07/2020    | 31/07/2020      | £0.0944        | 1,667,841.16  | £157,444              | 01/04/2020 – 30/06/2020 |
| Class I Hedged Sterling Distribution      | 01/10/2020    | 30/10/2020      | £0.0991        | 1,690,287.81  | £167,508              | 01/07/2020 – 30/09/2020 |
| <b>Class S Hedged Distributing Shares</b> |               |                 |                |               | <b>GBP£61,108</b>     |                         |
| Class S Hedged Sterling Distribution      | 02/01/2020    | 31/01/2020      | £0.0909        | 374,779.89    | £34,067               | 01/10/2019 – 31/12/2019 |
| Class S Hedged Sterling Distribution      | 01/04/2020    | 30/04/2020      | £0.0784        | 344,907.30    | £27,041               | 01/01/2020 – 31/03/2020 |
| Class S Hedged Sterling Distribution      | 01/07/2020    | 31/07/2020      | £0.0961        | 279,160.74    | £26,827               | 01/04/2020 – 30/06/2020 |
| Class S Hedged Sterling Distribution      | 01/10/2020    | 30/10/2020      | £0.1007        | 263,118.18    | £26,496               | 01/07/2020 – 30/09/2020 |



| 31 December 2020   | Date declared | Date of payment | Rate per share | No. of shares | Amount                | Relevant period         |
|--|---------------|-----------------|----------------|---------------|-----------------------|-------------------------|
| <b>Global Convertible Fund</b> continued                     |               |                 |                |               |                       |                         |
| <b>Class Portfolio Currency Hedged I Distribution Shares</b> |               |                 |                |               | <b>GBP£1,816,119</b>  |                         |
| Class Portfolio Currency Hedged Sterling I Distribution      | 02/01/2020    | 31/01/2020      | £0.1025        | 10,906,140.91 | £1,117,879            | 01/10/2019 – 31/12/2019 |
| Class Portfolio Currency Hedged Sterling I Distribution      | 01/04/2020    | 30/04/2020      | £0.0812        | 8,599,012.52  | £698,240              | 01/01/2020 – 31/03/2020 |
| Class Portfolio Currency Hedged Sterling I Distribution      | 01/07/2020    | 31/07/2020      | £0.1082        | 7,100,216.56  | £768,243              | 01/04/2020 – 30/06/2020 |
| Class Portfolio Currency Hedged Sterling I Distribution      | 01/10/2020    | 30/10/2020      | £0.1123        | 6,132,825.42  | £688,716              | 01/07/2020 – 30/09/2020 |
| <b>Class Portfolio Currency Hedged S Distribution Shares</b> |               |                 |                |               | <b>GBP£185,126</b>    |                         |
| Class Portfolio Currency Hedged Sterling S Distribution      | 02/01/2020    | 31/01/2020      | £0.1023        | 1,008,297.07  | £103,149              | 01/10/2019 – 31/12/2019 |
| Class Portfolio Currency Hedged Sterling S Distribution      | 01/04/2020    | 30/04/2020      | £0.0891        | 920,059.61    | £81,977               | 01/01/2020 – 31/03/2020 |
| Class Portfolio Currency Hedged Sterling S Distribution      | 01/07/2020    | 31/07/2020      | £0.1086        | 7,472,605.85  | £811,525              | 01/04/2020 – 30/06/2020 |
| Class Portfolio Currency Hedged Sterling S Distribution      | 01/10/2020    | 30/10/2020      | £0.1128        | 7,416,711.03  | £836,605              | 01/07/2020 – 30/09/2020 |
| <b>Total Distributions for Global Convertible Fund</b>       |               |                 |                |               | <b>US\$27,795,727</b> |                         |
| 31 December 2020   | Date declared | Date of payment | Rate per share | No. of shares | Amount                | Relevant period         |
| <b>Global Insurance Fund</b>                                 |               |                 |                |               |                       |                         |
| <b>Class R Distributing Shares</b>                           |               |                 |                |               | <b>GBP£333,343</b>    |                         |
| Class R US Dollar Distribution                               | 02/01/2020    | 31/01/2020      | \$0.0182       | 135,127.54    | \$2,459               | 01/10/2019 – 31/12/2019 |
| Class R Sterling Distribution                                | 02/01/2020    | 31/01/2020      | £0.0137        | 3,795,474.58  | £51,998               | 01/10/2019 – 31/12/2019 |
| Class R Euro Distribution                                    | 02/01/2020    | 31/01/2020      | €0.0162        | 152,258.09    | €2,467                | 01/10/2019 – 31/12/2019 |
| Class R US Dollar Distribution                               | 01/04/2020    | 30/04/2020      | \$0.0310       | 150,043.64    | \$4,651               | 01/01/2020 – 31/03/2020 |
| Class R Sterling Distribution                                | 01/04/2020    | 30/04/2020      | £0.0250        | 3,742,463.48  | £93,562               | 01/01/2020 – 31/03/2020 |
| Class R Euro Distribution                                    | 01/04/2020    | 30/04/2020      | €0.0283        | 221,378.43    | €6,265                | 01/01/2020 – 31/03/2020 |
| Class R US Dollar Distribution                               | 01/07/2020    | 31/07/2020      | \$0.0255       | 191,033.91    | \$4,871               | 01/04/2020 – 30/06/2020 |
| Class R Sterling Distribution                                | 01/07/2020    | 31/07/2020      | £0.0206        | 3,360,607.88  | £69,229               | 01/04/2020 – 30/06/2020 |
| Class R Euro Distribution                                    | 01/07/2020    | 31/07/2020      | €0.0227        | 270,785.58    | €6,147                | 01/04/2020 – 30/06/2020 |
| Class R US Dollar Distribution                               | 01/10/2020    | 30/10/2020      | \$0.0325       | 192,855.46    | \$6,268               | 01/07/2020 – 30/09/2020 |
| Class R Sterling Distribution                                | 01/10/2020    | 30/10/2020      | £0.0252        | 3,285,344.18  | £82,791               | 01/07/2020 – 30/09/2020 |
| Class R Euro Distribution                                    | 01/10/2020    | 30/10/2020      | €0.0277        | 324,124.37    | €8,978                | 01/07/2020 – 30/09/2020 |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 13. Distributions continued

| 31 December 2020                                     | Date declared | Date of payment | Rate per share | No. of shares | Amount               | Relevant period         |
|--|---------------|-----------------|----------------|---------------|----------------------|-------------------------|
| <b>Global Insurance Fund</b> continued               |               |                 |                |               |                      |                         |
| <b>Class I Distributing Shares</b>                   |               |                 |                |               | <b>GBP£3,341,551</b> |                         |
| Class I US Dollar Distribution                       | 02/01/2020    | 31/01/2020      | \$0.0189       | 2,257,854.10  | \$42,673             | 01/10/2019 – 31/12/2019 |
| Class I Sterling Distribution                        | 02/01/2020    | 31/01/2020      | £0.0143        | 33,993,700.38 | £486,110             | 01/10/2019 – 31/12/2019 |
| Class I Euro Distribution                            | 02/01/2020    | 31/01/2020      | €0.0169        | 1,483,517.11  | €25,071              | 01/10/2019 – 31/12/2019 |
| Class I US Dollar Distribution                       | 01/04/2020    | 30/04/2020      | \$0.0323       | 2,182,970.12  | \$70,510             | 01/01/2020 – 31/03/2020 |
| Class I Sterling Distribution                        | 01/04/2020    | 30/04/2020      | £0.0261        | 33,457,416.11 | £873,239             | 01/01/2020 – 31/03/2020 |
| Class I Euro Distribution                            | 01/04/2020    | 30/04/2020      | €0.0295        | 1,495,123.14  | €44,106              | 01/01/2020 – 31/03/2020 |
| Class I US Dollar Distribution                       | 01/07/2020    | 31/07/2020      | \$0.0265       | 2,024,128.71  | \$53,639             | 01/04/2020 – 30/06/2020 |
| Class I Sterling Distribution                        | 01/07/2020    | 31/07/2020      | £0.0215        | 34,947,343.66 | £751,368             | 01/04/2020 – 30/06/2020 |
| Class I Euro Distribution                            | 01/07/2020    | 31/07/2020      | €0.0236        | 1,553,487.21  | €36,662              | 01/04/2020 – 30/06/2020 |
| Class I US Dollar Distribution                       | 01/10/2020    | 30/10/2020      | \$0.0340       | 2,236,726.18  | \$76,049             | 01/07/2020 – 30/09/2020 |
| Class I Sterling Distribution                        | 01/10/2020    | 30/10/2020      | £0.0263        | 34,352,673.12 | £903,475             | 01/07/2020 – 30/09/2020 |
| Class I Euro Distribution                            | 01/10/2020    | 30/10/2020      | €0.0290        | 1,601,325.43  | €46,438              | 01/07/2020 – 30/09/2020 |
| <b>Class A Distributing Shares</b>                   |               |                 |                |               | <b>GBP£29,005</b>    |                         |
| Class A Sterling Distribution                        | 02/01/2020    | 31/01/2020      | £0.0141        | 382,738.49    | £5,397               | 01/10/2019 – 31/12/2019 |
| Class A Sterling Distribution                        | 01/04/2020    | 30/04/2020      | £0.0256        | 329,970.95    | £8,447               | 01/01/2020 – 31/03/2020 |
| Class A Sterling Distribution                        | 01/07/2020    | 31/07/2020      | £0.0210        | 326,993.70    | £6,867               | 01/04/2020 – 30/06/2020 |
| Class A Sterling Distribution                        | 01/10/2020    | 30/10/2020      | £0.0257        | 322,752.89    | £8,295               | 01/07/2020 – 30/09/2020 |
| <b>Class E Distributing Shares</b>                   |               |                 |                |               | <b>GBP£5,116,911</b> |                         |
| Class E Sterling Distribution                        | 02/01/2020    | 31/01/2020      | £0.0147        | 57,112,051.08 | £839,547             | 01/10/2019 – 31/12/2019 |
| Class E Sterling Distribution                        | 01/04/2020    | 30/04/2020      | £0.0268        | 56,929,441.51 | £1,525,709           | 01/01/2020 – 31/03/2020 |
| Class E Sterling Distribution                        | 01/07/2020    | 31/07/2020      | £0.0220        | 56,557,449.00 | £1,244,264           | 01/04/2020 – 30/06/2020 |
| Class E Sterling Distribution                        | 01/10/2020    | 30/10/2020      | £0.0269        | 56,036,844.74 | £1,507,391           | 01/07/2020 – 30/09/2020 |
| <b>Total Distributions for Global Insurance Fund</b> |               |                 |                |               | <b>GBP£8,820,811</b> |                         |



| 31 December 2020   | Date declared | Date of payment | Rate per share | No. of shares | Amount             | Relevant period         |
|--|---------------|-----------------|----------------|---------------|--------------------|-------------------------|
| <b>Healthcare Blue Chip Fund</b>                         |               |                 |                |               |                    |                         |
| <b>Class I Distributing Shares</b>                       |               |                 |                |               | <b>US\$70,734</b>  |                         |
| Class I US Dollar Distribution                           | 02/01/2020    | 31/01/2020      | \$0.1304       | 1,601.42      | \$209              | 01/10/2019 – 31/12/2019 |
| Class I Sterling Distribution                            | 02/01/2020    | 31/01/2020      | £0.0984        | 504,177.50    | £49,611            | 01/10/2019 – 31/12/2019 |
| Class I Euro Distribution                                | 02/01/2020    | 31/01/2020      | €0.1162        | 36,664.28     | €4,260             | 01/10/2019 – 31/12/2019 |
| <b>Class S Distributing Shares</b>                       |               |                 |                |               | <b>US\$7,648</b>   |                         |
| Class S US Dollar Distribution                           | 02/01/2020    | 31/01/2020      | \$0.1315       | 52.35         | \$7                | 01/10/2019 – 31/12/2019 |
| Class S Sterling Distribution                            | 02/01/2020    | 31/01/2020      | £0.0993        | 58,106.26     | £5,770             | 01/10/2019 – 31/12/2019 |
| <b>Class SI Distributing Shares</b>                      |               |                 |                |               | <b>US\$574,036</b> |                         |
| Class SI US Dollar Distribution                          | 02/01/2020    | 31/01/2020      | \$0.1158       | 8,721.73      | \$1,010            | 01/10/2019 – 31/12/2019 |
| Class SI Sterling Distribution                           | 02/01/2020    | 31/01/2020      | £0.0874        | 4,948,411.75  | £432,491           | 01/10/2019 – 31/12/2019 |
| <b>Total Distributions for Healthcare Blue Chip Fund</b> |               |                 |                |               | <b>US\$652,418</b> |                         |
| <hr/>  |               |                 |                |               |                    |                         |
| 31 December 2020   | Date declared | Date of payment | Rate per share | No. of shares | Amount             | Relevant period         |
| <b>Income Opportunities Fund</b>                         |               |                 |                |               |                    |                         |
| <b>Class A1 Distribution Shares</b>                      |               |                 |                |               | <b>GBP£437,298</b> |                         |
| Class A1 Sterling Distribution                           | 02/01/2020    | 31/01/2020      | £0.0150        | 5,301,710.65  | £79,526            | 01/10/2019 – 31/12/2019 |
| Class R US Dollar Distribution                           | 02/01/2020    | 31/01/2020      | \$0.0199       | 1,953,433.78  | \$38,873           | 01/10/2019 – 31/12/2019 |
| Class R Euro Distribution                                | 02/01/2020    | 31/01/2020      | €0.0177        | 487,241.29    | €8,624             | 01/10/2019 – 31/12/2019 |
| Class A1 Sterling Distribution                           | 01/04/2020    | 30/04/2020      | £0.0150        | 4,696,782.85  | £70,452            | 01/01/2020 – 31/03/2020 |
| Class R US Dollar Distribution                           | 01/04/2020    | 30/04/2020      | \$0.0186       | 1,827,412.93  | \$33,990           | 01/01/2020 – 31/03/2020 |
| Class R Euro Distribution                                | 01/04/2020    | 30/04/2020      | €0.0170        | 487,248.90    | €8,283             | 01/01/2020 – 31/03/2020 |
| Class A1 Sterling Distribution                           | 01/07/2020    | 31/07/2020      | £0.0150        | 5,125,259.16  | £76,879            | 01/04/2020 – 30/06/2020 |
| Class R US Dollar Distribution                           | 01/07/2020    | 31/07/2020      | \$0.0185       | 1,729,218.75  | \$31,991           | 01/04/2020 – 30/06/2020 |
| Class R Euro Distribution                                | 01/07/2020    | 31/07/2020      | €0.0165        | 487,258.91    | €8,040             | 01/04/2020 – 30/06/2020 |
| Class A1 Sterling Distribution                           | 01/10/2020    | 30/10/2020      | £0.0150        | 4,867,613.25  | £73,014            | 01/07/2020 – 30/09/2020 |
| Class R US Dollar Distribution                           | 01/10/2020    | 30/10/2020      | \$0.0194       | 1,702,777.05  | \$33,034           | 01/07/2020 – 30/09/2020 |
| Class R Euro Distribution                                | 01/10/2020    | 30/10/2020      | €0.0165        | 487,268.64    | €8,040             | 01/07/2020 – 30/09/2020 |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 13. Distributions continued

| 31 December 2020   | Date declared | Date of payment | Rate per share | No. of shares | Amount                | Relevant period         |
|--|---------------|-----------------|----------------|---------------|-----------------------|-------------------------|
| <b>Income Opportunities Fund</b> continued                 |               |                 |                |               |                       |                         |
| <b>Class B1 Distribution Shares</b>                        |               |                 |                |               | <b>GBP£683,154</b>    |                         |
| Class B1 Sterling Distribution                             | 02/01/2020    | 31/01/2020      | £0.0158        | 17,183,141.34 | £270,634              | 01/10/2019 – 31/12/2019 |
| Class I US Dollar Distribution                             | 02/01/2020    | 31/01/2020      | \$0.0209       | 559,077.36    | \$11,685              | 01/10/2019 – 31/12/2019 |
| Class I Euro Distribution                                  | 02/01/2020    | 31/01/2020      | €0.0186        | 679.03        | €13                   | 01/10/2019 – 31/12/2019 |
| Class B1 Sterling Distribution                             | 01/04/2020    | 30/04/2020      | £0.0158        | 11,055,168.99 | £174,119              | 01/01/2020 – 31/03/2020 |
| Class I US Dollar Distribution                             | 01/04/2020    | 30/04/2020      | \$0.0195       | 559,084.04    | \$10,902              | 01/01/2020 – 31/03/2020 |
| Class I Euro Distribution                                  | 01/04/2020    | 30/04/2020      | €0.0178        | 686.33        | €12                   | 01/01/2020 – 31/03/2020 |
| Class B1 Sterling Distribution                             | 01/07/2020    | 31/07/2020      | £0.0158        | 6,705,809.83  | £105,617              | 01/04/2020 – 30/06/2020 |
| Class I US Dollar Distribution                             | 01/07/2020    | 31/07/2020      | \$0.0195       | 559,092.68    | \$10,902              | 01/04/2020 – 30/06/2020 |
| Class I Euro Distribution                                  | 01/07/2020    | 31/07/2020      | €0.0173        | 695.86        | €12                   | 01/04/2020 – 30/06/2020 |
| Class B1 Sterling Distribution                             | 01/10/2020    | 30/10/2020      | £0.0158        | 6,191,640.41  | £97,518               | 01/07/2020 – 30/09/2020 |
| Class I US Dollar Distribution                             | 01/10/2020    | 30/10/2020      | \$0.0204       | 559,100.63    | \$11,406              | 01/07/2020 – 30/09/2020 |
| Class I Euro Distribution                                  | 01/10/2020    | 30/10/2020      | €0.0174        | 705.13        | €12                   | 01/07/2020 – 30/09/2020 |
| <b>Class R Hedged Distribution Shares</b>                  |               |                 |                |               | <b>EUR€125,426</b>    |                         |
| Class R Euro Hedged Distribution                           | 02/01/2020    | 31/01/2020      | €0.1275        | 293,443.60    | €37,414               | 01/10/2019 – 31/12/2019 |
| Class R Euro Hedged Distribution                           | 01/04/2020    | 30/04/2020      | €0.1275        | 257,194.88    | €32,792               | 01/01/2020 – 31/03/2020 |
| Class R Euro Hedged Distribution                           | 01/07/2020    | 31/07/2020      | €0.1275        | 224,466.58    | €28,619               | 01/04/2020 – 30/06/2020 |
| Class R Euro Hedged Distribution                           | 01/10/2020    | 30/10/2020      | €0.1275        | 208,626.53    | €26,600               | 01/07/2020 – 30/09/2020 |
| <b>Class I Hedged Distribution Shares</b>                  |               |                 |                |               | <b>EUR€1,489</b>      |                         |
| Class I Euro Hedged Distribution                           | 02/01/2020    | 31/01/2020      | €0.1275        | 4,916.76      | €627                  | 01/10/2019 – 31/12/2019 |
| Class I Euro Hedged Distribution                           | 01/04/2020    | 30/04/2020      | €0.1275        | 4,918.02      | €627                  | 01/01/2020 – 31/03/2020 |
| Class I Euro Hedged Distribution                           | 01/07/2020    | 31/07/2020      | €0.1275        | 919.69        | €117                  | 01/04/2020 – 30/06/2020 |
| Class I Euro Hedged Distribution                           | 01/10/2020    | 30/10/2020      | €0.1275        | 921.29        | €117                  | 01/07/2020 – 30/09/2020 |
| <b>Class R Hedged Distribution Shares</b>                  |               |                 |                |               | <b>US\$624,909</b>    |                         |
| Class R US Dollar Hedged Distribution                      | 02/01/2020    | 31/01/2020      | \$0.1075       | 1,622,672.94  | \$174,437             | 01/10/2019 – 31/12/2019 |
| Class R US Dollar Hedged Distribution                      | 01/04/2020    | 30/04/2020      | \$0.1075       | 1,495,928.07  | \$160,812             | 01/01/2020 – 31/03/2020 |
| Class R US Dollar Hedged Distribution                      | 01/07/2020    | 31/07/2020      | \$0.1075       | 1,404,614.55  | \$150,996             | 01/04/2020 – 30/06/2020 |
| Class R US Dollar Hedged Distribution                      | 01/10/2020    | 30/10/2020      | \$0.1075       | 1,289,895.98  | \$138,664             | 01/07/2020 – 30/09/2020 |
| <b>Total Distributions for Income Opportunities Fund</b>   |               |                 |                |               | <b>GBP£1,723,491</b>  |                         |
| 31 December 2020   | Date declared | Date of payment | Rate per share | No. of shares | Amount                | Relevant period         |
| <b>UK Value Opportunities Fund</b>                         |               |                 |                |               |                       |                         |
| Class I Sterling Distribution                              | 02/01/2020    | 31/01/2020      | £0.2645        | 5,430,291.18  | £1,436,312            | 01/01/2019 – 31/12/2019 |
| Class S Sterling Distribution                              | 02/01/2020    | 31/01/2020      | £0.2798        | 50,821,881.88 | £14,219,963           | 01/01/2019 – 31/12/2019 |
| Class Z Sterling Distribution                              | 02/01/2020    | 31/01/2020      | £0.2931        | 100.00        | £29                   | 01/01/2019 – 31/12/2019 |
| <b>Total Distributions for UK Value Opportunities Fund</b> |               |                 |                |               | <b>GBP£15,656,304</b> |                         |



The following distributions were declared in respect of the Company on 4 January 2022 and are therefore not accrued in the financial statements for the financial year ended 31 December 2021:

| 2021  | Date declared | Date of payment | Rate per share | No. of shares | Amount             | Relevant period         |
|---|---------------|-----------------|----------------|---------------|--------------------|-------------------------|
| <b>European ex UK Income Fund</b>                         |               |                 |                |               |                    |                         |
| <b>Class I Distributing Shares</b>                        |               |                 |                |               | <b>GBP£9,368</b>   |                         |
| Class I Sterling Distribution                             | 04/01/2022    | 31/01/2022      | £0.0269        | 348,244.34    | £9,368             | 01/10/2021 – 31/12/2021 |
| <b>Class S Distributing Shares</b>                        |               |                 |                |               | <b>GBP£84,093</b>  |                         |
| Class S Sterling Distribution                             | 04/01/2022    | 31/01/2022      | £0.0270        | 3,114,544.16  | £84,093            | 01/10/2021 – 31/12/2021 |
| <b>Class I Hedged Distributing Shares</b>                 |               |                 |                |               | <b>GBP£603</b>     |                         |
| Class I Sterling Hedged Distribution                      | 04/01/2022    | 31/01/2022      | £0.0324        | 18,598.20     | £603               | 01/10/2021 – 31/12/2021 |
| <b>Class S Hedged Distributing Shares</b>                 |               |                 |                |               | <b>GBP£2,087</b>   |                         |
| Class S Sterling Hedged Distribution                      | 04/01/2022    | 31/01/2022      | £0.0325        | 64,200.29     | £2,087             | 01/10/2021 – 31/12/2021 |
| <b>Class X Distributing Shares</b>                        |               |                 |                |               | <b>GBP£146,104</b> |                         |
| Class X Sterling Distribution                             | 04/01/2022    | 31/01/2022      | £0.0301        | 4,853,942.31  | £146,104           | 01/10/2021 – 31/12/2021 |
| <b>Total Distributions for European ex UK Income Fund</b> |               |                 |                |               | <b>EUR€288,533</b> |                         |

| 2021  | Date declared | Date of payment | Rate per share | No. of shares | Amount             | Relevant period         |
|---|---------------|-----------------|----------------|---------------|--------------------|-------------------------|
| <b>Financial Opportunities Fund</b>                         |               |                 |                |               |                    |                         |
| <b>Class R Distributing Shares</b>                          |               |                 |                |               | <b>US\$1,163</b>   |                         |
| Class R US Dollar Distribution                              | 04/01/2022    | 31/01/2022      | \$0.1506       | 8.78          | \$1                | 01/07/2021 – 31/12/2021 |
| Class R Sterling Distribution                               | 04/01/2022    | 31/01/2022      | £0.1112        | 6,549.91      | £728               | 01/07/2021 – 31/12/2021 |
| Class R Euro Distribution                                   | 04/01/2022    | 31/01/2022      | €0.1324        | 1,162.77      | €154               | 01/07/2021 – 31/12/2021 |
| <b>Class I Distributing Shares</b>                          |               |                 |                |               | <b>US\$67,242</b>  |                         |
| Class I US Dollar Distribution                              | 04/01/2022    | 31/01/2022      | \$0.1579       | 525.90        | \$83               | 01/07/2021 – 31/12/2021 |
| Class I Sterling Distribution                               | 04/01/2022    | 31/01/2022      | £0.1166        | 307,115.12    | £35,810            | 01/07/2021 – 31/12/2021 |
| Class I Euro Distribution                                   | 04/01/2022    | 31/01/2022      | €0.1388        | 118,199.19    | €16,406            | 01/07/2021 – 31/12/2021 |
| <b>Class S Distributing Shares</b>                          |               |                 |                |               | <b>US\$89,284</b>  |                         |
| Class S US Dollar Distribution                              | 04/01/2022    | 31/01/2022      | \$0.1442       | 551,152.46    | \$79,476           | 01/07/2021 – 31/12/2021 |
| Class S Sterling Distribution                               | 04/01/2022    | 31/01/2022      | £0.1064        | 68,053.31     | £7,241             | 01/07/2021 – 31/12/2021 |
| <b>Total Distributions for Financial Opportunities Fund</b> |               |                 |                |               | <b>US\$157,689</b> |                         |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

## 13. Distributions continued

| 2021   | Date declared | Date of payment | Rate per share | No. of shares | Amount               | Relevant period         |
|--|---------------|-----------------|----------------|---------------|----------------------|-------------------------|
| <b>Global Convertible Fund</b>                               |               |                 |                |               |                      |                         |
| <b>Class R Distributing Shares</b>                           |               |                 |                |               | <b>US\$31,876</b>    |                         |
| Class R US Dollar Distribution                               | 04/01/2022    | 31/01/2022      | \$0.1118       | 86,801.78     | \$9,704              | 01/10/2021 – 31/12/2021 |
| Class R Sterling Distribution                                | 04/01/2022    | 31/01/2022      | £0.0825        | 23,152.95     | £1,910               | 01/10/2021 – 31/12/2021 |
| Class R Euro Distribution                                    | 04/01/2022    | 31/01/2022      | €0.0983        | 175,194.81    | €17,222              | 01/10/2021 – 31/12/2021 |
| <b>Class I Distributing Shares</b>                           |               |                 |                |               | <b>US\$2,286,619</b> |                         |
| Class I US Dollar Distribution                               | 04/01/2022    | 31/01/2022      | \$0.1162       | 249,115.34    | \$28,947             | 01/10/2021 – 31/12/2021 |
| Class I Sterling Distribution                                | 04/01/2022    | 31/01/2022      | £0.0858        | 19,234,588.62 | £1,650,328           | 01/10/2021 – 31/12/2021 |
| Class I Euro Distribution                                    | 04/01/2022    | 31/01/2022      | €0.1022        | 192,609.43    | €19,685              | 01/10/2021 – 31/12/2021 |
| <b>Class S Distributing Shares</b>                           |               |                 |                |               | <b>US\$3,709,021</b> |                         |
| Class S US Dollar Distribution                               | 04/01/2022    | 31/01/2022      | \$0.1052       | 413,002.35    | \$43,448             | 01/10/2021 – 31/12/2021 |
| Class S Sterling Distribution                                | 04/01/2022    | 31/01/2022      | £0.0777        | 34,763,756.96 | £2,701,144           | 01/10/2021 – 31/12/2021 |
| Class S Euro Distribution                                    | 04/01/2022    | 31/01/2022      | €0.0925        | 66,621.53     | €6,162               | 01/10/2021 – 31/12/2021 |
| <b>Class I Hedged Distributing Shares</b>                    |               |                 |                |               | <b>GBP£284,658</b>   |                         |
| Class I Hedged Sterling Distribution                         | 04/01/2022    | 31/01/2022      | £0.0948        | 3,002,723.40  | £284,658             | 01/10/2021 – 31/12/2021 |
| <b>Class S Hedged Distributing Shares</b>                    |               |                 |                |               | <b>GBP£17,603</b>    |                         |
| Class S Hedged Sterling Distribution                         | 04/01/2022    | 31/01/2022      | £0.0969        | 181,663.24    | £17,603              | 01/10/2021 – 31/12/2021 |
| <b>Class Portfolio Currency Hedged I Distribution Shares</b> |               |                 |                |               | <b>GBP£503,256</b>   |                         |
| Class Portfolio Currency Hedged Sterling I Distribution      | 04/01/2022    | 31/01/2022      | £0.1093        | 4,604,352.93  | £503,256             | 01/10/2021 – 31/12/2021 |
| <b>Class Portfolio Currency Hedged S Distribution Shares</b> |               |                 |                |               | <b>GBP£807,415</b>   |                         |
| Class Portfolio Currency Hedged Sterling S Distribution      | 04/01/2022    | 31/01/2022      | £0.1103        | 7,320,175.35  | £807,415             | 01/10/2021 – 31/12/2021 |
| <b>Total Distributions for Global Convertible Fund</b>       |               |                 |                |               | <b>US\$8,212,152</b> |                         |



| 2021   | Date declared | Date of payment | Rate per share | No. of shares | Amount               | Relevant period         |
|--|---------------|-----------------|----------------|---------------|----------------------|-------------------------|
| <b>Global Insurance Fund</b>                         |               |                 |                |               |                      |                         |
| <b>Class R Distributing Shares</b>                   |               |                 |                |               | <b>GBP£57,288</b>    |                         |
| Class R US Dollar Distribution                       | 04/01/2022    | 31/01/2022      | \$0.0211       | 174,032.77    | \$3,672              | 01/10/2021 – 31/12/2021 |
| Class R Sterling Distribution                        | 04/01/2022    | 31/01/2022      | £0.0156        | 3,171,434.77  | £49,474              | 01/10/2021 – 31/12/2021 |
| Class R Euro Distribution                            | 04/01/2022    | 31/01/2022      | €0.0186        | 326,725.10    | €6,077               | 01/10/2021 – 31/12/2021 |
| <b>Class I Distributing Shares</b>                   |               |                 |                |               | <b>GBP£722,807</b>   |                         |
| Class I US Dollar Distribution                       | 04/01/2022    | 31/01/2022      | \$0.0223       | 2,891,211.96  | \$64,474             | 01/10/2021 – 31/12/2021 |
| Class I Sterling Distribution                        | 04/01/2022    | 31/01/2022      | £0.0164        | 39,634,629.71 | £650,008             | 01/10/2021 – 31/12/2021 |
| Class I Euro Distribution                            | 04/01/2022    | 31/01/2022      | €0.0196        | 1,531,179.35  | €30,011              | 01/10/2021 – 31/12/2021 |
| <b>Class A Distributing Shares</b>                   |               |                 |                |               | <b>GBP£3,204</b>     |                         |
| Class A Sterling Distribution                        | 04/01/2022    | 31/01/2022      | £0.0159        | 201,480.59    | £3,204               | 01/10/2021 – 31/12/2021 |
| <b>Class E Distributing Shares</b>                   |               |                 |                |               | <b>GBP£1,621,758</b> |                         |
| Class E Sterling Distribution                        | 04/01/2022    | 31/01/2022      | £0.0168        | 96,533,212.78 | £1,621,758           | 01/10/2021 – 31/12/2021 |
| <b>Total Distributions for Global Insurance Fund</b> |               |                 |                |               | <b>GBP£2,405,056</b> |                         |
| 2021   | Date declared | Date of payment | Rate per share | No. of shares | Amount               | Relevant period         |
| <b>Healthcare Blue Chip</b>                          |               |                 |                |               |                      |                         |
| <b>Class I Distributing Shares</b>                   |               |                 |                |               | <b>US\$33,717</b>    |                         |
| Class I US Dollar Distribution                       | 04/01/2022    | 31/01/2022      | \$0.1342       | 4,614.60      | \$619                | 01/10/2021 – 31/12/2021 |
| Class I Sterling Distribution                        | 04/01/2022    | 31/01/2022      | £0.0991        | 242,096.64    | £23,992              | 01/10/2021 – 31/12/2021 |
| Class I Euro Distribution                            | 04/01/2022    | 31/01/2022      | €0.1180        | 5,801.21      | €685                 | 01/10/2021 – 31/12/2021 |
| <b>Class S Distributing Shares</b>                   |               |                 |                |               | <b>US\$7,256</b>     |                         |
| Class S US Dollar Distribution                       | 04/01/2022    | 31/01/2022      | \$0.1354       | 53.19         | \$7                  | 01/10/2021 – 31/12/2021 |
| Class S Sterling Distribution                        | 04/01/2022    | 31/01/2022      | £0.1000        | 53,518.84     | £5,352               | 01/10/2021 – 31/12/2021 |
| <b>Class SI Distributing Shares</b>                  |               |                 |                |               | <b>US\$597,900</b>   |                         |
| Class SI US Dollar Distribution                      | 04/01/2022    | 31/01/2022      | \$0.1199       | 4,423.33      | \$530                | 01/10/2021 – 31/12/2021 |
| Class SI Sterling Distribution                       | 04/01/2022    | 31/01/2022      | £0.0885        | 4,983,528.16  | £441,042             | 01/10/2021 – 31/12/2021 |
| <b>Class S Hedged Distribution Shares</b>            |               |                 |                |               | <b>GBP£18</b>        |                         |
| Class S Sterling Hedged Distribution                 | 04/01/2022    | 31/01/2022      | £0.1307        | 102.71        | £13                  | 01/10/2021 – 31/12/2021 |
| <b>Total Distributions for Healthcare Blue Chip</b>  |               |                 |                |               | <b>US\$638,891</b>   |                         |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

## 13. Distributions continued

| 2021   | Date declared | Date of payment | Rate per share | No. of shares | Amount                | Relevant period         |
|--|---------------|-----------------|----------------|---------------|-----------------------|-------------------------|
| <b>Income Opportunities Fund</b>                           |               |                 |                |               |                       |                         |
| <b>Class A1 Distribution Shares</b>                        |               |                 |                |               | <b>GBP£221,307</b>    |                         |
| Class A1 Sterling Distribution                             | 04/01/2022    | 31/01/2022      | £0.0156        | 3,541,056.74  | £55,240               | 01/10/2021 – 31/12/2021 |
| Class R US Dollar Distribution                             | 04/01/2022    | 31/01/2022      | \$0.0211       | 757,003.19    | \$15,973              | 01/10/2021 – 31/12/2021 |
| Class R Euro Distribution                                  | 04/01/2022    | 31/01/2022      | €0.0186        | 62,319.17     | €1,159                | 01/10/2021 – 31/12/2021 |
| <b>Class B1 Distribution Shares</b>                        |               |                 |                |               | <b>GBP£462,386</b>    |                         |
| Class B1 Sterling Distribution                             | 04/01/2022    | 31/01/2022      | £0.0168        | 4,839,746.24  | £81,066               | 01/10/2021 – 31/12/2021 |
| Class I US Dollar Distribution                             | 04/01/2022    | 31/01/2022      | \$0.0227       | 309,822.85    | \$7,033               | 01/10/2021 – 31/12/2021 |
| Class I Euro Distribution                                  | 04/01/2022    | 31/01/2022      | €0.0199        | 746.14        | €15                   | 01/10/2021 – 31/12/2021 |
| <b>Class R Hedged Distribution Shares</b>                  |               |                 |                |               | <b>EUR€12,724</b>     |                         |
| Class R Euro Hedged Distribution                           | 04/01/2022    | 31/01/2022      | €0.1335        | 95,313.80     | €12,724               | 01/10/2021 – 31/12/2021 |
| <b>Class I Hedged Distribution Shares</b>                  |               |                 |                |               | <b>EUR€124</b>        |                         |
| Class I Euro Hedged Distribution                           | 04/01/2022    | 31/01/2022      | €0.1335        | 928.39        | €124                  | 01/10/2021 – 31/12/2021 |
| <b>Class R Hedged Distribution Shares</b>                  |               |                 |                |               | <b>US\$61,728</b>     |                         |
| Class R US Dollar Hedged Distribution                      | 04/01/2022    | 31/01/2022      | €0.1215        | 508,047.51    | €61,728               | 01/10/2021 – 31/12/2021 |
| <b>Total Distributions for Income Opportunities Fund</b>   |               |                 |                |               | <b>GBP£210,639</b>    |                         |
| <br>   |               |                 |                |               |                       |                         |
| 2021   | Date declared | Date of payment | Rate per share | No. of shares | Amount                | Relevant period         |
| <b>UK Value Opportunities Fund</b>                         |               |                 |                |               |                       |                         |
| Class I Sterling Distribution                              | 04/01/2022    | 31/01/2022      | £0.2075        | 11,964,975.33 | £2,482,732            | 01/10/2021 – 31/12/2021 |
| Class S Sterling Distribution                              | 04/01/2021    | 29/01/2021      | £0.2242        | 72,873,226.57 | £16,338,177           | 01/01/2020 – 31/12/2020 |
| <b>Total Distributions for UK Value Opportunities Fund</b> |               |                 |                |               | <b>GBP£18,820,910</b> |                         |

## 14. FCA Side Letter Policy

The Financial Conduct Authority (FCA) in the United Kingdom, which regulates the Investment Manager, expects all investment managers authorised and regulated by the FCA to write to investors in the funds managed by them with details of any Side Letter that may have been entered into by the Investment Manager. The FCA considers a Side Letter to be an arrangement which can reasonably be expected to provide an investor with materially more favourable rights than other investors, such as enhanced redemption rights or the provision of portfolio information which are not generally available. The Investment Manager has confirmed to the Company that it is not aware or party to an arrangement whereby an investor has any preferential redemption terms. However in exceptional circumstances, for example where an investor seeds a new Fund, the Investment Manager has provided investors on the Fund's behalf with portfolio information and capacity commitments.



## 15. Transaction Costs

During the financial year ended 31 December 2021 and 31 December 2020, the Funds incurred transaction costs in the purchase and sale of investments as follows:

|   | Currency | 31 December 2021 | 31 December 2020 |
|---|----------|------------------|------------------|
| Asian Opportunities Fund                  | US\$     | 20,951           | 84,199           |
| Asian Stars Fund                          | US\$     | 340,560.14       | 18,360           |
| Automation & Artificial Intelligence Fund | US\$     | 493,749          | 469,984          |
| Biotechnology Fund                        | US\$     | 1,603,433        | 923,665          |
| China Stars Fund                          | US\$     | 43,041           | 19,064           |
| Emerging Markets Income Fund              | US\$     | 263,335          | 147,435          |
| Emerging Markets Stars Fund               | US\$     | 1,735,380.00     | 385,814          |
| European ex UK Income Fund                | EUR      | 56,874           | 235,378          |
| Financial Opportunities Fund              | US\$     | 46,904           | 24,586           |
| Global Absolute Return Fund               | US\$     | 99               | 44               |
| Global Convertible Fund                   | US\$     | –                | 8,333            |
| Global Insurance Fund                     | GBP      | 202,395          | 549,370          |
| Global Technology Fund                    | US\$     | 10,860,987       | 7,935,186        |
| Healthcare Blue Chip Fund                 | US\$     | 156,672          | 224,789          |
| Healthcare Discovery Fund                 | US\$     | 45,118.31        | 31,174           |
| Healthcare Opportunities Fund             | US\$     | 1,979,690        | 6,122,316        |
| Income Opportunities Fund                 | GBP      | 40,074           | 54,523           |
| Japan Value Fund                          | JPY      | 16,532,923       | 24,961,267       |
| North American Fund                       | US\$     | 414,392          | 872,064          |
| Smart Energy Fund                         | US\$     | 22,891           | –                |
| Smart Mobility Fund                       | US\$     | 6,893            | –                |
| UK Absolute Equity Fund                   | GBP      | –                | –                |
| UK Value Opportunities Fund               | GBP      | 4,628,009        | 3,327,707        |

For further information regarding the accounting policy for transaction costs please refer to Note 2.



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 16. Reconciliation to US GAAP

The following adjustments would be required to these financial statements in order to reflect the redemptions payable on 1 January 2022, as required by US GAAP. The adjustments relate to the below funds. The effects of the adjustments for the remaining Funds are not material in the context of the financial statements.

|   | <b>Automation<br/>&amp; Artificial<br/>Intelligence<br/>Fund<br/>2021<br/>US\$</b> | <b>Biotechnology<br/>Fund<br/>2021<br/>US\$</b> | <b>China Stars<br/>Fund<br/>2021<br/>US\$</b> | <b>Emerging<br/>Markets Stars<br/>Fund<br/>2021<br/>US\$</b> |
|---|--|---|---|--|
| Net Assets at 31 December 2021, under IFRS    | 768,829,307  | 1,713,904,099                                   | 19,979,329                                    | 1,288,353,415  |
| Redemptions payable 1 January 2022            | –  | –   | (13,308)                                      | (316,387)  |
| Net Assets at 31 December 2021, under US GAAP | 768,829,307  | 1,713,904,099                                   | 19,966,021                                    | 1,288,037,028  |

|   | <b>European<br/>ex UK<br/>Fund<br/>2021<br/>EUR€</b> | <b>Financial<br/>Opportunities<br/>Fund<br/>2021<br/>US\$</b> | <b>Global<br/>Convertible<br/>Fund<br/>2021<br/>US\$</b> | <b>Global<br/>Insurance<br/>Fund<br/>2021<br/>GBP£</b> |
|---|--|---|--|--|
| Net Assets at 31 December 2021, under IFRS    | 119,139,503  | 23,496,762  | 1,066,904,406  | 1,701,832,724  |
| Redemptions payable 1 January 2022            | (17,466)   | –   | (66,941)   | (328,346)  |
| Net Assets at 31 December 2021, under US GAAP | 119,122,037  | 23,496,762  | 1,066,837,465  | 1,701,504,378  |

|   | <b>Global<br/>Technology<br/>Fund<br/>2021<br/>US\$</b> | <b>Healthcare<br/>Blue Chip<br/>Fund<br/>2021<br/>US\$</b> | <b>Healthcare<br/>Discovery<br/>Fund<br/>2021<br/>US\$</b> | <b>Healthcare<br/>Opportunities<br/>Fund<br/>2021<br/>US\$</b> |
|---|---|--|--|--|
| Net Assets at 31 December 2021, under IFRS    | 9,078,397,146   | 116,148,125  | 72,619,592   | 2,138,223,444  |
| Redemptions payable 1 January 2022            | (2,571,457)   | (225,603)  | (61,556)   | (220,882)  |
| Net Assets at 31 December 2021, under US GAAP | 9,075,825,689   | 115,922,522  | 72,558,036   | 2,138,002,562  |

|   | <b>Income<br/>Opportunities<br/>Fund<br/>2021<br/>GBP£</b> | <b>Japan<br/>Value<br/>Fund<br/>2021<br/>JPY ¥</b> | <b>North<br/>American<br/>Fund<br/>2021<br/>US\$</b> | <b>Smart<br/>Energy<br/>Fund<br/>2021<br/>GBP£</b> |
|---|--|--|--|--|
| Net Assets at 31 December 2021, under IFRS    | 58,052,699   | 23,668,453,458                                     | 1,251,434,041  | 27,652,671   |
| Redemptions payable 1 January 2022            | (4)  | (14,618,582)                                       | (84,987)   | –  |
| Net Assets at 31 December 2021, under US GAAP | 58,052,695   | 23,653,834,876                                     | 1,251,349,054  | 27,652,671   |

|   | <b>Smart<br/>Mobility<br/>Fund<br/>2021<br/>GBP£</b> | <b>UK Value<br/>Opportunities<br/>Fund<br/>2021<br/>GBP£</b> |
|---|--|--|
| Net Assets at 31 December 2021, under IFRS    | 7,375,870  | 1,608,257,789  |
| Redemptions payable 1 January 2022            | –  | (739,218)  |
| Net Assets at 31 December 2021, under US GAAP | 7,375,870  | 1,607,518,571  |



The following adjustments would be required to these financial statements in order to reflect the redemptions payable on 1 January 2021, as required by US GAAP. The adjustments relate to the below funds. The effects of the adjustments for the remaining Funds are not material in the context of the financial statements.

|   | <b>Automation<br/>&amp; Artificial<br/>Intelligence<br/>Fund<br/>2020<br/>US\$</b> | <b>Biotechnology<br/>Fund<br/>2020<br/>US\$</b> | <b>China Stars<br/>Fund<br/>2020<br/>US\$</b> | <b>Emerging<br/>Markets Income<br/>Fund<br/>2020<br/>US\$</b> |
|---|--|---|---|---|
| Net Assets at 31 December 2020, under IFRS    | 753,361,100  | 1,256,438,007                                   | 13,974,480                                    | 104,412,469   |
| Redemptions payable 1 January 2021            | (49,810)   | (503,850)                                       | (76,907)                                      | (1,588)   |
| Net Assets at 31 December 2020, under US GAAP | 753,311,290  | 1,255,934,157                                   | 13,897,573                                    | 104,410,881   |

|   | <b>Emerging<br/>Markets Stars<br/>Fund<br/>2020<br/>US\$</b> | <b>European<br/>ex UK<br/>Fund<br/>2020<br/>EUR€</b> | <b>Financial<br/>Opportunities<br/>Fund<br/>2020<br/>US\$</b> | <b>Global<br/>Convertible<br/>Fund<br/>2020<br/>US\$</b> |
|---|--|--|---|--|
| Net Assets at 31 December 2020, under IFRS    | 370,603,749  | 190,978,232  | 10,805,493  | 1,047,829,601  |
| Redemptions payable 1 January 2021            | (239,856)  | (719)  | (88)  | (142,235)  |
| Net Assets at 31 December 2020, under US GAAP | 370,363,893  | 190,977,513  | 10,805,405  | 1,047,687,366  |

|   | <b>Global<br/>Insurance<br/>Fund<br/>2020<br/>GBP£</b> | <b>Global<br/>Technology<br/>Fund<br/>2020<br/>US\$</b> | <b>Healthcare<br/>Blue Chip<br/>Fund<br/>2020<br/>US\$</b> | <b>Healthcare<br/>Discovery<br/>Fund<br/>2020<br/>US\$</b> |
|---|--|---|--|--|
| Net Assets at 31 December 2020, under IFRS    | 1,587,832,431  | 8,655,795,829   | 92,030,247   | 48,456,796   |
| Redemptions payable 1 January 2021            | (235,056)  | (1,217,257)   | (76,497)   | –  |
| Net Assets at 31 December 2020, under US GAAP | 1,587,597,375  | 8,654,578,572   | 91,953,750   | 48,456,796   |

|   | <b>Healthcare<br/>Opportunities<br/>Fund<br/>2020<br/>US\$</b> | <b>Income<br/>Opportunities<br/>Fund<br/>2020<br/>GBP£</b> | <b>Japan<br/>Value<br/>Fund<br/>2020<br/>JPY ¥</b> | <b>North<br/>American<br/>Fund<br/>2020<br/>US\$</b> |
|---|--|--|--|--|
| Net Assets at 31 December 2020, under IFRS    | 2,124,581,345  | 59,679,614   | 17,953,295,439                                     | 1,055,161,717  |
| Redemptions payable 1 January 2021            | (316,479)  | (8,584)  | (2,891,956)  | (178,781)  |
| Net Assets at 31 December 2020, under US GAAP | 2,124,264,866  | 59,671,030   | 17,950,403,483                                     | 1,054,982,936  |

|   | <b>UK Value<br/>Opportunities<br/>Fund<br/>2020<br/>GBP£</b> |
|---|--|
| Net Assets at 31 December 2020, under IFRS    | 1,148,193,906  |
| Redemptions payable 1 January 2021            | (164,178)  |
| Net Assets at 31 December 2020, under US GAAP | 1,148,029,728  |



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 16. Reconciliation to US GAAP continued

The following summarises the Company's financial highlights for the financial year ended 31 December 2021.

#### Financial Highlights

For the financial year ended 31 December 2021

|  | 31 December 2021                                       |  |   |  |
|--|--|--|---|--|
|  | Asian Opportunities Fund Class I USD Distribution US\$ | Asian Stars Fund Class I USD Accumulation US\$ | Automation & Artificial Intelligence Fund Class I USD Accumulation US\$ | Biotechnology Fund Class I USD Distribution US\$ |
| For a participating share outstanding throughout the financial year ended 31 December 2021 |  |  |   |  |
| Net investment loss*   | –  | 0.02   | (0.12)  | (0.02)   |
| Net realised and unrealised gain   | (16.04)  | 5.44   | 5.13  | 1.86   |
| Distributions  | –  | –  | –   | –  |
| Less Redemptions   | –  | –  | –   | –  |
| Net increase in net asset value  | (16.04)  | 5.46   | 5.01  | 1.84   |
| Net asset value at beginning of financial year   | 16.04  | 12.66  | 12.83   | 39.27  |
| Net asset value at end of financial year   | –  | 18.12  | 17.84   | 41.11  |
| <b>Ratios</b>  | <b>%</b>   | <b>%</b>                                       | <b>%</b>  | <b>%</b>   |
| <b>Total return:</b>   |  |  |   |  |
| Total return before performance fee  | (100.00)%  | 43.94%   | 39.05%  | 5.25%  |
| Performance fee  | –  | (0.81)%  | –   | (0.57)%  |
| Total return after performance fee   | (100.00)%  | 43.13%   | 39.05%  | 4.69%  |
| <b>Ratios to average net assets:</b>   |  |  |   |  |
| Expenses to average net assets   | (0.57)%  | (1.76)%  | (1.06)%   | (1.25)%  |
| Performance fee  | –  | (0.81)%  | –   | (0.57)%  |
| Total expenses   | (0.57)%  | (2.57)%  | (1.06)%   | (1.82)%  |
| <b>Net investment loss to average net assets:</b>  |  |  |   |  |
| Net investment loss before performance fee   | (0.74)%  | 0.02   | (12.01)%  | (0.98)%  |
| Performance fee  | –  | (0.81)%  | –   | (0.57)%  |
| Total net investment loss  | (0.74)%  | 0.02   | (12.01)%  | (1.55)%  |

\* Average net assets held during the financial year were used for this calculation.



|  | 31 December 2021   |   |  |   |
|--|--|---|--|---|
|  | China Stars<br>Fund<br>Class I USD<br>Accumulation<br>US\$ | Emerging<br>Markets<br>Income Fund<br>Class I USD<br>Accumulation<br>US\$ | Emerging<br>Markets<br>Stars Fund<br>Class I USD<br>Accumulation<br>US\$ | European<br>ex UK Income<br>Fund<br>Class I Euro<br>Accumulation<br>EUR |
| For a participating share outstanding throughout the financial year ended 31 December 2021 |  |   |  |   |
| Net investment income*   | –  | (0.02)  | (0.01)   | 0.05  |
| Net realised and unrealised gain/(loss)  | 5.13   | (13.31)   | (0.07)   | 2.11  |
| Distributions  | –  | –   | –  | –   |
| Less Redemptions   | –  | –   | –  | –   |
| Net increase/(decrease) in net asset value   | 5.13   | (13.33)   | (0.08)   | 2.16  |
| Net asset value at beginning of financial year   | 11.36  | 13.33   | 15.13  | 11.50   |
| Net asset value at end of financial year   | 16.49  | –   | 15.05  | 13.66   |
| <b>Ratios</b>  | <b>%</b>   | <b>%</b>  | <b>%</b>   | <b>%</b>  |
| <b>Total return:</b>   |  |   |  |   |
| Total return before performance fee  | 45.16%   | (100.00)%   | (0.16)%  | 0.19  |
| Performance fee  | –  | –   | (0.36)%  | –   |
| Total return after performance fee   | 45.16%   | (100.00)%   | (0.53)%  | 0.19  |
| <b>Ratios to average net assets:</b>   |  |   |  |   |
| Expenses to average net assets   | (0.12)%  | (2.48)%   | (1.82)%  | (1.13)%   |
| Performance fee  | –  | –   | (0.36)%  | –   |
| Total expenses   | (0.12)%  | (2.48)%   | (2.19)%  | (1.13)%   |
| <b>Net investment (loss)/income to average net assets:</b>                                 |  |   |  |   |
| Net investment income/(loss) before performance fee  | –0.02%   | –1.61%  | –0.30%   | 4.77%   |
| Performance fee  | –  | –   | (0.36)%  | –   |
| Total net investment (loss)/income   | (0.02)%  | –1.61%  | (0.67)%  | 4.77%   |

\* Average month-end shares outstanding were used for this calculation.



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 16. Reconciliation to US GAAP continued

#### Financial Highlights continued

#### For the financial year ended 31 December 2021 continued

|  | 31 December 2021   |   |   |   |
|--|--|---|---|---|
|  | Financial Opportunities Fund Class I USD Accumulation US\$ | Global Absolute Return Fund Class I USD Accumulation US\$ | Global Convertible Fund Class I USD Accumulation US\$ | Global Insurance Fund Class I Sterling Accumulation GBP |
| For a participating share outstanding throughout the financial year ended 31 December 2021 |  |   |   |   |
| Net investment income/(loss)*  | 0.13   | 0.01  | 0.03  | –   |
| Net realised and unrealised (loss)/ gain   | 2.76   | 5.32  | (1.34)  | 1.16  |
| Distributions  | –  | –   | –   | –   |
| Less Redemptions   | –  | –   | –   | –   |
| Net (decrease)/increase in net asset value   | 2.89   | 5.33  | (1.31)  | 1.16  |
| Net asset value at beginning of financial year   | 14.70  | 125.46  | 17.41   | 7.11  |
| Net asset value at end of financial year   | 17.59  | 130.79  | 16.10   | 8.27  |
| <b>Ratios</b>  | <b>%</b>   | <b>%</b>  | <b>%</b>  | <b>%</b>  |
| <b>Total return:</b>   |  |   |   |   |
| Total return before performance fee  | 0.20   | 5.08%   | (0.08)  | 0.16  |
| Performance fee  | (0.00)   | (0.83)%   | –   | 0.00%   |
| Total return after performance fee   | 0.20   | 4.25%   | (0.08)  | 0.16  |
| <b>Ratios to average net assets:</b>   |  |   |   |   |
| Expenses to average net assets   | (0.00)%  | (1.50)%   | (0.47)%   | (1.08)%   |
| Performance fee  | (0.00)   | (0.83)%   | –   | 0.00%   |
| Total expenses   | (0.03)%  | (2.33)%   | (0.47)%   | (1.08)%   |
| <b>Net investment (loss)/income to average net assets:</b>                                 |  |   |   |   |
| Net investment income before performance fee   | 0.13   | 1.73%   | 3.41%   | 0.29%   |
| Performance fee  | (0.00)   | (0.83)%   | –   | 0.00%   |
| Total net investment (loss)/income   | 0.13   | 0.01  | 3.41%   | 0.29%   |

\* Average month-end shares outstanding were used for this calculation.



|  | 31 December 2021   |   |   |  |
|--|--|---|---|--|
|  | Global<br>Technology Fund<br>Class I USD<br>Distribution<br>US\$ | Healthcare Blue<br>Chip Fund<br>Class I USD<br>Accumulation<br>US\$ | Healthcare<br>Discovery Fund<br>Class I USD<br>Accumulation<br>US\$ | Healthcare<br>Opportunities<br>Fund<br>Class I USD<br>Distribution<br>US\$ |
| For a participating share outstanding throughout the financial year ended 31 December 2021 |  |   |   |  |
| Net investment loss*   | (0.01)   | –   | (0.02)  | (0.01)   |
| Net realised and unrealised gain   | 8.85   | 3.58  | 0.51  | 5.82   |
| Distributions  | –  | –   | –   | –  |
| Less Redemptions   | –  | –   | –   | –  |
| Net increase in net asset value  | 8.84   | 3.58  | 0.49  | 5.81   |
| Net asset value at beginning of financial year   | 87.61  | 16.04   | 15.05   | 64.58  |
| Net asset value at end of financial year   | 96.45  | 19.62   | 15.54   | 70.39  |
| <b>Ratios</b>  | <b>%</b>   | <b>%</b>  | <b>%</b>  | <b>%</b>   |
| <b>Total return:</b>   |  |   |   |  |
| Total return before performance fee  | 10.09%   | 22.33%  | 4.43%   | 9.00%  |
| Performance fee  | –  | –   | (1.16)%   | 0.00   |
| Total return after performance fee   | 10.09%   | 22.33%  | 3.27%   | 9.00%  |
| <b>Ratios to average net assets:</b>   |  |   |   |  |
| Expenses to average net assets   | (1.31)%  | (1.64)%   | (1.36)%   | (1.21)%  |
| Performance fee  | –  | –   | (1.16)%   | –  |
| Total expenses   | (1.31)%  | (1.64)%   | (2.52)%   | (1.21)%  |
| <b>Net investment loss to average net assets:</b>  |  |   |   |  |
| Net investment loss before performance fee   | (0.77)%  | (0.10)%   | (1.09)%   | (0.71)%  |
| Performance fee  | –  | –   | (1.16)%   | –  |
| Total net investment loss  | (0.77)%  | (0.10)%   | (2.25)%   | (0.71)%  |

\* Average month-end shares outstanding were used for this calculation.

## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 16. Reconciliation to US GAAP continued

#### Financial Highlights continued

#### For the financial year ended 31 December 2021 continued

|  | 31 December 2021  |   |   |  |
|--|---|---|---|--|
|  | Income Opportunities Class B2 Sterling Accumulation GBP | Japan Value Fund Class S JPY Distribution JPY | North American Fund Class I USD Distribution US\$ | UK Absolute Equity Fund** Class 1 Sterling Distribution Distribution GBP |
| For a participating share outstanding throughout the financial year ended 31 December 2021 |   |   |   |  |
| Net investment income*   | –   | 0.02  | –   | –  |
| Net realised and unrealised gain   | 0.52  | 36.40   | 4.13  | –  |
| Distributions  | –   | –   | –   | –  |
| Less Redemptions   | –   | –   | –   | –  |
| Net increase/(decrease) in net asset value   | 0.52  | 36.42   | 4.13  | –  |
| Net asset value at beginning of financial year   | 2.33  | 239.03  | 27.26   | –  |
| Net asset value at end of financial year   | 2.85  | 275.45  | 31.39   | –  |
| <b>Ratios</b>  | <b>%</b>  | <b>%</b>                                      | <b>%</b>  | <b>%</b>   |
| <b>Total return:</b>   |   |   |   |  |
| Total return before performance fee  | 0.22  | 0.15  | 15.15%  | –  |
| Performance fee  | –   | –   | –   | –  |
| Total return after performance fee   | 0.22  | 0.15  | 15.15%  | –  |
| <b>Ratios to average net assets:</b>   |   |   |   |  |
| Expenses to average net assets   | –   | (1.28)%                                       | (1.03)%   | –  |
| Performance fee  | (0.00)  | –   | –   | –  |
| Total expenses   | (0.00)  | (1.28)%                                       | (1.03)%   | –  |
| <b>Net investment income to average net assets:</b>  |   |   |   |  |
| Net investment income before performance fee   | –   | 1.71%   | (0.26%)   | –  |
| Performance fee  | –   | –   | –   | –  |
| Total net investment income  | –   | 1.71%   | (0.26%)   | –  |

\* Average net assets held during the financial year end were used for this calculation.

\*\* UK Absolute Equity fund terminated May 15 2020.



|  | 31 December 2021   |  |
|--|--|--|
|  | Smart<br>Mobility<br>Fund<br>Class I USD<br>Accumulation | UK Value<br>Opportunities<br>Fund<br>Class I Sterling<br>Accumulation<br>GBP |
| For a participating share outstanding throughout the financial year ended 31 December 2021 |  |  |
| Net investment income*   | –  | –  |
| Net realised and unrealised gain   | 10.57  | 2.45   |
| Distributions  | –  | –  |
| Less Redemptions   | –  | –  |
| Net decrease in net asset value  | 10.57  | 2.45   |
| Net asset value at beginning of financial year   | –  | 12.19  |
| Net asset value at end of financial year   | 10.57  | 14.64  |
| <b>Ratios</b>  | <b>%</b>   | <b>%</b>   |
| <b>Total return:</b>   |  |  |
| Total return before performance fee  | –  | 0.20   |
| Performance fee  | –  | (0.18)%  |
| Total return after performance fee   | –  | 0.20   |
| <b>Ratios to average net assets:</b>   |  |  |
| Expenses to average net assets   | (0.26)%  | (0.57)%  |
| Performance fee  | –  | (0.18)%  |
| Total expenses   | (0.26)%  | (0.75)%  |
| <b>Net investment income to average net assets:</b>  |  |  |
| Net investment income before performance fee   | (0.15)%  | 1.63%  |
| Performance fee  | –  | (0.18)%  |
| Total net investment income  | (0.15)%  | 1.45%  |

\* Average net assets held during the financial year were used for this calculation

## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 16. Reconciliation to US GAAP continued

#### Financial Highlights continued

#### For the financial year ended 31 December 2020

|  | 31 December 2020                                       |  |   |  |
|--|--|--|---|--|
|  | Asian Opportunities Fund Class I USD Distribution US\$ | Asian Stars Fund Class I USD Accumulation US\$ | Automation & Artificial Intelligence Fund Class I USD Accumulation US\$ | Biotechnology Fund Class I USD Distribution US\$ |
| For a participating share outstanding throughout the financial year ended 31 December 2020 |  |  |   |  |
| Net investment gain/(loss)*  | –  | (0.02)   | (0.02)  | (0.03)   |
| Net realised and unrealised (loss)/ gain   | 1.90   | 5.48   | 5.03  | 11.42  |
| Distributions  | –  | –  | –   | –  |
| Less Redemptions   | –  | –  | –   | –  |
| Net (decrease)/increase in net asset value   | 1.90   | 5.46   | 5.01  | 11.39  |
| Net asset value at beginning of financial year   | 14.14  | 12.66  | 12.83   | 27.88  |
| Net asset value at end of financial year   | 16.04  | 18.12  | 17.84   | 39.27  |
| <b>Ratios</b>  | <b>%</b>   | <b>%</b>                                       | <b>%</b>  | <b>%</b>   |
| <b>Total return:</b>   |  |  |   |  |
| Total return before performance fee  | 13.44%   | 44.50%   | 41.30%  | 42.33%   |
| Performance fee  | –  | (1.37)%  | (2.25)%   | (1.48)%  |
| Total return after performance fee   | 13.44%   | 43.13%   | 39.05%  | 40.85%   |
| <b>Ratios to average net assets:</b>   |  |  |   |  |
| Expenses to average net assets   | (2.13)%  | (1.32)%  | (1.14)%   | (1.26)%  |
| Performance fee  | –  | (1.37)%  | (2.25)%   | (1.48)%  |
| Total expenses   | (2.13)%  | (2.69)%  | (3.39)%   | (2.74)%  |
| <b>Net investment income/(loss) to average net assets:</b>                                 |  |  |   |  |
| Net investment income/(loss) before performance fee  | -0.13%   | -0.53%   | (0.24)%   | (1.18)%  |
| Performance fee  | –  | (1.37)%  | (2.25)%   | (1.48)%  |
| Total net investment income/loss   | -0.13%   | (1.90)%  | (2.49)%   | (2.66)%  |

\* Average net assets held during the financial year were used for this calculation.



|  | 31 December 2020  |  |   |   |
|--|---|--|---|---|
|  | China Stars Fund<br>Class I USD<br>Accumulation<br>US\$ | Emerging Markets<br>Income Fund<br>Class I USD<br>Accumulation<br>US\$ | Emerging Markets<br>Stars Fund<br>Class I USD<br>Accumulation<br>US\$ | European<br>ex UK Income<br>Fund<br>Class I Euro<br>Accumulation<br>EUR |
| For a participating share outstanding throughout the financial year ended 31 December 2020 |   |  |   |   |
| Net investment income*   | –   | 0.02   | (0.02)  | 0.05  |
| Net realised and unrealised (loss)/gain  | 5.13  | 0.02   | 4.18  | (1.46)  |
| Distributions  | –   | –  | –   | –   |
| Less Redemptions   | –   | –  | –   | –   |
| Net (decrease)/increase in net asset value   | 5.13  | 0.04   | 4.16  | (1.41)  |
| Net asset value at beginning of financial year   | 11.36   | 13.29  | 10.97   | 12.91   |
| Net asset value at end of financial year   | 16.49   | 13.33  | 15.13   | 11.50   |
| <b>Ratios</b>  | <b>%</b>  | <b>%</b>   | <b>%</b>  | <b>%</b>  |
| <b>Total return:</b>   |   |  |   |   |
| Total return before performance fee  | 45.44%  | 0.30%  | 40.01%  | (10.92)%  |
| Performance fee  | (0.28)%   | –  | (2.09)%   | –   |
| Total return after performance fee   | 45.16%  | 0.30%  | 37.92%  | (10.92)%  |
| <b>Ratios to average net assets:</b>   |   |  |   |   |
| Expenses to average net assets   | (1.32)%   | (1.55)%  | (1.28)%   | (1.04)%   |
| Performance fee  | (0.28)%   | –  | (2.09)%   | –   |
| Total expenses   | (1.60)%   | (1.55)%  | (3.37)%   | (1.04)%   |
| <b>Net investment income/(loss) to average net assets:</b>                                 |   |  |   |   |
| Net investment (loss) before performance fee   | 0.22%   | 1.95%  | (0.24)%   | 5.03%   |
| Performance fee  | (0.28)%   | –  | (2.09)%   | –   |
| Total net investment income  | (0.06)%   | 1.95%  | (2.33)%   | 5.03%   |

\* Average net assets held during the financial year were used for this calculation.

## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 16. Reconciliation to US GAAP continued

#### Financial Highlights continued

#### For the financial year ended 31 December 2020 continued

|  | 31 December 2020   |   |   |   |
|--|--|---|---|---|
|  | Financial Opportunities Fund Class I USD Accumulation US\$ | Global Absolute Return Fund Class I USD Accumulation US\$ | Global Convertible Fund Class I USD Accumulation US\$ | Global Insurance Fund Class I Sterling Accumulation GBP |
| For a participating share outstanding throughout the financial year ended 31 December 2020 |  |   |   |   |
| Net investment income/(loss)*  | (0.02)   | –   | 0.02  | 0.01  |
| Net realised and unrealised (loss)/ gain   | (0.38)   | 23.17   | 3.78  | (0.43)  |
| Distributions  | –  | –   | –   | –   |
| Less Redemptions   | –  | –   | –   | –   |
| Net (decrease)/increase in net asset value   | (0.40)   | 23.17   | 3.80  | (0.42)  |
| Net asset value at beginning of financial year   | 15.10  | 102.29  | 13.61   | 7.53  |
| Net asset value at end of financial year   | 14.70  | 125.46  | 17.41   | 7.11  |
| <b>Ratios</b>  | <b>%</b>   | <b>%</b>  | <b>%</b>  | <b>%</b>  |
| <b>Total return:</b>   |  |   |   |   |
| Total return before performance fee  | (2.65)%  | 24.87%  | 27.92%  | (5.60)%   |
| Performance fee  | –  | (2.22)%   | –   | 0.02%   |
| Total return after performance fee   | (2.65)%  | 22.65%  | 27.92%  | (5.58)%   |
| <b>Ratios to average net assets:</b>   |  |   |   |   |
| Expenses to average net assets   | (3.71)%  | (1.48)%   | (1.03)%   | (1.19)%   |
| Performance fee  | –  | (2.22)%   | –   | 0.02%   |
| Total expenses   | (3.71)%  | (3.70)%   | (1.03)%   | (1.17)%   |
| <b>Net investment income/(loss) to average net assets:</b>                                 |  |   |   |   |
| Net investment (loss)/income before performance fee  | (1.50)%  | 1.97%   | 1.56%   | 0.71%   |
| Performance fee  | –  | (2.22)%   | –   | 0.02%   |
| Total net investment income  | (1.50)%  | (0.25)%   | 1.56%   | 0.73%   |

\* Average net assets held during the financial year were used for this calculation.



|  | 31 December 2020   |   |   |  |
|--|--|---|---|--|
|  | Global<br>Technology Fund<br>Class I USD<br>Distribution<br>US\$ | Healthcare Blue<br>Chip Fund<br>Class I USD<br>Accumulation<br>US\$ | Healthcare<br>Discovery Fund<br>Class I USD<br>Accumulation<br>US\$ | Healthcare<br>Opportunities<br>Fund<br>Class I USD<br>Distribution<br>US\$ |
| For a participating share outstanding throughout the financial year ended 31 December 2020 |  |   |   |  |
| Net investment income/(loss)*  | (0.01)   | –   | (0.03)  | (0.01)   |
| Net realised and unrealised gain/(loss)  | 32.56  | 1.17  | 5.08  | 10.20  |
| Distributions  | –  | –   | –   | –  |
| Less Redemptions   | –  | –   | –   | –  |
| Net increase/(decrease) in net asset value   | 32.55  | 1.17  | 5.05  | 10.19  |
| Net asset value at beginning of financial year   | 55.06  | 14.87   | 10.00   | 54.39  |
| Net asset value at end of financial year   | 87.61  | 16.04   | 15.05   | 64.58  |
| <b>Ratios</b>  | <b>%</b>   | <b>%</b>  | <b>%</b>  | <b>%</b>   |
| <b>Total return:</b>   |  |   |   |  |
| Total return before performance fee  | 59.69%   | 7.88%   | 52.32%  | 18.77%   |
| Performance fee  | (0.57)%  | –   | (1.81)%   | (0.03)%  |
| Total return after performance fee   | 59.12%   | 7.88%   | 50.51%  | 18.74%   |
| <b>Ratios to average net assets:</b>   |  |   |   |  |
| Expenses to average net assets   | (1.25)%  | (1.25)%   | (1.86)%   | (1.30)%  |
| Performance fee  | (0.57)%  | –   | (1.81)%   | (0.03)%  |
| Total expenses   | (1.82)%  | (1.25)%   | (3.67)%   | (1.33)%  |
| <b>Net investment (loss)/income to average net assets:</b>                                 |  |   |   |  |
| Net investment (loss)/income before performance fee  | (0.77)%  | (0.39)%   | (1.51)%   | (0.63)%  |
| Performance fee  | (0.57)%  | –   | (1.81)%   | (0.03)%  |
| Total net investment (loss)/income   | (1.34)%  | (0.39)%   | (3.32)%   | (0.66)%  |

\* Average net assets held during the financial year were used for this calculation.



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

**16. Reconciliation to US GAAP** continued**Financial Highlights** continued

For the financial year ended 31 December 2020 continued

|  | 31 December 2020  |   |   |   |
|--|---|---|---|---|
|  | Income Opportunities Class B2 Sterling Accumulation GBP | Japan Value Fund Class S JPY Distribution JPY | North American Fund Class I USD Distribution US\$ | UK Absolute Equity Fund** Class I Sterling Distribution GBP |
| For a participating share outstanding throughout the financial year ended 31 December 2020 |   |   |   |   |
| Net investment income*   | –   | –   | –   | –   |
| Net realised and unrealised loss   | (0.08)  | (33.29)                                       | 4.13  | –   |
| Distributions  | –   | –   | –   | –   |
| Less Redemptions   | –   | –   | –   | –   |
| Net increase/(decrease) in net asset value   | (0.08)  | (33.29)                                       | 4.13  | –   |
| Net asset value at beginning of financial year   | 2.41  | 272.32  | 27.26   | –   |
| Net asset value at end of financial year   | 2.33  | 239.03  | 31.39   | –   |
| <b>Ratios</b>  | <b>%</b>  | <b>%</b>                                      | <b>%</b>  | <b>%</b>  |
| <b>Total return:</b>   |   |   |   |   |
| Total return before performance fee  | (2.93)%   | (12.22)%                                      | 15.15%  | –   |
| Performance fee  | (0.49)%   | –   | –   | –   |
| Total return after performance fee   | (3.42)%   | (12.22)%                                      | 15.15%  | –   |
| <b>Ratios to average net assets:</b>   |   |   |   |   |
| Expenses to average net assets   | (0.78)%   | (0.70)%                                       | (1.14)%   | –   |
| Performance fee  | (0.49)%   | –   | –   | –   |
| Total expenses   | (1.27)%   | (0.70)%                                       | (1.14)%   | –   |
| <b>Net investment (loss)/income to average net assets:</b>                                 |   |   |   |   |
| Net investment (loss)/income before performance fee  | 0.49%   | 0.25%   | 0.01%   | –   |
| Performance fee  | (0.49)%   | –   | –   | –   |
| Total net investment (loss)/income   | –   | 0.25%   | 0.01%   | –   |

\* Average net assets held during the financial year were used for this calculation.

\*\* UK Absolute Equity fund terminated May 15 2020.

**31 December 2020****UK Value  
Opportunities  
Fund  
Class I Sterling  
Accumulation  
GBP**

For a participating share outstanding throughout the financial year ended 31 December 2020

|  |        |
|--|--------|
| Net investment income*                         | –      |
| Net realised and unrealised loss               | (1.02) |
| Distributions                                  | –      |
| Less Redemptions                               | –      |
| Net decrease in net asset value                | (1.02) |
| Net asset value at beginning of financial year | 13.21  |
| Net asset value at end of financial year       | 12.19  |

**Ratios** **%****Total return:**

|                                     |         |
|-------------------------------------|---------|
| Total return before performance fee | (7.46)% |
| Performance fee                     | (0.25)% |
| Total return after performance fee  | (7.71)% |

**Ratios to average net assets:**

|                                |         |
|--------------------------------|---------|
| Expenses to average net assets | (0.87)% |
| Performance fee                | (0.25)% |
| Total expenses                 | (1.12)% |

**Net investment (loss)/income to average net assets:**

|   |         |
|---|---------|
| Net investment (loss)/income before performance fee | 0.99%   |
| Performance fee                                     | (0.25)% |
| Total net investment (loss)/income                  | 0.74%   |

\* Average net assets held during the financial year were used for this calculation.

Financial Highlights are based on financial statements NAV per share.

The above shares classes represent the overall performance of each Fund. Other share classes may have a different performance depending on the specific characteristics of the share class.

ASC 740-10 'Accounting for Uncertainty in Income Taxes – an interpretation of ASC 740' clarifies the accounting for uncertainty in income taxes recognised in the Fund's financial statements in conformity with ASC 740 'Accounting for Income Taxes'.

ASC 740-10 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken on a tax return.

In conformity with ASC 740-10, the Directors have analysed the Funds' tax positions to be taken for the financial year ended 31 December 2021 and have concluded that no provision for income tax is required in the financial statements.

## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 16. Reconciliation to US GAAP continued

For the financial year ended 31 December 2021 and 31 December 2020, the average volume of the Company's derivative activities based on their notional amounts and number of contracts, categorized by primary underlying risk, are as follows:

#### Asian Opportunities Fund

##### Average Balances of Derivative Instruments\*

| Primary Underlying Risk                | For the year ended<br>31 December 2021 |                         | For the year ended<br>31 December 2020 |                         |
|--|--|-------------------------|--|-------------------------|
|  | Long Positions<br>US\$                 | Short Positions<br>US\$ | Long Positions<br>US\$                 | Short Positions<br>US\$ |
| <b>Foreign Currency Exchange Rates</b> |  |                         |  |                         |
| Forward foreign currency contracts     | –                                      | –                       | 135,475                                | (135,475)               |

#### European ex UK

##### Average Balances of Derivative Instruments\*

| Primary Underlying Risk                | For the year ended<br>31 December 2021 |                         | For the year ended<br>31 December 2020 |                         |
|--|--|-------------------------|--|-------------------------|
|  | Long Positions<br>EUR€                 | Short Positions<br>EUR€ | Long Positions<br>EUR€                 | Short Positions<br>EUR€ |
| <b>Foreign Currency Exchange Rates</b> |  |                         |  |                         |
| Forward foreign currency contracts     | 215,229                                | (215,229)               | 10,428,653                             | (10,428,653)            |

#### Global Absolute Return Fund

##### Average Balances of Derivative Instruments\*

| Primary Underlying Risk                | For the financial year ended<br>31 December 2021 |                         | For the financial year ended<br>31 December 2020 |                         |
|--|--|-------------------------|--|-------------------------|
|  | Long Positions<br>US\$                           | Short Positions<br>US\$ | Long Positions<br>US\$                           | Short Positions<br>US\$ |
| <b>Equity Price Risk</b>               |  |                         |  |                         |
| Contracts for difference               | 343,918  | (1,051,775)             | 665,410  | (957,108)               |
| Futures contracts                      | –  | (4,304,000)             | –  | (5,241,283)             |
| Warrants                               | –  | –                       | 21,708   | –                       |
| <b>Foreign Currency Exchange Rates</b> |  |                         |  |                         |
| Forward foreign currency contracts     | 2,527,552  | (2,527,552)             | 1,763,165  | (1,763,165)             |

\* Amounts represent average notional balances of derivative instruments

**Global Convertible Fund****Average Balances of Derivative Instruments\***

| Primary Underlying Risk                | For the financial year ended<br>31 December 2021 |                         | For the financial year ended<br>31 December 2020 |                         |
|--|--|-------------------------|--|-------------------------|
|  | Long Positions<br>US\$                           | Short Positions<br>US\$ | Long Positions<br>US\$                           | Short Positions<br>US\$ |
| <b>Equity Price Risk</b>               |  |                         |  |                         |
| Contracts for difference               | –  | (24,562,462)            | 3,494,868  | (8,682,724)             |
| Futures contracts                      | 138,266,094                                      | (11,694,873)            | 87,104,208                                       | (28,878,396)            |
| Warrants                               | –  | –                       | 840,000  | –                       |
| <b>Foreign Currency Exchange Rates</b> |  |                         |  |                         |
| Forward foreign currency contracts     | 1,114,870  | (1,114,870)             | 1,341,093  | (1,341,093)             |

**Global Insurance Fund****Average Balances of Derivative Instruments\***

| Primary Underlying Risk                | For the financial year ended<br>31 December 2021 |                         | For the financial year ended<br>31 December 2020 |                         |
|--|--|-------------------------|--|-------------------------|
|  | Long Positions<br>GBP£                           | Short Positions<br>GBP£ | Long Positions<br>GBP£                           | Short Positions<br>GBP£ |
| <b>Foreign Currency Exchange Rates</b> |  |                         |  |                         |
| Forward foreign currency contracts     | 467,357  | (467,357)               | 901,714  | (901,714)               |

**Global Technology Fund****Average Balances of Derivative Instruments\***

| Primary Underlying Risk                | For the financial year ended<br>31 December 2021 |                         | For the financial year ended<br>31 December 2020 |                         |
|--|--|-------------------------|--|-------------------------|
|  | Long Positions<br>US\$                           | Short Positions<br>US\$ | Long Positions<br>US\$                           | Short Positions<br>US\$ |
| <b>Equity Price Risk</b>               |  |                         |  |                         |
| Options                                | 5,059,325  | –                       | 6,477,262  | (5,440)                 |
| <b>Foreign Currency Exchange Rates</b> |  |                         |  |                         |
| Forward foreign currency contracts     | 4,040,358  | (4,040,358)             | 3,051,717  | (3,051,717)             |

\* Amounts represent average notional balances of derivative instruments


**Notes to the Financial Statements** continued  
 For the financial year ended 31 December 2021
**16. Reconciliation to US GAAP** continued**Healthcare Blue Chip Fund****Average Balances of Derivative Instruments\***

| Primary Underlying Risk                | For the financial year ended<br>31 December 2021 |                         | For the financial year ended<br>31 December 2020 |                         |
|--|--|-------------------------|--|-------------------------|
|  | Long Positions<br>US\$                           | Short Positions<br>US\$ | Long Positions<br>US\$                           | Short Positions<br>US\$ |
| <b>Foreign Currency Exchange Rates</b> |  |                         |  |                         |
| Forward foreign currency contracts     | 49,001   | (49,001)                | 68,696   | (68,696)                |

**Income Opportunities Fund****Average Balances of Derivative Instruments\***

| Primary Underlying Risk                | For the financial year ended<br>31 December 2021 |                         | For the financial year ended<br>31 December 2020 |                         |
|--|--|-------------------------|--|-------------------------|
|  | Long Positions<br>GBP£                           | Short Positions<br>GBP£ | Long Positions<br>GBP£                           | Short Positions<br>GBP£ |
| <b>Equity Price Risk</b>               |  |                         |  |                         |
| Futures contracts                      | –  | (1,359,214)             | 4,612,481  | (2,588,779)             |
| Options                                | –  | –                       | 103,949  | (77,136)                |
| <b>Foreign Currency Exchange Rates</b> |  |                         |  |                         |
| Forward foreign currency contracts     | 2,465,579  | (2,465,579)             | 1,882,401  | (1,882,401)             |

**Japan Value Fund****Average Balances of Derivative Instruments\***

| Primary Underlying Risk                | For the financial year ended<br>31 December 2021 |                         | For the financial year ended<br>31 December 2020 |                         |
|--|--|-------------------------|--|-------------------------|
|  | Long Positions<br>JPY¥                           | Short Positions<br>JPY¥ | Long Positions<br>JPY¥                           | Short Positions<br>JPY¥ |
| <b>Foreign Currency Exchange Rates</b> |  |                         |  |                         |
| Forward foreign currency contracts     | 235,247,887                                      | (235,247,887)           | 142,212,131                                      | (142,212,131)           |

\* Amounts represent average notional balances of derivative instruments

**North American Fund****Average Balances of Derivative Instruments\***

| Primary Underlying Risk                | For the financial year ended<br>31 December 2021 |                         | For the financial year ended<br>31 December 2020 |                         |
|--|--|-------------------------|--|-------------------------|
|  | Long Positions<br>US\$                           | Short Positions<br>US\$ | Long Positions<br>US\$                           | Short Positions<br>US\$ |
| <b>Foreign Currency Exchange Rates</b> |  |                         |  |                         |
| Forward foreign currency contracts     | 2,099,812  | (2,099,812)             | 6,571,337  | (6,571,337)             |

**UK Absolute Equity Fund****Average Balances of Derivative Instruments\***

| Primary Underlying Risk                | For the financial year ended<br>31 December 2021 |                         | For the financial year ended<br>31 December 2020 |                         |
|--|--|-------------------------|--|-------------------------|
|  | Long Positions<br>GBP£                           | Short Positions<br>GBP£ | Long Positions<br>GBP£                           | Short Positions<br>GBP£ |
| <b>Equity Price Risk</b>               |  |                         |  |                         |
| <b>Contracts for difference</b>        |  |                         |  |                         |
| Futures contracts                      | –  | –                       | 19,119,226                                       | (11,430,962)            |
| Options                                | –  | –                       | 2,617,403  | –                       |
| <b>Foreign Currency Exchange Rates</b> |  |                         |  |                         |
| Forward foreign currency contracts     | –  | –                       | 6,893,700  | (6,893,700)             |

**UK Value Opportunities Fund****Average Balances of Derivative Instruments**

| Primary Underlying Risk                | For the financial year ended<br>31 December 2021 |                         | For the financial year ended<br>31 December 2020 |                         |
|--|--|-------------------------|--|-------------------------|
|  | Long Positions<br>GBP£                           | Short Positions<br>GBP£ | Long Positions<br>GBP£                           | Short Positions<br>GBP£ |
| <b>Foreign Currency Exchange Rates</b> |  |                         |  |                         |
| Forward foreign currency contracts     | –  | –                       | 1,212  | (1,212)                 |

\* Amounts represent average notional balances of derivative instruments



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

### 16. Reconciliation to US GAAP continued

The following tables identifies the net gain and loss amounts included in the Statement of Comprehensive Income from derivative contracts, categorised by primary underlying risk, for the financial year ended 31 December 2021 and 31 December 2020.

#### Asian Opportunities Fund

| Primary Underlying Risk                | For the financial year ended<br>31 December 2021 |   | For the financial year ended<br>31 December 2020 |   |
|--|--|---|--|---|
|  | Realised<br>gain/(loss)<br>US\$                  | Unrealised<br>appreciation/<br>(depreciation)<br>US\$ | Realised<br>gain/(loss)<br>US\$                  | Unrealised<br>appreciation/<br>(depreciation)<br>US\$ |
| <b>Foreign Currency Exchange Rates</b> |  |   |  |   |
| Forward foreign currency contracts     | 2,087  | (2,186)   | (45,920)   | (2,048)   |

#### European ex UK

| Primary Underlying Risk                | For the financial year ended<br>31 December 2021 |   | For the financial year ended<br>31 December 2020 |   |
|--|--|---|--|---|
|  | Realised<br>gain/(loss)<br>EUR€                  | Unrealised<br>appreciation/<br>(depreciation)<br>EUR€ | Realised<br>gain/(loss)<br>EUR€                  | Unrealised<br>appreciation/<br>(depreciation)<br>EUR€ |
| <b>Foreign Currency Exchange Rates</b> |  |   |  |   |
| Forward foreign currency contracts     | 2,168,761  | (853,778)   | (5,580,665)                                      | (249,740)   |

#### Healthcare Blue Chip Fund

| Primary Underlying Risk                | For the financial year ended<br>31 December 2021 |   | For the financial year ended<br>31 December 2020 |   |
|--|--|---|--|---|
|  | Realised<br>gain/(loss)<br>US\$                  | Unrealised<br>appreciation/<br>(depreciation)<br>US\$ | Realised<br>gain/(loss)<br>US\$                  | Unrealised<br>appreciation/<br>(depreciation)<br>US\$ |
| <b>Foreign Currency Exchange Rates</b> |  |   |  |   |
| Forward foreign currency contracts     | (122,635)  | 4,399   | (164,972)  | (5,055)   |

#### Global Absolute Return Fund

| Primary Underlying Risk                | For the financial year ended<br>31 December 2021 |   | For the financial year ended<br>31 December 2020 |   |
|--|--|---|--|---|
|  | Realised<br>gain/(loss)<br>US\$                  | Unrealised<br>appreciation/<br>(depreciation)<br>US\$ | Realised<br>gain/(loss)<br>US\$                  | Unrealised<br>appreciation/<br>(depreciation)<br>US\$ |
| <b>Equity Price Risk</b>               |  |   |  |   |
| Contracts for difference               | (4,399,431)                                      | 3,732,919   | –  | (2,175,520)   |
| Futures contracts                      | (3,909,900)                                      | (121,488)   | (2,175,520)                                      | (40,950)  |
| <b>Foreign Currency Exchange Rates</b> |  |   |  |   |
| Forward foreign currency contracts     | (788,995)  | 76,982  | –  | 347,754   |

**Global Convertible Fund**

|  | For the financial year ended<br>31 December 2021 |   | For the financial year ended<br>31 December 2020 |   |
|--|--|---|--|---|
|  | Realised<br>gain/(loss)<br>US\$                  | Unrealised<br>appreciation/<br>(depreciation)<br>US\$ | Realised<br>gain/(loss)<br>US\$                  | Unrealised<br>appreciation/<br>(depreciation)<br>US\$ |
| <b>Primary Underlying Risk</b>         |  |   |  |   |
| <b>Equity Price Risk</b>               |  |   |  |   |
| Contracts for difference               | (40,132,602)                                     | 15,968,207  | (1,926,228)                                      | (13,151,096)  |
| Futures contracts                      | (64,693,168)                                     | 169,162   | (3,041,300)                                      | (186,216)   |
| <b>Foreign Currency Exchange Rates</b> |  |   |  |   |
| Forward foreign currency contracts     | 319,057  | (134,309)   | 6,282,015  | 2,109,750   |

**Global Insurance Fund**

|  | For the financial year ended<br>31 December 2021 |   | For the financial year ended<br>31 December 2020 |   |
|--|--|---|--|---|
|  | Realised<br>gain/(loss)<br>GBP£                  | Unrealised<br>appreciation/<br>(depreciation)<br>GBP£ | Realised<br>gain/(loss)<br>GBP£                  | Unrealised<br>appreciation/<br>(depreciation)<br>GBP£ |
| <b>Primary Underlying Risk</b>         |  |   |  |   |
| <b>Foreign Currency Exchange Rates</b> |  |   |  |   |
| Forward foreign currency contracts     | (1,042,066)                                      | 132,130   | 1,444,584  | (151,874)   |

**Global Technology Fund**

|  | For the financial year ended<br>31 December 2021 |   | For the financial year ended<br>31 December 2020 |   |
|--|--|---|--|---|
|  | Realised<br>gain/(loss)<br>US\$                  | Unrealised<br>appreciation/<br>(depreciation)<br>US\$ | Realised<br>gain/(loss)<br>US\$                  | Unrealised<br>appreciation/<br>(depreciation)<br>US\$ |
| <b>Primary Underlying Risk</b>         |  |   |  |   |
| <b>Equity Price Risk</b>               |  |   |  |   |
| Options                                | (146,753,475)                                    | 39,170,005  | 127,158,145                                      | (56,866,113)  |
| <b>Foreign Currency Exchange Rates</b> |  |   |  |   |
| Forward foreign currency contracts     | (57,132,277)                                     | 4,317,725   | 49,898,532                                       | 2,914,764   |


**Notes to the Financial Statements** continued  
 For the financial year ended 31 December 2021
**16. Reconciliation to US GAAP** continued**Income Opportunities Fund**

|  | For the financial year ended<br>31 December 2021 |   | For the financial year ended<br>31 December 2020 |   |
|--|--|---|--|---|
|  | Realised<br>gain/(loss)<br>GBP£                  | Unrealised<br>appreciation/<br>(depreciation)<br>GBP£ | Realised<br>gain/(loss)<br>GBP£                  | Unrealised<br>appreciation/<br>(depreciation)<br>GBP£ |
| <b>Primary Underlying Risk</b>         |  |   |  |   |
| <b>Equity Price Risk</b>               |  |   |  |   |
| Futures contracts                      | 19,209   | 40,033  | (695,100)  | (110,590)   |
| Options                                | (7,368)  | –   | (130,435)  | –   |
| <b>Foreign Currency Exchange Rates</b> |  |   |  |   |
| Forward foreign currency contracts     | (228,574)  | 119,385   | 363,969  | (20,971)  |

**Japan Value Fund**

|  | For the financial year ended<br>31 December 2021 |   | For the financial year ended<br>31 December 2020 |   |
|--|--|---|--|---|
|  | Realised<br>gain/(loss)<br>JPY¥                  | Unrealised<br>appreciation/<br>(depreciation)<br>JPY¥ | Realised<br>gain/(loss)<br>JPY¥                  | Unrealised<br>appreciation/<br>(depreciation)<br>JPY¥ |
| <b>Primary Underlying Risk</b>         |  |   |  |   |
| <b>Foreign Currency Exchange Rates</b> |  |   |  |   |
| Forward foreign currency contracts     | 695,032,790                                      | 149,849,218   | (514,031,722)                                    | (20,656,494)  |

**North American Fund**

|  | For the financial year ended<br>31 December 2021 |   | For the financial year ended<br>31 December 2020 |   |
|--|--|---|--|---|
|  | Realised<br>gain/(loss)<br>US\$                  | Unrealised<br>appreciation/<br>(depreciation)<br>US\$ | Realised<br>gain/(loss)<br>US\$                  | Unrealised<br>appreciation/<br>(depreciation)<br>US\$ |
| <b>Primary Underlying Risk</b>         |  |   |  |   |
| <b>Foreign Currency Exchange Rates</b> |  |   |  |   |
| Forward foreign currency contracts     | (8,926,306)                                      | 1,256,877   | (1,216,484)                                      | (1,780,843)   |

**UK Absolute Equity Fund**

|  | For the financial year ended<br>31 December 2021 |   | For the financial year ended<br>31 December 2020 |   |
|--|--|---|--|---|
|  | Realised<br>gain/(loss)<br>GBP£                  | Unrealised<br>appreciation/<br>(depreciation)<br>GBP£ | Realised<br>gain/(loss)<br>GBP£                  | Unrealised<br>appreciation/<br>(depreciation)<br>GBP£ |
| <b>Primary Underlying Risk</b>         |  |   |  |   |
| <b>Equity Price Risk</b>               |  |   |  |   |
| Contracts for difference               | –  | –   | (31,394,358)                                     | –   |
| Futures contracts                      | –  | –   | 8,704,347  | 48,775  |
| Options                                | –  | –   | –  | –   |
| <b>Foreign Currency Exchange Rates</b> |  |   |  |   |
| Forward foreign currency contracts     | 104  | –   | 2,394,377  | 1,603,613   |

**UK Value Opportunities Fund**

| Primary Underlying Risk                | For the financial year ended<br>31 December 2021 |   | For the financial year ended<br>31 December 2020 |   |
|--|--|---|--|---|
|  | Realised gain/(loss)<br>GBP£                     | Unrealised<br>appreciation/<br>(depreciation)<br>GBP£ | Realised gain/(loss)<br>GBP£                     | Unrealised<br>appreciation/<br>(depreciation)<br>GBP£ |
| <b>Foreign Currency Exchange Rates</b> |  |   |  |   |
| Forward foreign currency contracts     | 52,395   | –   | (936)  | 1,385   |

For detailed information on the fair value of derivatives by contract type as included in the Statement of Financial Position as of 31 December 2021 please refer to the Portfolio Statements.

**17. Significant Events during the Financial year**

On 12 February 2021, the Company issued a new Prospectus Supplement for Emerging Markets Stars Fund. The main changes were in relation to the launch of new share classes, Class S Euro Distribution Shares and Class SX US Dollar Distribution Shares.

Barbara Healy resigned as Director of the Company on 16 February 2021.

Karen Nolan was appointed as Director of the Company on 16 February 2021. On 1 March 2021, Asian Opportunities Fund terminated.

The Prospectus and Supplements for each Fund were updated on 9 March 2021 to include the disclosures relating to environmental, social and governance (ESG) matters required by the implementation of EU Regulation 2019/2088 on sustainability-related disclosures in the financial services sector.

On 8 June 2021, Emerging Markets Income Fund merged with Emerging Markets Stars Fund.

On 1 July 2021, Emerging Markets Stars Fund launched the following share class: Class SX GBP Distribution.

On 22 November 2021, Emerging Markets Stars Fund launched the following share class: Class R USD Distribution.

Effective 6th July 2021, Bridge Consulting Limited retired as Governance Services Provider and Bridge Fund Management was appointed as UCITS Management Company.

On 30 September 2021, Smart Energy Fund and Smart Mobility Fund launched.

Throughout the year under review, global financial markets have experienced and may continue to experience significant volatility resulting from the spread of the coronavirus known as COVID-19. The outbreak of COVID-19 has resulted in travel and border restrictions, quarantines, supply chain disruptions, lower consumer demand and general market uncertainty. The effects of COVID-19 have and may continue to adversely affect the global economy, the economies of certain nations and individual issuers.

While the fiscal ramifications of the pandemic are still ongoing, there have been many advances made to curb and control outbreaks, this has meant that many jurisdictions are able to proceed and ease lockdowns with a gradual return to office in both the UK and Ireland. The global economic outlook is much more optimistic than this time last year.



## Notes to the Financial Statements continued

For the financial year ended 31 December 2021

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### 18. Subsequent Events

Following Russia's invasion of Ukraine on 24 February 2022, various states have imposed sanctions and restrictions on the Russian state, Russian companies and individuals linked to Russia. The invasion has had a significant impact on markets with increased volatility, supply chain disruption and the potential to create severe disruption to oil, gas, and grain markets in particular.

The Funds have no direct exposure to Russia or Ukraine but the events have potential to impact global markets negatively. The Investment Manager is actively monitoring and continues to manage the Funds' assets within the investment and risk parameters that have been established. The Directors will continue to monitor developments in the region as there is potential for a serious destabilising economic effect which could jeopardise the global economy.

There have been no other events subsequent to the financial year end, which, in the opinion of the Directors of the Company, may have had an impact on the Financial Statements for the financial year ended 31 December 2021.

### 19. Approval of the Financial Statements

The Financial Statements were authorised by the Board of Directors on 31 March 2022.



## Statement of Significant Portfolio Movements (unaudited)

For the financial year ended 31 December 2021

## Asian Opportunities Fund\*

| Purchases**             | Cost<br>US\$'000 | Sales                              | Proceeds<br>US\$'000 |
|-------------------------|------------------|------------------------------------|----------------------|
| BOC Hong Kong           | 32               | HDFC Bank ADR                      | 602                  |
| Oversea-Chinese Banking | 24               | AIA                                | 497                  |
|                         |                  | Taiwan Semiconductor Manufacturing | 462                  |
|                         |                  | Tencent                            | 439                  |
|                         |                  | Bank Central Asia                  | 420                  |
|                         |                  | Housing Development Finance        | 380                  |
|                         |                  | Alibaba                            | 364                  |
|                         |                  | Hong Kong Exchanges & Clearing     | 343                  |
|                         |                  | Bajaj Finance                      | 326                  |
|                         |                  | China Merchants Bank               | 318                  |
|                         |                  | China Construction Bank            | 314                  |
|                         |                  | Samsung Electronics                | 304                  |
|                         |                  | Axis Bank                          | 297                  |
|                         |                  | Ping An Insurance Group of China   | 293                  |
|                         |                  | Bank Rakyat Indonesia Persero      | 239                  |
|                         |                  | Chailease                          | 206                  |
|                         |                  | Bank of the Philippine Islands     | 195                  |
|                         |                  | E.Sun Financial Class C            | 187                  |
|                         |                  | Kasikornbank                       | 181                  |
|                         |                  | Manappuram Finance                 | 180                  |
|                         |                  | Kotak Mahindra Bank                | 178                  |
|                         |                  | Keppel DC REIT                     | 169                  |
|                         |                  | Oversea-Chinese Banking            | 163                  |
|                         |                  | Srisawad PCL                       | 158                  |
|                         |                  | KIWOOM Securities                  | 152                  |
|                         |                  | Tisco Financial                    | 146                  |
|                         |                  | NAVER                              | 132                  |
|                         |                  | Security Bank                      | 125                  |
|                         |                  | BOC Hong Kong                      | 118                  |
|                         |                  | Public Bank                        | 116                  |
|                         |                  | Longfor                            | 96                   |
|                         |                  | HDFC Life Insurance                | 96                   |
|                         |                  | Ayala Land                         | 95                   |
|                         |                  | Bank for Foreign Trade of Vietnam  | 88                   |

\* Asian Opportunities Fund was terminated on 01 March 2021.

\*\* Includes all purchases.

The Statement of Significant Portfolio Movements reflect the aggregate purchases of a security exceeding 1% of the total value of purchases and aggregate disposals of a security greater than 1% of the total sales for the year. At a minimum the largest 20 purchases and largest 20 sales must be given.



## Statement of Significant Portfolio Movements (unaudited) continued

For the financial year ended 31 December 2021

### Automation & Artificial Intelligence Fund

| Purchases                | Cost<br>US\$'000 | Sales                          | Proceeds<br>US\$'000 |
|--------------------------|------------------|--------------------------------|----------------------|
| Micron Technology        | 15,192           | Meta Platforms                 | 14,764               |
| Thermo Fisher Scientific | 13,809           | STMicroelectronics             | 14,598               |
| RELX                     | 11,362           | Microsoft                      | 11,071               |
| KLA Corp                 | 10,721           | Qualcomm                       | 10,126               |
| Mastercard               | 9,815            | Xilinx                         | 10,022               |
| Amazon.com               | 9,572            | Kulicke & Soffa Industries Inc | 9,906                |
| Sandvik AB               | 8,475            | Shimano Inc                    | 9,590                |
| Twitter Inc.             | 8,305            | Advantest Corp                 | 9,084                |
| Volkswagen AG            | 7,893            | AirTAC International           | 8,753                |
| Guardant Health          | 7,640            | Thermo Fisher Scientific       | 8,376                |
| Unity Software Inc       | 7,483            | PayPal                         | 8,316                |
| Toyota Industries        | 7,226            | Covestro                       | 8,168                |
| MercadoLibre             | 6,458            | Ocado                          | 7,906                |
| Autodesk Inc             | 6,281            | Spotify Technology             | 7,743                |
| Meta Platforms           | 6,274            | MarketAxess Holdings Inc       | 7,620                |
| Seagate Technology       | 6,211            | Avalara                        | 7,469                |
| Shin-Etsu Chemical       | 6,098            | IPG Photonics Corporation      | 7,442                |
| Equifax Inc.             | 6,071            | Netflix                        | 7,418                |
| Alphabet                 | 5,700            | Alibaba ADR                    | 7,275                |
| Qualcomm                 | 5,661            | Amazon.com                     | 7,222                |
| Pinduoduo                | 5,472            | Advanced Micro Devices         | 7,188                |
| Snap                     | 5,410            | Equifax Inc.                   | 6,828                |
| Analog Devices           | 5,315            | Samsung Electro-Mechanics      | 6,789                |
| Man Group plc            | 5,258            | Delivery Hero                  | 6,644                |
| Siemens Healthineers     | 5,240            | MediaTek                       | 6,524                |
| Microsoft                | 5,153            | Analog Devices                 | 6,500                |
| Pagseguro Digital Ltd    | 5,144            | Autodesk Inc                   | 6,239                |
| Alfen                    | 5,000            | Adyen                          | 6,154                |
| Adyen                    | 4,875            | Twitter Inc.                   | 5,948                |
| LiveRamp                 | 4,864            | Volkswagen AG                  | 5,924                |
| NAVER                    | 4,859            | Bentley Systems                | 5,703                |
| Seagate Technology       | 4,755            | Givaudan                       | 5,633                |
| System Corp.             | 4,579            | Tokyo Electron                 | 5,518                |
| Twilio Inc               | 4,554            | Synopsys                       | 5,506                |
| Sea                      | 4,509            | Daifuku                        | 5,397                |
| Zur Rose Group           | 4,478            | Ansys Inc                      | 5,180                |



| <b>Purchases</b> | <b>Cost<br/>US\$'000</b> | <b>Sales</b>                       | <b>Proceeds<br/>US\$'000</b> |
|------------------|--------------------------|------------------------------------|------------------------------|
| Upstart          | 4,105                    | Axon Enterprise inc                | 5,172                        |
| Airbnb Inc.      | 4,029                    | Cerence                            | 5,148                        |
| 10x Genomics     | 3,934                    | Taiwan Semiconductor Manufacturing | 4,962                        |
| M3 Inc           | 3,927                    | Intuitive Surgical                 | 4,864                        |
| Bentley Systems  | 3,827                    | Twilio Inc                         | 4,551                        |
| DUERR AG         | 3,783                    | Littelfuse                         | 4,372                        |
| Netflix          | 3,691                    | DexCom Inc                         | 4,367                        |
| PayPal           | 3,504                    |                                    |                              |

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## Statement of Significant Portfolio Movements (unaudited) continued

For the financial year ended 31 December 2021

## Biotechnology Fund

| Purchases                 | Cost<br>US\$'000 | Sales                         | Proceeds<br>US\$'000 |
|---------------------------|------------------|-------------------------------|----------------------|
| AstraZeneca               | 109,248          | Valneva                       | 81,003               |
| Seagen                    | 56,252           | Alexion Pharmaceuticals       | 78,737               |
| Alnylam Pharmaceuticals   | 54,636           | Accelaron Pharma              | 77,495               |
| NanoString Technologies   | 51,810           | Argenx                        | 60,645               |
| Regeneron Pharmaceuticals | 51,574           | BioNTech                      | 46,072               |
| Bristol-Myers Squibb      | 45,664           | Novavax                       | 36,305               |
| Biohaven Pharmaceutical   | 44,200           | Bavarian Nordic               | 35,439               |
| Bavarian Nordic           | 43,223           | Constellation Pharmaceuticals | 31,489               |
| Jazz Pharma Plc           | 43,110           | Biogen                        | 30,925               |
| Genmab                    | 39,903           | BELLUS Health                 | 22,890               |
| UCB                       | 38,478           | Cytokinetics                  | 22,628               |
| Novavax                   | 35,956           | Global Blood Therapeutics     | 22,468               |
| Argenx                    | 35,699           | Zentalis Pharmaceuticals      | 21,141               |
| Insmed                    | 35,561           | Synairgen                     | 21,036               |
| Global Blood Therapeutics | 32,225           | Zai Lab                       | 18,934               |
| Arcutis Biotherapeutics   | 30,862           | BioMarin Pharmaceutical       | 18,590               |
| Vertex Pharmaceuticals    | 30,364           | Y-mAbs Therapeutics           | 18,526               |
| Y-mAbs Therapeutics       | 30,356           | Incyte                        | 18,337               |
| United Therapeutics       | 30,276           | Curis                         | 17,445               |
| Xenon Pharmaceuticals     | 30,189           | Oxford Immunotec Global       | 16,460               |
| Biogen                    | 29,934           | Immunovant                    | 15,174               |
| BioNTech                  | 29,541           | Celldex Therapeutics          | 14,919               |
| Valneva                   | 28,647           | Cogent Biosciences            | 14,908               |
| Cytokinetics              | 28,263           | Horizon Therapeutics          | 13,601               |
| Exelixis                  | 28,134           | Atea Pharmaceuticals          | 13,318               |
| Blueprint Medicines       | 27,694           | Intellia Therapeutics         | 13,001               |
| Curis                     | 26,059           | Travere Therapeutics          | 12,475               |
| Celldex Therapeutics      | 25,700           | PTC Therapeutics              | 11,674               |
| Morphic Holding           | 25,394           | Scholar Rock Holdings         | 11,559               |
| Zai Lab                   | 23,973           | Verona Pharma ADR             | 11,403               |
| Atea Pharmaceuticals      | 23,438           | Alnylam Pharmaceuticals       | 11,392               |
| Evotec                    | 22,835           | UCB                           | 11,360               |
| Horizon Therapeutics      | 22,162           | Vertex Pharmaceuticals        | 10,578               |
| Adicet Bio                | 20,533           |                               |                      |
| Cerevel Therapeutics      | 18,794           |                               |                      |
| Akoya Biosciences         | 17,753           |                               |                      |
| Supernus Pharmaceuticals  | 15,963           |                               |                      |
| BELLUS Health             | 15,775           |                               |                      |
| Zentalis Pharmaceuticals  | 14,910           |                               |                      |

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## China Stars Fund

| Purchases                                       | Cost<br>US\$'000 | Sales   | Proceeds<br>US\$'000 |
|---|------------------|---|----------------------|
| Tencent   | 1,237            | iQIYI ADR                                       | 648                  |
| Alibaba Group                                   | 845              | JD.com Inc                                      | 520                  |
| Alibaba ADR                                     | 822              | NetEase ADR                                     | 454                  |
| JD.com Inc                                      | 780              | Ping An Insurance Group of China Class H        | 432                  |
| China Construction Bank                         | 738              | Bilibili ADR                                    | 426                  |
| China Meidong Auto                              | 680              | BYD   | 372                  |
| iQIYI ADR                                       | 617              | China Merchants Bank Class H                    | 359                  |
| Meituan Dianping Class B                        | 591              | China Meidong Auto                              | 357                  |
| BYD   | 558              | Binjiang Service Group Co Ltd                   | 348                  |
| Guangdong Kinlong Hardware Products             | 490              | Agora Inc                                       | 331                  |
| NetEase ADR                                     | 469              | Meituan Dianping Class B                        | 314                  |
| Prosus  | 431              | Guangdong Kinlong Hardware Products             | 292                  |
| Bilibili ADR                                    | 426              | China Foods                                     | 275                  |
| Longfor   | 413              | Prosus  | 273                  |
| China State Construction Development            | 382              | C&D International Investment Group Ltd          | 265                  |
| China Resources Sanjiu Medical & Pharmaceutical | 377              | Longfor   | 256                  |
| ManpowerGreater China                           | 373              | China Resources Sanjiu Medical & Pharmaceutical | 250                  |
| Binjiang Service Group Co Ltd                   | 370              | Renrui Human Resources Technology Holdings Ltd  | 232                  |
| 51job ADR                                       | 342              | Alibaba ADR                                     | 231                  |
| Zhou Hei Ya International Holdings Co Ltd       | 340              | China Resources Beer                            | 227                  |
| S.F. Holding Co Ltd                             | 316              | Shenzhen Inovance Technology                    | 205                  |
| Gree Electric Appliances of Zhuhai              | 308              | 51job ADR                                       | 195                  |
| CLSA OPT Machine Vision Tech                    | 308              | Phoenix New Media ADR                           | 186                  |
| Phoenix New Media ADR                           | 279              | Perfect World                                   | 170                  |
| Shenzhen Inovance Technology                    | 266              | Tencent   | 162                  |
| Xin Point                                       | 261              | Taiwan Semiconductor Manufacturing              | 161                  |
| JD.com Inc Class A                              | 258              | 21Vianet ADR                                    | 156                  |
| Haier Smart Home                                | 251              | Vipshop ADR                                     | 153                  |
| Dadi Early-Childhood Education                  | 245              | Microport Scientific                            | 139                  |
| China Foods                                     | 240              | Ping An Insurance Group of China Class A        | 139                  |
| KE Holdings Inc                                 | 238              | China Resources Pharmaceutical                  | 134                  |
| Vipshop ADR                                     | 234              | Freni Brembo                                    | 129                  |
| Zhejiang Heda Technology Co Ltd                 | 220              | Geely Automobile                                | 126                  |
| Venus MedTech (HangZhou) Inc                    | 213              | Airtac International                            | 109                  |
| Kuaishou Technology                             | 206              | Zhou Hei Ya International Holdings Co Ltd       | 107                  |
| Yunnan Baiyao                                   | 193              |   |                      |
| Foshan Haitian Flavouring & Food                | 192              |   |                      |
| Midea   | 192              |   |                      |

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## Statement of Significant Portfolio Movements (unaudited) continued

For the financial year ended 31 December 2021

## Emerging Markets Income Fund\*

| Purchases                             | Cost<br>US\$'000 | Sales                                   | Proceeds<br>US\$'000 |
|---------------------------------------|------------------|---|----------------------|
| Tencent                               | 2,071            | Taiwan Semiconductor Manufacturing      | 5,978                |
| Alibaba ADR                           | 1,910            | Samsung Electronics                     | 4,771                |
| Ping An Insurance                     | 1,663            | China Merchants Bank                    | 4,550                |
| China Lesso Group                     | 1,545            | Delta Electronics                       | 4,416                |
| Lg                                    | 1,375            | Samsung Electronics Pref                | 3,679                |
| NHPC                                  | 1,101            | NAC Kazatomprom                         | 3,461                |
| Hyundai Motor Pref                    | 1,079            | Jiangsu Expressway                      | 3,312                |
| Sea ADR                               | 1,051            | KT                                      | 3,286                |
| Lee & Man Paper                       | 993              | MintH                                   | 3,047                |
| Ivanhoe Mines                         | 909              | Haier Smart Home                        | 2,772                |
| Meituan Dianping                      | 889              | Topsports International                 | 2,727                |
| JD.com ADR                            | 784              | KB Financial                            | 2,688                |
| NetEase ADR                           | 635              | Dongbu Insurance                        | 2,659                |
| Prosus                                | 611              | Rural Electrification                   | 2,547                |
| MercadoLibre                          | 523              | China Mobile                            | 2,499                |
| Sibanye Stillwater                    | 481              | KT&G                                    | 2,478                |
| Stoneco Ltd                           | 430              | LOTTE Reit                              | 2,452                |
| Alibaba Health Information Technology | 354              | Globaltrans Investment GDR              | 2,385                |
| EPAM Systems                          | 346              | China Construction Bank                 | 2,355                |
| AIA                                   | 320              | Fondul Proprietatea                     | 2,351                |
| Bilibili ADR                          | 314              | Mondi                                   | 2,347                |
| Arco Platform                         | 305              | AB Ignitis Grupe                        | 2,235                |
| Yandex                                | 282              | Humansoft                               | 2,206                |
| Microport Cardioflow Medtech Corp     | 281              | China Lesso Group                       | 2,200                |
| Longfor Group Holdings                | 231              | Moneta Money Bank                       | 2,181                |
|                                       |                  | Macquarie Mexico Real Estate Management | 2,128                |
|                                       |                  | Guangdong Investment                    | 1,966                |
|                                       |                  | Tech Mahindra                           | 1,924                |
|                                       |                  | ICICI Bank                              | 1,857                |
|                                       |                  | Telekomunikasi Indonesia Persero        | 1,783                |
|                                       |                  | Nova Ljubljanska Banka                  | 1,779                |
|                                       |                  | Bolsa Mexicana de Valores               | 1,766                |
|                                       |                  | Emirates NBD Bank                       | 1,700                |
|                                       |                  | Telefonica Brasil                       | 1,681                |
|                                       |                  | Polyus GDR                              | 1,519                |



| <b>Purchases</b> | <b>Cost<br/>US\$'000</b> | <b>Sales</b>                              | <b>Proceeds<br/>US\$'000</b> |
|------------------|--------------------------|---|------------------------------|
|                  |                          | Sberbank of Russia                        | 1,518                        |
|                  |                          | Polycab India                             | 1,513                        |
|                  |                          | Digital Telecommunications Infrastructure | 1,497                        |
|                  |                          | OMV Petrom                                | 1,470                        |
|                  |                          | Sinopharm                                 | 1,434                        |
|                  |                          | Life Healthcare                           | 1,410                        |
|                  |                          | Chicony Electronics                       | 1,269                        |
|                  |                          | Hyundai Motor Pref                        | 1,263                        |
|                  |                          | China Tower                               | 1,223                        |
|                  |                          | Detsky Mir                                | 1,211                        |

\* Emerging Markets Income Fund merged with the Emerging Markets Stars Fund on 8 June 2021.

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## Statement of Significant Portfolio Movements (unaudited) continued

For the financial year ended 31 December 2021

## Emerging Markets Stars Fund

| Purchases                             | Cost<br>US\$'000 | Sales                             | Proceeds<br>US\$'000 |
|---------------------------------------|------------------|-----------------------------------|----------------------|
| Tencent                               | 75,759           | Daejoo Electronic Materials       | 20,891               |
| Samsung Electronics                   | 74,818           | Prosus                            | 14,680               |
| Taiwan Semiconductor Manufacturing    | 74,323           | NetEase ADR                       | 14,399               |
| Sea ADR                               | 35,966           | Sungrow Power Supply              | 8,125                |
| Reliance Industries – Restricted      | 29,831           | Agora                             | 6,476                |
| Alibaba Group Holdings                | 28,746           | Afya                              | 6,071                |
| MediaTek                              | 28,216           | Glodon                            | 5,940                |
| ICICI Bank                            | 27,890           | Ping An Insurance                 | 5,910                |
| SK Hynix                              | 27,582           | Win Semiconductors                | 5,526                |
| Meituan Dianping                      | 27,354           | Microport Cardioflow Medtech Corp | 5,402                |
| Naver                                 | 27,091           | 21Vianet ADR                      | 5,115                |
| Alibaba ADR                           | 27,027           | Prestige Estates Projects         | 4,997                |
| MercadoLibre                          | 23,434           | Stoneco Ltd                       | 4,877                |
| Phoenix Mills                         | 22,307           | iQIYI ADR                         | 4,854                |
| Ivanhoe Mines                         | 21,318           | KMW                               | 4,790                |
| Housing Development Finance           | 19,506           | Ecopro BM                         | 4,761                |
| eMemory Technology                    | 18,471           | JD.Com Inc                        | 4,335                |
| EPAM Systems                          | 18,424           | Sea ADR                           | 3,993                |
| JD.Com Inc                            | 18,313           | Microport Scientific              | 3,982                |
| JD Health International               | 18,092           | Leader Harmonious Drive Systems   | 3,925                |
| Coforge Ltd                           | 17,784           | ICICI Bank                        | 3,792                |
| Apollo Hospitals                      | 17,389           | Kuaishou Technology               | 3,710                |
| Sungrow Power Supply                  | 17,354           | Bilibili ADR                      | 3,703                |
| Ping An Insurance                     | 16,966           | Mail.Ru GDR                       | 3,502                |
| LandMark Optoelectronics              | 16,677           | MediaTek                          | 3,501                |
| Stoneco Ltd                           | 16,573           | Alibaba ADR                       | 3,463                |
| Alibaba Health Information Technology | 14,965           | SK Hynix                          | 3,445                |
| OPT Machine Vision Tech               | 13,844           | eMemory Technology                | 3,304                |
| Samsung SDI                           | 13,353           | LandMark Optoelectronics          | 3,122                |
| Prestige Estates Projects             | 13,023           | 51job ADR                         | 3,055                |
| Leader Harmonious Drive Systems       | 12,960           | Samsung Electronics               | 3,037                |
| Shenzhen Inovance Technology          | 12,931           | Yoma Strategic                    | 2,701                |
| Andes Technology                      | 12,779           | Allegro.eu SA                     | 2,517                |
| Koh Young Technology                  | 12,705           | OPT Machine Vision Tech           | 2,116                |
| Yandex                                | 12,426           |                                   |                      |
| AIA                                   | 12,204           |                                   |                      |
| JD.com ADR                            | 12,173           |                                   |                      |
| Microport Cardioflow Medtech Corp     | 11,915           |                                   |                      |
| Chroma ATE                            | 11,867           |                                   |                      |
| Longfor                               | 11,807           |                                   |                      |
| TCS Group GDR                         | 11,564           |                                   |                      |

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## European ex UK Income Fund

| Purchases*       | Cost<br>EUR€'000 | Sales   | Proceeds<br>EUR€'000 |
|------------------|------------------|---|----------------------|
| TRYG             | 3,400            | Scandinavian Tobacco                                  | 7,632                |
| Nestle           | 2,826            | Naturgy Energy  | 6,953                |
| UPM-Kymmene      | 2,631            | Pernod Ricard   | 6,405                |
| Novartis         | 2,357            | Novartis  | 5,546                |
| Air Liquide      | 1,872            | AXA   | 5,507                |
| Siemens          | 1,863            | Nestle  | 5,387                |
| Vinci            | 1,254            | UPM-Kymmene   | 5,349                |
| Deutsche Telekom | 1,231            | Cie Financiere Richemont                              | 5,006                |
| Roche            | 1,004            | TotalEnergies   | 4,799                |
| Danone           | 841              | BASF  | 4,760                |
| Koninklijke KPN  | 726              | Roche   | 4,290                |
| Societe BIC      | 702              | Deutsche Telekom                                      | 4,120                |
| Unilever Plc     | 589              | Sanofi  | 3,731                |
| Deutsche Post    | 533              | Danone  | 3,545                |
| Sanofi           | 354              | Getlink   | 3,073                |
| Telenet          | 167              | Telenet   | 3,014                |
|                  |                  | Societe BIC   | 2,958                |
|                  |                  | Swiss Re  | 2,941                |
|                  |                  | Koninklijke KPN                                       | 2,918                |
|                  |                  | Brenntag  | 2,840                |
|                  |                  | Deutsche Post   | 2,763                |
|                  |                  | Red Electrica   | 2,616                |
|                  |                  | SCOR  | 2,498                |
|                  |                  | Sampo Plc   | 2,240                |
|                  |                  | Heineken  | 2,163                |
|                  |                  | Unilever Plc  | 2,030                |
|                  |                  | NOS   | 2,007                |
|                  |                  | Assa Abloy  | 1,819                |
|                  |                  | Muenchener Rueckversicherungs-Gesellschaftin Muenchen | 1,735                |
|                  |                  | Anheuser-Busch InBev                                  | 1,690                |
|                  |                  | Orange  | 1,676                |
|                  |                  | Cia de Distribucion Integral Logista                  | 1,441                |

\* Includes all purchases.

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## Statement of Significant Portfolio Movements (unaudited) continued

For the financial year ended 31 December 2021

## Financial Opportunities Fund

| Purchases                       | Cost<br>US\$'000 | Sales                           | Proceeds<br>US\$'000 |
|---------------------------------|------------------|---------------------------------|----------------------|
| JPMorgan Chase                  | 1,001            | Wells Fargo                     | 548                  |
| HSBC                            | 826              | US Bancorp                      | 499                  |
| Bank of America                 | 813              | Citigroup                       | 449                  |
| Toronto-Dominion Bank           | 714              | Ping An Insurance               | 437                  |
| Sumitomo Mitsui Financial       | 632              | Visa                            | 436                  |
| Arch Capital                    | 608              | American Express                | 421                  |
| Citizens Financial              | 589              | Bank of America                 | 415                  |
| PNC Financial Services Group    | 585              | JPMorgan Chase                  | 380                  |
| HDFC Bank ADR                   | 573              | HSBC                            | 370                  |
| Mastercard                      | 550              | Banco Bilbao Vizcaya Argentaria | 368                  |
| PayPal                          | 531              | AIA                             | 353                  |
| ING Groep                       | 519              | London Stock Exchange Group     | 351                  |
| Nordea Bank Abp                 | 515              | Mastercard                      | 347                  |
| Chubb                           | 501              | Prudential                      | 340                  |
| AIA                             | 499              | Signature Bank                  | 334                  |
| Morgan Stanley                  | 485              | Commonwealth Bank of Australia  | 331                  |
| PacWest Bancorp                 | 478              | Sberbank of Russia ADR          | 319                  |
| Lancashire                      | 474              | Webster Financial               | 317                  |
| Citigroup                       | 473              | FinecoBank SPA                  | 310                  |
| UBS                             | 465              | Arch Capital                    | 305                  |
| Webster Financial               | 425              | Prosperity Bancshares           | 305                  |
| Visa                            | 424              | Alibaba Group Holdings          | 286                  |
| East West Bancorp               | 421              | Funding Circle                  | 284                  |
| Enterprise Financial Services   | 411              | Swedbank                        | 280                  |
| OSB                             | 402              | Toronto-Dominion Bank           | 275                  |
| Intesa Sanpaolo SPA             | 397              | M&T Bank                        | 268                  |
| Alibaba Group Holdings          | 395              | Citizens Financial              | 258                  |
| Sampo                           | 381              | PNC Financial Services Group    | 249                  |
| BNP Paribas                     | 377              | Axis Bank                       | 248                  |
| Western Alliance Bancorp        | 374              | China Merchants Bank            | 244                  |
| Standard Chartered              | 362              | Chailease                       | 242                  |
| Banco Bilbao Vizcaya Argentaria | 344              | HDFC Bank ADR                   | 242                  |
| Shinhan Financial               | 339              | Hong Kong Exchanges & Clearing  | 239                  |
| Oversea-Chinese Banking         | 333              | ING Groep                       | 239                  |
| Ping An Insurance               | 328              | Comerica Inc                    | 236                  |
| Sberbank of Russia ADR          | 319              | PayPal                          | 235                  |
| SVB Financial                   | 318              | Enterprise Financial Services   | 231                  |



| <b>Purchases</b>               | <b>Cost<br/>US\$'000</b> | <b>Sales</b>                  | <b>Proceeds<br/>US\$'000</b> |
|--------------------------------|--------------------------|-------------------------------|------------------------------|
| Allfunds                       | 317                      | DNB                           | 227                          |
| Commonwealth Bank of Australia | 314                      | Itau Unibanco                 | 225                          |
| Pacific Premier Bancorp        | 308                      | Bajaj Finance                 | 219                          |
| Signature Bank                 | 302                      | Kasikornbank Public Company   | 215                          |
| Srisawad PCL                   | 299                      | Chubb                         | 206                          |
| Housing Development Finance    | 298                      | Sbanken                       | 205                          |
| Natwest                        | 291                      | Allianz                       | 202                          |
| Bank Rakyat Indonesia Persero  | 291                      | Bank Rakyat Indonesia Persero | 202                          |
| Manappuram Finance             | 289                      | BNP Paribas                   | 197                          |
| Hong Kong Exchanges & Clearing | 285                      | KBC                           | 193                          |
| M&T Bank                       | 284                      | Blackstone Group              | 183                          |
|                                |                          | Housing Development Finance   | 182                          |

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## Statement of Significant Portfolio Movements (unaudited) continued

For the financial year ended 31 December 2021

### Global Absolute Return Fund

| Purchases                                   | Cost<br>US\$'000 | Sales                                    | Proceeds<br>US\$'000 |
|---|------------------|--|----------------------|
| BP Capital Markets 1.000% 28/04/2023        | 11,146           | BP Capital Markets 1.000% 28/04/2023     | 8,308                |
| Umicore 0.000% 23/06/2025                   | 8,184            | Illumina 0.000% 15/08/2023               | 6,959                |
| Ozon 1.875% 24/02/2026                      | 6,792            | Ozon 1.875% 24/02/2026                   | 6,745                |
| Mondelez International 0.000% 20/09/2024    | 5,891            | Microstrategy 0.750% 15/12/2025          | 6,307                |
| Orpar 0.000% 20/06/2024                     | 5,878            | Orpar 0.000% 20/06/2024                  | 6,168                |
| J Sainsbury 2.875% 29/12/2049               | 5,777            | Umicore 0.000% 23/06/2025                | 5,687                |
| Dufry One 0.750% 30/3/2026                  | 5,380            | Patrick Industries 1.750% 01/12/2028     | 4,484                |
| Global Blood Therapeutics 1.875% 15/12/2028 | 5,000            | Par Technology 1.500% 15/10/2027         | 4,428                |
| Illumina 0.000% 15/08/2023                  | 4,559            | Repay 0.000% 01/02/2026                  | 4,200                |
| Patrick Industries 1.750% 01/12/2028        | 4,500            | Marriott Vacations 0.000% 15/01/2026     | 4,169                |
| Delivery Hero 0.875% 15/07/2025             | 4,238            | Porch 0.750% 15/09/2026                  | 4,002                |
| Repay 0.000% 01/02/2026                     | 4,105            | Delivery Hero 0.875% 15/07/2025          | 3,957                |
| Nutanix 0.250% 01/10/2027                   | 4,000            | Engie 0.000% 02/06/2024                  | 3,839                |
| Par Technology 1.500% 15/10/2027            | 4,000            | John Bean Technologies 0.250% 15/05/2026 | 3,761                |
| Porch 0.750% 15/09/2026                     | 4,000            | Peloton Interactive 0.000% 15/02/2026    | 3,755                |
| Fisker 2.500% 15/09/2026                    | 4,000            | Neogenomics Inc 0.250% 15/01/2028        | 3,724                |
| Shift4 Payments 0.500% 01/08/2027           | 4,000            | Fisker 2.500% 15/09/2026                 | 3,721                |
| Engie 0.000% 02/06/2024                     | 3,794            | Li Auto 0.250% 01/05/2028                | 3,707                |
| JET2 1.625% 10/06/2026                      | 3,528            | Mitek Sys. 0.750% 01/02/2026             | 3,688                |
| Digitalocean 0.000% 01/12/2026              | 3,500            | Sunnova Energy Int 0.250% 01/12/2026     | 3,644                |
| DraftKings 0.000% 15/03/2028                | 3,500            | Everbridge 0.000% 15/3/2026              | 3,638                |
| Ford Motor 0.000% 15/03/2026                | 3,500            | BigCommerce 0.250% 01/10/2026            | 3,591                |
| Unity Software 0.000% 15/11/2026            | 3,500            | Digitalocean 0.000% 01/12/2026           | 3,574                |
| Marathon Digital 1.000% 01/12/2026          | 3,500            | Bentley Sys. 0.125% 15/01/2026           | 3,572                |
| MGp Ingredients I 1.875% 15/11/2041         | 3,500            | Greenbrier Companies 2.875% 15/04/2028   | 3,570                |
| Greenbrier Companies 2.875% 15/04/2028      | 3,500            | Itron 0.000% 15/03/2026                  | 3,565                |
| Smiledirectclub 0.000% 01/02/2026           | 3,500            | Box 0.000% 15/01/2026                    | 3,552                |
| Bentley Sys. 0.125% 15/01/2026              | 3,500            | Mondelez International 0.00% 20/09/2024  | 3,537                |
| Marriott Vacations 0.000% 15/01/2026        | 3,500            | Alarm.com 0.000% 15/01/2026              | 3,533                |
| Veritone 1.750% 15/11/2026                  | 3,500            | Dynavax Technologies 2.500% 15/05/2026   | 3,532                |
| Alphatec 0.750% 01/08/2026                  | 3,500            | Kaleyra 6.125% 01/06/2026                | 3,524                |
| Kaleyra 6.125% 01/06/2026                   | 3,500            | Ford Motor 0.000% 15/03/2026             | 3,522                |
| Blackline 0.000% 15/03/2026                 | 3,500            | Unity Software 0.000% 15/11/2026         | 3,519                |
| Box 0.000% 15/01/2026                       | 3,500            | Verint Systems 0.250% 15/04/2026         | 3,500                |
| Array Technologies 1.000% 01/12/2028        | 3,500            | Alphatec 0.750% 01/08/2026               | 3,495                |
| BigCommerce 0.250% 01/10/2026               | 3,500            | Blackline 0.000% 15/03/2026              | 3,444                |
| Dynavax Technologies 2.500% 15/05/2026      | 3,500            | Bridgebio Pharma 2.250% 01/02/2029       | 3,427                |



| <b>Purchases</b>                         | <b>Cost<br/>US\$'000</b> | <b>Sales</b>                       | <b>Proceeds<br/>US\$'000</b> |
|--|--------------------------|------------------------------------|------------------------------|
| Itron 0.000% 15/03/2026                  | 3,500                    | Spirit Airlines 1.000% 15/05/2026  | 3,420                        |
| Alarm.com 0.000% 15/01/2026              | 3,500                    | Stem 0.500% 01/12/2028             | 3,334                        |
| Stem 0.500% 01/12/2028                   | 3,500                    | DraftKings 0.000% 15/03/2028       | 3,310                        |
| John Bean Technologies 0.250% 15/05/2026 | 3,500                    | Marathon Digital 1.000% 01/12/2026 | 3,288                        |
| Verint Systems 0.250% 15/04/2026         | 3,500                    | Smiledirectclub 0.000% 01/02/2026  | 3,261                        |
| MicroStrategy 0.000% 15/02/2027          | 3,500                    | Dufry One 0.750% 30/3/2026         | 3,258                        |
| Peloton Interactive 0.000% 15/02/2026    | 3,500                    |                                    |                              |
| Bridgebio Pharma 2.250% 01/02/2029       | 3,500                    |                                    |                              |
| Cryoport 0.750% 01/12/2026               | 3,500                    |                                    |                              |
| Sunnova Energy Int 0.250% 01/12/2026     | 3,500                    |                                    |                              |
| Spirit Airlines 1.000% 15/05/2026        | 3,500                    |                                    |                              |
| Camtek 0.000% 01/12/2026                 | 3,500                    |                                    |                              |
| Li Auto 0.250% 01/05/2028                | 3,500                    |                                    |                              |
| Everbridge 0.000% 15/3/2026              | 3,500                    |                                    |                              |
| Sofi Technologies 0.00% 15/10/2026       | 3,500                    |                                    |                              |
| Mitek Sys. 0.750% 01/02/2026             | 3,500                    |                                    |                              |
| Neogenomics Inc 0.250% 15/01/2028        | 3,500                    |                                    |                              |
| Bigbear AI 6.000% 15/12/2026             | 3,498                    |                                    |                              |

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## Statement of Significant Portfolio Movements (unaudited) continued

For the financial year ended 31 December 2021

## Global Convertible Fund

| Purchases                                       | Cost<br>US\$'000 | Sales   | Proceeds<br>US\$'000 |
|---|------------------|---|----------------------|
| PG&E  | 111,825          | ArcelorMittal 5.500% 18/05/2023                 | 118,096              |
| Nexi 0.000% 24/02/2028                          | 97,406           | Electricite de France 0.000% 14/09/2024         | 114,613              |
| Electricite de France 0.000% 14/09/2024         | 93,617           | Nexi 0.000% 24/02/2028                          | 95,206               |
| Delivery Hero 0.875% 15/07/2025                 | 93,156           | Delivery Hero 0.875% 15/07/2025                 | 86,919               |
| 2020 Cash Mandatory Exchangeable Trust          | 89,614           | Deutsche Post 0.050% 30/06/2025                 | 75,154               |
| Deutsche Post 0.050% 30/06/2025                 | 87,176           | MorphoSys 0.625% 16/10/2025                     | 71,777               |
| MorphoSys 0.625% 16/10/2025                     | 63,521           | Zalando 0.050% 06/08/2025                       | 64,378               |
| Dufry One 0.750% 30/03/2026                     | 62,519           | Cellnex Telecom 0.500% 05/07/2028               | 60,168               |
| Cellnex Telecom 0.500% 05/07/2028               | 62,197           | J Sainsbury                                     | 55,635               |
| Zalando 0.050% 06/08/2025                       | 60,119           | Colfax  | 54,163               |
| Ford Motor 0.000% 15/03/2026                    | 58,095           | STMicroelectronics 0.000% 04/08/2025            | 51,877               |
| Capital & Counties Properties 2.000% 30/03/2026 | 57,743           | Safran 0.875% 15/05/2027                        | 50,594               |
| STMicroelectronics 0.000% 04/08/2025            | 50,538           | Capital & Counties Properties 2.000% 30/03/2026 | 46,039               |
| DISH Network 0.000% 15/12/2025                  | 49,232           | JPMorgan Chase Bank NA 0.000% 24/05/2022        | 43,981               |
| JP Moragan Chase Bank 0.000% 18/02/2024         | 46,581           | Ford Motor 0.000% 15/03/2026                    | 42,609               |
| Safran 0.875% 15/05/2027                        | 44,533           | Worldline 0.000% 30/07/2026                     | 41,710               |
| Meituan 0.000% 27/04/2027                       | 44,150           | RAG-Stiftung 0.000% 02/10/2024                  | 40,558               |
| Change Healthcare                               | 42,560           | Sika 0.150% 05/06/2025                          | 37,824               |
| RAG-Stiftung 0.000% 02/10/2024                  | 40,567           | Halozyme Therapeutics 0.250% 01/03/2027         | 37,063               |
| Halozyme Therapeutics 0.250% 01/03/2027         | 39,730           | GSK Finance No 3 0.000% 22/06/2023              | 36,241               |

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## Global Insurance Fund

| <b>Purchases</b>       | <b>Cost*<br/>GBP £'000</b> | <b>Sales</b>             | <b>Proceeds<br/>GBP £'000</b> |
|------------------------|----------------------------|--------------------------|-------------------------------|
| RenaissanceRe          | 26,397                     | Marsh & McLennan Cos     | 25,300                        |
| Kinesis                | 10,946                     | Chubb                    | 21,753                        |
| Markel                 | 8,968                      | Arch Capital             | 16,728                        |
| Ryan Specialty Group   | 8,066                      | Aon                      | 13,208                        |
| Helios Underwriting    | 7,800                      | Markel                   | 12,605                        |
| AlphaCat Opportunities | 7,274                      | Berkshire Hathaway       | 11,677                        |
| Lodgepine 2021         | 7,212                      | Fairfax Financial        | 11,365                        |
| Direct Line Insurance  | 4,960                      | Alleghany                | 10,383                        |
| Beazley                | 4,778                      | Travelers Cos            | 9,698                         |
| James River            | 4,187                      | RenaissanceRe            | 8,316                         |
| Arch Capital           | 3,871                      | Essent                   | 8,241                         |
| Intact Financial       | 3,541                      | WR Berkley               | 7,609                         |
| Reinsurance of America | 2,020                      | Kinesis                  | 5,164                         |
| Prudential             | 1,385                      | First American Financial | 4,232                         |
| WR Berkley             | 1,322                      | Intact Financial         | 4,008                         |
| Essent                 | 1,090                      | Reinsurance of America   | 3,816                         |
| Progressive Corp       | 1,004                      | Direct Line Insurance    | 3,520                         |
|                        |                            | Sampo                    | 2,398                         |
|                        |                            | Progressive Corp         | 1,735                         |
|                        |                            | Lancashire               | 1,690                         |

\* Includes all purchases.

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## Statement of Significant Portfolio Movements (unaudited) continued

For the financial year ended 31 December 2021

## Global Technology Fund

| Purchases                 | Cost<br>US\$'000 | Sales                              | Proceeds<br>US\$'000 |
|---------------------------|------------------|------------------------------------|----------------------|
| Uber Technologies         | 233,780          | Facebook                           | 343,775              |
| Amazon.com                | 221,716          | PayPal                             | 263,971              |
| Facebook                  | 220,384          | Advanced Micro Devices             | 262,714              |
| Microsoft                 | 216,134          | Applied Materials                  | 249,549              |
| Micron Technology         | 213,753          | Analog Devices                     | 220,972              |
| Netflix                   | 213,728          | Zoom Video Communications          | 212,693              |
| Alphabet Class A          | 212,215          | Uber Technologies                  | 207,577              |
| Okta                      | 209,979          | NVIDIA                             | 198,759              |
| Alphabet Class C          | 209,624          | Amazon.com                         | 184,760              |
| Snap                      | 201,493          | Tencent                            | 172,989              |
| Zoom Video Communications | 190,626          | DocuSign                           | 171,694              |
| Advanced Micro Devices    | 184,120          | Adobe                              | 169,890              |
| Five9                     | 180,996          | Visa                               | 168,703              |
| DocuSign                  | 177,612          | Netflix                            | 166,203              |
| Roblox                    | 173,269          | Alibaba ADR                        | 165,220              |
| Zillow                    | 167,448          | CrowdStrike                        | 155,022              |
| ServiceNow                | 166,011          | STMicroelectronics                 | 154,636              |
| Marvell Technology Inc.   | 160,147          | Peloton Interactive                | 149,157              |
| Elastic                   | 158,630          | Samsung Electronics                | 143,882              |
| HelloFresh SE             | 157,293          | Zendesk                            | 143,366              |
| Applied Materials         | 157,138          | HubSpot                            | 137,888              |
| Zendesk                   | 150,405          | Alphabet Class A                   | 136,132              |
| Workday                   | 145,372          | Alphabet Class C                   | 133,275              |
| PayPal                    | 142,027          | Mastercard                         | 132,948              |
| Snowflake Inc.            | 141,606          | Tesla Inc                          | 130,270              |
| CrowdStrike               | 137,171          | Match Group                        | 129,798              |
| Western Digital           | 126,176          | ServiceNow                         | 124,570              |
| Twitter Inc.              | 124,618          | Spotify Technology                 | 122,055              |
| NVIDIA                    | 124,441          | ASML                               | 120,845              |
| Arista Networks           | 123,913          | salesforce.com                     | 119,139              |
| Airbnb Inc.               | 122,738          | Snowflake Inc.                     | 115,116              |
| ON Semiconductor          | 118,872          | Taiwan Semiconductor Manufacturing | 112,172              |
| Seagate Technology        | 111,607          | Etsy Inc.                          | 111,941              |



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| <b>Purchases</b>   | <b>Cost<br/>US\$'000</b> | <b>Sales</b> | <b>Proceeds<br/>US\$'000</b> |
|--------------------|--------------------------|--------------|------------------------------|
| Etsy Inc.          | 109,441                  |              |                              |
| HubSpot            | 109,376                  |              |                              |
| Seagate Technology | 109,165                  |              |                              |
| Mastercard         | 108,502                  |              |                              |
| NAVER              | 108,411                  |              |                              |

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## Statement of Significant Portfolio Movements (unaudited) continued

For the financial year ended 31 December 2021

## Healthcare Blue Chip Fund

| Purchases                | Cost<br>US\$'000 | Sales                    | Proceeds<br>US\$'000 |
|--------------------------|------------------|--------------------------|----------------------|
| UnitedHealth Group Inc   | 8,684            | UnitedHealth Group Inc   | 8,427                |
| Johnson & Johnson        | 8,620            | Sartorius                | 6,950                |
| Abbott Laboratories      | 5,316            | Koninklijke Philips      | 6,260                |
| Thermo Fisher Scientific | 5,204            | Thermo Fisher Scientific | 6,082                |
| Zimmer Biomet            | 4,910            | Amgen                    | 5,422                |
| Align Technology         | 4,788            | Syneos Health            | 5,300                |
| Ramsay Health Care       | 4,773            | Medtronic                | 5,216                |
| The Cooper Companies     | 4,693            | Centene                  | 4,877                |
| Boston Scientific        | 4,555            | Siemens Healthineers     | 4,797                |
| AmerisourceBergen        | 4,490            | Hill-Rom                 | 4,309                |
| UCB                      | 4,419            | AmerisourceBergen        | 4,140                |
| Centene                  | 4,160            | Align Technology         | 4,082                |
| Alcon                    | 4,057            | Roche                    | 4,028                |
| STERIS Plc               | 3,973            | Becton Dickinson         | 3,864                |
| Hologic                  | 3,731            | Swedish Orphan Biovitrum | 3,374                |
| Biohaven Pharmaceutical  | 3,692            | Zimmer Biomet            | 3,292                |
| Siemens Healthineers     | 3,688            | EssilorLuxottica         | 3,284                |
| Sartorius                | 3,573            | Alcon                    | 3,160                |
| Genmab                   | 3,531            | Fresenius Medical Care   | 3,108                |
| AptarGroup               | 3,522            | Eli Lilly                | 3,067                |
| Molina Healthcare        | 3,411            | Humana                   | 3,049                |
| Koninklijke Philips      | 3,332            | Alnylam Pharmaceuticals  | 3,009                |
| Argenx                   | 3,291            | PRA Health Sciences      | 3,007                |
| Envista                  | 3,113            | Neurocrine Biosciences   | 2,936                |
| Amedisys                 | 3,043            | IQVIA                    | 2,820                |
| Acadia Healthcare        | 2,889            | Bio-Rad Laboratories     | 2,770                |
| EssilorLuxottica         | 2,872            | Horizon Therapeutics     | 2,724                |
| Alnylam Pharmaceuticals  | 2,857            | Bristol-Myers Squibb     | 2,609                |
| AstraZeneca              | 2,491            | PPD                      | 2,527                |
| GN Store Nord            | 2,485            | Chugai Pharmaceutical    | 2,427                |
| United Therapeutics      | 2,437            | Argenx                   | 2,387                |
| Bio-Rad Laboratories     | 2,318            | Ramsay Health Care       | 2,259                |
| Amgen                    | 2,238            | UCB                      | 2,166                |
| Baxter International     | 2,237            | Incyte                   | 2,072                |
| Bristol-Myers Squibb     | 2,218            | GN Store Nord            | 2,063                |



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| <b>Purchases</b>     | <b>Cost<br/>US\$'000</b> | <b>Sales</b>            | <b>Proceeds<br/>US\$'000</b> |
|----------------------|--------------------------|-------------------------|------------------------------|
| Seagen               | 2,075                    | Biohaven Pharmaceutical | 1,845                        |
| Horizon Therapeutics | 1,980                    | Baxter International    | 1,727                        |
| PPD                  | 1,972                    | ACADIA Pharmaceuticals  | 1,700                        |
| AdaptHealth          | 1,969                    | Molina Healthcare       | 1,630                        |
| Syneos Health        | 1,923                    | Abbott Laboratories     | 1,599                        |
| Sanofi               | 1,856                    |                         |                              |

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## Statement of Significant Portfolio Movements (unaudited) continued

For the financial year ended 31 December 2021

## Healthcare Discovery Fund

| Purchases                       | Cost<br>US\$'000 | Sales                      | Proceeds<br>US\$'000 |
|---------------------------------|------------------|----------------------------|----------------------|
| Arrowhead                       | 2,181            | Tenet Healthcare           | 2,683                |
| NanoString Technologies         | 1,798            | Accelaron Pharma           | 2,609                |
| Quidel                          | 1,653            | Hill-Rom                   | 2,376                |
| Acadia Healthcare               | 1,498            | Swedish Orphan Biovitrum   | 2,110                |
| Hikma Pharmaceuticals           | 1,461            | BRUKER                     | 1,764                |
| Arcutis Biotherapeutics         | 1,447            | Magellan Health            | 1,386                |
| Zai Lab                         | 1,445            | Quidel                     | 1,342                |
| LivaNova                        | 1,428            | Medpace                    | 1,286                |
| Natera                          | 1,413            | Repligen                   | 1,273                |
| Y-mAbs Therapeutics             | 1,388            | Chemed                     | 1,181                |
| Lantheus                        | 1,208            | Syneos Health              | 1,169                |
| AtriCure                        | 1,189            | Horizon Therapeutics       | 1,160                |
| R1 RCM                          | 1,163            | Haemonetics                | 1,068                |
| Vericel                         | 1,161            | Arrowhead                  | 1,061                |
| Kalvista Pharmaceuticals        | 1,155            | Change Healthcare          | 1,019                |
| Inspire Medical Systems         | 1,120            | AdaptHealth                | 950                  |
| Laboratorios Farmaceuticos Rovi | 1,114            | Amedisys                   | 901                  |
| United Therapeutics             | 1,112            | Renalytix AI               | 897                  |
| Evolent Health                  | 1,094            | Vericel                    | 889                  |
| Denali Therapeutics             | 1,088            | iRhythm Technologies       | 868                  |
| Pacira BioSciences              | 1,049            | Inspire Medical Systems    | 847                  |
| Penumbra                        | 1,036            | Kalvista Pharmaceuticals   | 826                  |
| Korian                          | 1,030            | OptimizeRx                 | 815                  |
| Haemonetics                     | 1,021            | Elekta AB                  | 771                  |
| Envista                         | 993              | LHC                        | 712                  |
| 1Life Healthcare                | 984              | Tactile Systems Technology | 711                  |
| Tenet Healthcare                | 983              | 1Life Healthcare           | 667                  |
| Exelixis                        | 979              | ACADIA Pharmaceuticals     | 661                  |
| Conmed                          | 954              | SeaSpine                   | 627                  |
| Mirati Therapeutics             | 928              | NATERA INC.                | 608                  |
| Amedisys                        | 913              | uniQure                    | 594                  |
| Progyny                         | 897              | CONMED Corporation         | 469                  |
| Medley                          | 884              | ICU Medical                | 454                  |



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| <b>Purchases</b>        | <b>Cost<br/>US\$'000</b> | <b>Sales</b> | <b>Proceeds<br/>US\$'000</b> |
|-------------------------|--------------------------|--------------|------------------------------|
| Globus Medical          | 851                      |              |                              |
| Omniceil                | 830                      |              |                              |
| IVERIC bio              | 808                      |              |                              |
| ALK-Abello              | 747                      |              |                              |
| Biohaven Pharmaceutical | 714                      |              |                              |
| Richter Gedeon Nyrt     | 709                      |              |                              |
| Repligen                | 706                      |              |                              |
| Xenon Pharmaceuticals   | 702                      |              |                              |
| Insmed                  | 698                      |              |                              |
| Tandem Diabetes Care    | 696                      |              |                              |
| Valneva                 | 688                      |              |                              |

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## Statement of Significant Portfolio Movements (unaudited) continued

For the financial year ended 31 December 2021

## Healthcare Opportunities Fund

| Purchases                             | Cost<br>US\$'000 | Sales                           | Proceeds<br>US\$'000 |
|---------------------------------------|------------------|---------------------------------|----------------------|
| Bristol-Myers Squibb                  | 85,782           | Johnson & Johnson               | 199,455              |
| Boston Scientific                     | 79,630           | EssilorLuxottica                | 137,966              |
| UCB                                   | 79,182           | Roche                           | 115,239              |
| CVS Health                            | 63,634           | Align Technology                | 102,776              |
| Zimmer Biomet                         | 62,821           | Syneos Health                   | 83,735               |
| Envista                               | 55,862           | Bristol-Myers Squibb            | 79,444               |
| The Cooper Companies                  | 55,737           | Humana                          | 66,451               |
| United Therapeutics                   | 54,756           | Catalent                        | 62,136               |
| EssilorLuxottica                      | 51,763           | Zimmer Biomet                   | 58,294               |
| Hill-Rom                              | 49,029           | Bio-Rad Laboratories            | 58,281               |
| LivaNova                              | 45,157           | Hill-Rom                        | 53,738               |
| AtriCure                              | 44,954           | Surgery Partners                | 52,600               |
| Acadia Healthcare                     | 44,864           | Teleflex                        | 51,271               |
| Genmab                                | 44,747           | Avantor                         | 45,842               |
| Amedisys                              | 44,423           | Horizon Therapeutics            | 39,103               |
| Alcon                                 | 43,803           | AtriCure                        | 39,012               |
| AngioDynamics                         | 39,319           | AdaptHealth                     | 38,940               |
| AptarGroup                            | 34,975           | Oxford Immunotec Global         | 37,054               |
| Centene                               | 31,947           | Centene                         | 31,014               |
| Dicerna Pharmaceuticals               | 31,430           | Haemonetics                     | 25,385               |
| Glenmark Life Sciences                | 29,731           | AstraZeneca                     | 24,744               |
| Max Healthcare Institute              | 27,960           | Dicerna Pharmaceuticals         | 23,102               |
| Encompass Health                      | 27,145           | Amedisys                        | 22,719               |
| IVERIC bio                            | 26,226           | Cigna                           | 19,890               |
| Surgery Partners                      | 25,793           | Trillium Therapeutics           | 19,810               |
| Horizon Therapeutics                  | 21,777           | UCB                             | 19,802               |
| KalVista Pharmaceuticals              | 21,541           | Axonics Modulation Technologies | 19,697               |
| Globus Medical                        | 21,521           |                                 |                      |
| Xenon Pharmaceuticals                 | 20,513           |                                 |                      |
| AstraZeneca                           | 19,979           |                                 |                      |
| Ship Healthcare                       | 19,861           |                                 |                      |
| Neuronetics                           | 19,155           |                                 |                      |
| ALK-Abello                            | 18,847           |                                 |                      |
| Krishna Institute of Medical Sciences | 18,564           |                                 |                      |
| Revanche Therapeutics                 | 16,968           |                                 |                      |
| Johnson & Johnson                     | 16,932           |                                 |                      |

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## Income Opportunities Fund

| Purchases                                      | Cost<br>GBP£'000 | Sales   | Proceeds<br>GBP£'000 |
|--|------------------|---|----------------------|
| Provident Financial                            | 1,100            | JPMorgan Chase                                | 2,242                |
| Ground Rents Income Fund                       | 975              | ING Groep FRN (Perpetual)                     | 1,679                |
| Singapore Government Bond                      | 842              | Bank of America                               | 1,351                |
| Swedbank                                       | 814              | KBC Bank                                      | 1,228                |
| XPS Pensions                                   | 747              | International Personal Finance FRN 15/06/2022 | 1,181                |
| Beazley  | 738              | Nationwide Building Society                   | 1,047                |
| Skandinaviska Enskilda Banken                  | 722              | First Republic Bank                           | 1,031                |
| Flow Traders                                   | 693              | National Westminster Bank FRN (Perpetual)     | 1,007                |
| United States Treasury Inflation Indexed Bonds | 691              | Blackstone Group                              | 982                  |
| International Personal Finance                 | 672              | PNC Financial Services Group                  | 973                  |
| Shinhan Financial                              | 659              | Dresdner Funding Trust I 8.151% 30/06/2031    | 970                  |
| Singapore Government Bond                      | 636              | Morgan Stanley FRN 30/04/2032                 | 953                  |
| United States Treasury Inflation Indexed Bonds | 632              | Morses Club                                   | 905                  |
| 3i   | 613              | Lancashire                                    | 801                  |
| East West Bancorp                              | 468              | National Westminster Bank FRN (Perpetual)     | 787                  |
| Sumitomo Mitsui Financial                      | 453              | Swedbank                                      | 776                  |
| HSBC   | 421              | SpareBank 1 SMN                               | 754                  |
| Hellenic Bank                                  | 401              | Wells Fargo                                   | 739                  |
| Schroders                                      | 365              | Borealis Finance 7.500% 16/11/2022            | 737                  |
| Banco Comercial Portugues                      | 342              | National Westminster Bank 11.500% (Perpetual) | 698                  |
| Provident Financial                            | 324              | Legal & General                               | 680                  |
| Distribution Finance Capital                   | 312              | Kasikornbank                                  | 659                  |
| UK Mortgages                                   | 295              | Provident Financial 8.250% 04/06/2023         | 655                  |
| Esquire Financial                              | 265              | 3i  | 596                  |
| Allfunds                                       | 240              | Bank of NT Butterfield & Son                  | 542                  |
| SLR Senior Investment                          | 228              | HSBC Bank FRN (Perpetual)                     | 518                  |
| International Personal Finance                 | 214              | SLR Investment                                | 473                  |
| Toronto-Dominion Bank                          | 185              | Sumitomo Mitsui Financial                     | 465                  |
| National Westminster Bank 11.500% (Perpetual)  | 174              | Bank of Georgia                               | 461                  |



## Statement of Significant Portfolio Movements (unaudited) continued

For the financial year ended 31 December 2021

## Income Opportunities Fund continued

| Purchases | Cost<br>GBP£'000 | Sales  | Proceeds<br>GBP£'000 |
|-----------|------------------|--|----------------------|
|           |                  | UK Mortgages                                 | 459                  |
|           |                  | Wachovia Capital Trust III 5.570% 29/03/2049 | 451                  |
|           |                  | OSB  | 445                  |
|           |                  | Personal                                     | 445                  |
|           |                  | ING Groep                                    | 438                  |
|           |                  | HSBC   | 420                  |
|           |                  | Ares Capital                                 | 415                  |
|           |                  | BNP Paribas                                  | 410                  |
|           |                  | Premier Milton Group                         | 405                  |
|           |                  | Morgan Stanley FRN 30/09/2031                | 372                  |
|           |                  | Direct Line Insurance                        | 367                  |

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## Japan Value Fund

| Purchases                      | Cost<br>JPY¥'000 | Sales                          | Proceeds<br>JPY¥'000 |
|--------------------------------|------------------|--------------------------------|----------------------|
| Suzuki Motor                   | 1,000,355        | Secom Joshinetsu               | 1,298,080            |
| Secom                          | 914,068          | HI-LEX                         | 718,321              |
| SoftBank Group                 | 882,232          | Mirait                         | 703,911              |
| Honda Motor                    | 703,267          | Bridgestone                    | 689,166              |
| Medikit                        | 637,452          | Okinawa Cellular Telephone     | 670,102              |
| Lifedrink                      | 567,029          | KDDI                           | 668,118              |
| METAWATER                      | 539,573          | Inpex                          | 608,930              |
| Bank of Kyoto                  | 530,152          | Mitsui Fudosan                 | 586,537              |
| SK Kaken                       | 510,423          | Toppan Forms                   | 556,449              |
| TS Tech                        | 477,705          | Nikon                          | 511,699              |
| Shimamura                      | 448,869          | Kyocera                        | 474,039              |
| Nohmi Bosai                    | 432,484          | Tokio Marine                   | 462,272              |
| Hogy Medical                   | 430,346          | NTT Data                       | 446,431              |
| Amuse                          | 424,834          | Taisho Pharmaceutical          | 445,176              |
| Tokio Marine                   | 397,317          | Kaga Electronics               | 439,763              |
| Mabuchi Motor                  | 391,711          | Denso                          | 362,684              |
| Vital KSK Holdings             | 388,452          | Kuraray                        | 360,838              |
| Toyo Tire                      | 378,129          | H2O Retailing                  | 335,627              |
| Optex                          | 351,982          | Mitsubishi UFJ Lease & Finance | 299,250              |
| SKY Perfect JSAT               | 348,271          | JAFCO                          | 273,387              |
| Tanseisha                      | 343,741          | Suntory Beverage & Food        | 236,115              |
| Forum Engineering              | 336,128          | Daiwa Industries               | 148,729              |
| Alps Alpine                    | 298,712          | Toshiba                        | 145,077              |
| Benesse Holdings               | 294,919          | Aeon Delight                   | 141,153              |
| Jastec                         | 273,641          |                                |                      |
| Mitsubishi UFJ Lease & Finance | 266,539          |                                |                      |
| Mitsubishi Research Institute  | 247,865          |                                |                      |
| Suntory Beverage & Food        | 233,854          |                                |                      |
| Nihon Parkerizing              | 220,909          |                                |                      |
| SRA Holdings                   | 220,398          |                                |                      |
| Ines                           | 218,906          |                                |                      |
| Tokyo Broadcasting System      | 172,773          |                                |                      |

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## Statement of Significant Portfolio Movements (unaudited) continued

For the financial year ended 31 December 2021

## North American Fund

| Purchases                         | Cost<br>US\$'000 | Sales                      | Proceeds<br>US\$'000 |
|-----------------------------------|------------------|----------------------------|----------------------|
| Signature Bank                    | 27,759           | Colfax                     | 35,814               |
| Service Corporation International | 26,921           | Applied Materials          | 32,904               |
| MKS Instruments                   | 23,876           | Markel                     | 28,175               |
| LPL Financial                     | 22,131           | IAC/InterActiveCorp        | 23,947               |
| Zuora                             | 21,117           | Wells Fargo                | 23,472               |
| Cannae                            | 20,957           | Altria                     | 22,654               |
| IAC/InterActiveCorp               | 20,595           | Citigroup                  | 21,169               |
| Constellation Software            | 18,545           | eBay                       | 20,141               |
| Littelfuse                        | 18,420           | Agilent Technologies       | 19,484               |
| Wells Fargo                       | 16,832           | Marsh & McLennan           | 16,770               |
| Amazon.com                        | 16,209           | Alphabet                   | 16,037               |
| Grupo Cementos de Chihuahua       | 15,092           | Sabre                      | 15,682               |
| ICON                              | 13,968           | Mohawk Industries          | 13,756               |
| United Rentals                    | 13,965           | Analog Devices             | 13,435               |
| Shift Technologies                | 13,257           | Envista                    | 12,511               |
| T-Mobile US                       | 12,351           | Centene                    | 12,046               |
| Canadian Natural Resources        | 11,973           | Medtronic                  | 11,727               |
| Meta Platforms                    | 11,138           | Anthem                     | 11,562               |
| SS&C Technologies                 | 10,824           | Ametek                     | 11,417               |
| eBay                              | 10,240           | Lyft                       | 10,351               |
| Visa                              | 9,661            | TE Connectivity            | 9,945                |
| Alphabet                          | 8,947            | Accenture                  | 9,798                |
| Uber                              | 8,947            | Amazon.com                 | 9,786                |
| Altria                            | 8,168            | Stitch Fix                 | 8,538                |
| Centene                           | 7,930            | Qualcomm                   | 7,424                |
| Stitch Fix                        | 6,783            | LiveRamp Holdings          | 7,235                |
| TE Connectivity                   | 6,418            | Arch Capital               | 6,266                |
| LiveRamp Holdings                 | 5,295            | Fiserv                     | 6,079                |
| Qualcomm                          | 5,022            | ICON                       | 5,865                |
| Anthem                            | 4,684            | Canadian Natural Resources | 5,638                |
| US Foods                          | 4,534            | Zuora                      | 5,086                |

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## Smart Energy Fund\*

| Purchases                      | Cost<br>US\$'000 | Sales                  | Proceeds<br>US\$'000 |
|--------------------------------|------------------|------------------------|----------------------|
| Xilinx                         | 1,968            | Xilinx                 | 1,228                |
| ON Semiconductor               | 1,872            | Marvell Technology     | 816                  |
| Power Integrations             | 1,461            | Plug Power             | 771                  |
| Marvell Technology             | 1,448            | ON Semiconductor       | 645                  |
| Plug Power                     | 1,421            | SolarEdge Technologies | 638                  |
| Xpeng Motors ADR               | 1,303            | NIO ADR                | 637                  |
| Schneider Electric             | 1,255            | Nordex                 | 575                  |
| NIO ADR                        | 1,244            | Xpeng Motors ADR       | 402                  |
| Lattice Semiconductor          | 1,120            | Enphase Energy         | 361                  |
| Nordex                         | 1,055            | Lattice Semiconductor  | 324                  |
| Infineon Technologies          | 939              | NXP Semiconductors     | 266                  |
| EnerSys                        | 919              | 7C Solarparken         | 234                  |
| SolarEdge Technologies         | 905              | Albemarle              | 234                  |
| Alstom                         | 899              | Varta                  | 218                  |
| Rohm                           | 898              | Nel                    | 214                  |
| Johnson Controls International | 891              | PTC                    | 207                  |
| Qorvo                          | 853              | Lumentum               | 196                  |
| Monolithic Power Systems       | 841              | Encavis                | 191                  |
| Air Liquide                    | 811              | Wacker Chemie          | 186                  |
| Lumentum                       | 769              | Neoen                  | 181                  |
| Renesas Electronics            | 746              | Vertiv Holdings        | 149                  |
| STMicroelectronics             | 674              | ITM Power              | 144                  |
| Linde                          | 631              | Schneider Electric     | 116                  |
| Albemarle                      | 584              | PNE                    | 114                  |
| Nexans                         | 561              | Alstom                 | 108                  |
| Skyworks Solutions             | 536              | Ballard Power System   | 99                   |
| Analog Devices                 | 525              |                        |                      |
| Fuji Electric                  | 515              |                        |                      |
| Silergy                        | 511              |                        |                      |
| Varta                          | 491              |                        |                      |
| Azbil                          | 477              |                        |                      |
| Navitas Semiconductor          | 474              |                        |                      |
| Enphase Energy                 | 450              |                        |                      |
| Nel                            | 417              |                        |                      |
| Vertiv Holdings                | 408              |                        |                      |
| SMA Solar Technology           | 385              |                        |                      |
| RENOVA                         | 379              |                        |                      |

\* Smart Energy Fund launched on 30 September 2021.

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## Statement of Significant Portfolio Movements (unaudited) continued

For the financial year ended 31 December 2021

## Smart Mobility Fund\*

| Purchases                          | Cost<br>US\$'000 | Sales                              | Proceeds<br>US\$'000 |
|------------------------------------|------------------|------------------------------------|----------------------|
| Plug Power                         | 533              | Plug Power                         | 420                  |
| ON Semiconductor                   | 480              | Solaredge Technologies             | 251                  |
| XPeng                              | 439              | NIO                                | 242                  |
| NIO                                | 427              | XPeng                              | 176                  |
| Power Integrations                 | 353              | Albemarle                          | 160                  |
| Alstom                             | 337              | Umicore                            | 157                  |
| Infineon Technologies              | 336              | ON Semiconductor                   | 141                  |
| Uber Technologies                  | 324              | Ballard Power Systems              | 102                  |
| Visteon                            | 323              | NEL                                | 98                   |
| Albemarle                          | 312              | Texas Instruments                  | 97                   |
| Livent                             | 306              | NXP Semiconductors                 | 96                   |
| Aptiv                              | 297              | Sociedad Quimica y Minera de Chile | 84                   |
| Rohm                               | 269              | Fuji Electric                      | 66                   |
| Monolithic Power Systems           | 248              | ITM Power                          | 58                   |
| Schneider Electric                 | 244              | Power Integrations                 | 56                   |
| Solaredge Technologies             | 241              | Delta Electronics                  | 52                   |
| Denso                              | 235              | Chroma ATE                         | 52                   |
| Renesas Electronics                | 227              | Legrand                            | 47                   |
| Analog Devices                     | 210              | TE Connectivity                    | 39                   |
| Sociedad Quimica y Minera de Chile | 207              | Alstom                             | 35                   |
| Umicore                            | 206              | Schneider Electric                 | 33                   |
| Air Liquide                        | 201              |                                    |                      |
| Panasonic                          | 196              |                                    |                      |
| NXP Semiconductors                 | 195              |                                    |                      |
| Linde                              | 182              |                                    |                      |
| ABB                                | 175              |                                    |                      |
| Fuji Electric                      | 160              |                                    |                      |
| Dassault Systemes                  | 151              |                                    |                      |
| Nidec                              | 145              |                                    |                      |



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| <b>Purchases</b>              | <b>Cost<br/>US\$'000</b> | <b>Sales</b> | <b>Proceeds<br/>US\$'000</b> |
|-------------------------------|--------------------------|--------------|------------------------------|
| NEL                           | 143                      |              |                              |
| Hota Industrial Manufacturing | 142                      |              |                              |
| Stadler Rail                  | 135                      |              |                              |
| STMicroelectronics            | 125                      |              |                              |
| ITM Power                     | 122                      |              |                              |
| Hyundai Mobis                 | 109                      |              |                              |
| Chroma ATE                    | 101                      |              |                              |
| Legrand                       | 101                      |              |                              |
| Texas Instruments             | 100                      |              |                              |
| Delta Electronics             | 100                      |              |                              |
| Ballard Power System          | 99                       |              |                              |

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## Statement of Significant Portfolio Movements (unaudited) continued

For the financial year ended 31 December 2021

## UK Value Opportunities Fund

| Purchases                 | Cost<br>US\$'000 | Sales                     | Proceeds<br>US\$'000 |
|---------------------------|------------------|---------------------------|----------------------|
| AstraZeneca               | 30,885           | Watches of Switzerland    | 43,283               |
| Bellway                   | 28,059           | Wm Morrison Supermarkets  | 39,396               |
| Standard Chartered        | 27,293           | Ultra Electronics         | 35,074               |
| Rio Tinto                 | 26,512           | Stock Spirits             | 29,698               |
| Natwest                   | 25,572           | Barratt Developments      | 27,897               |
| Taylor Wimpey             | 25,254           | Prudential                | 27,180               |
| J Sainsbury               | 24,987           | BHP                       | 23,123               |
| HSBC                      | 23,887           | JD Sports Fashion         | 19,490               |
| Atalaya Mining            | 23,660           | James Fisher & Sons       | 18,749               |
| Virgin Money UK           | 23,621           | Ashmore                   | 17,725               |
| Greencore                 | 22,730           | Persimmon                 | 17,250               |
| SigmaRoc                  | 22,728           | Marks & Spencer           | 17,173               |
| PZ Cussons                | 22,722           | Investec                  | 17,059               |
| Mitchells & Butlers       | 22,557           | Natwest                   | 16,592               |
| BHP                       | 22,141           | Marlowe                   | 15,977               |
| Beazley                   | 21,509           | Brewin Dolphin            | 15,285               |
| Marks & Spencer           | 20,344           | Polymetal International   | 15,183               |
| Kier                      | 19,108           | Johnson Service           | 14,854               |
| WPP                       | 18,819           | Rio Tinto                 | 14,699               |
| CMC Markets               | 18,581           | Pennon                    | 13,479               |
| Hikma Pharmaceuticals     | 17,801           | Morgan Sindall            | 12,420               |
| Inchcape                  | 17,460           | On the Beach              | 12,145               |
| Rathbone Brothers         | 15,961           | Aviva                     | 10,517               |
| Premier Foods             | 15,774           | DiscoverIE                | 10,063               |
| Spirent Communications    | 15,142           | OSB Group Plc             | 9,999                |
| Vesuvius                  | 14,567           | Severfield                | 9,968                |
| Morgan Advanced Materials | 14,566           | Young & Co's Brewery      | 9,444                |
| Mondi                     | 14,413           | SThree                    | 9,396                |
| IG Design                 | 14,004           | Hill & Smith              | 9,337                |
| Tesco                     | 13,609           | Grafton                   | 9,239                |
| Pennon                    | 12,162           | Morgan Advanced Materials | 9,216                |
| QinetiQ                   | 11,788           | AstraZeneca               | 9,112                |
| Grafton                   | 11,709           | Reckitt Benckiser         | 8,746                |
| Hilton Food               | 11,499           | Victorian Plumbing        | 7,247                |



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| <b>Purchases</b>          | <b>Cost<br/>US\$'000</b> | <b>Sales</b> | <b>Proceeds<br/>US\$'000</b> |
|---------------------------|--------------------------|--------------|------------------------------|
| Cranswick                 | 10,790                   |              |                              |
| Breedon                   | 10,132                   |              |                              |
| A.G. Barr                 | 9,646                    |              |                              |
| Anglo American            | 9,623                    |              |                              |
| Dunelm                    | 9,229                    |              |                              |
| B&M European Value Retail | 9,026                    |              |                              |

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The Statement of Significant Portfolio Movements reflect the aggregate purchases of a security exceeding 1% of the total value of purchases and aggregate disposals of a security greater than 1% of the total sales for the year. At a minimum the largest 20 purchases and largest 20 sales must be given.



## Information for Investors (unaudited)

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### **Information for Investors in the Federal Republic of Germany (unaudited)**

The Prospectus, the Key Investor Information Document ('KIID'), the Memorandum and Articles of Association of the Company and the annual and semi-annual reports of the Company and a complete listing of the purchases and sales during the period, each in paper form, as well as the Net Asset Value per Share, issue and redemption prices and any switching prices are available and may be obtained free of charge at the office of the German Paying and Information Agent.

### **Information for Investors in Switzerland (unaudited)**

The Company has appointed BNP Paribas Securities Services, Paris, Succursale de Zurich, Selnaustrasse 16, 8002 Zurich, Switzerland as representative and paying agent for Switzerland. For redeemable participating shares distributed in Switzerland, the performance place is at BNP Paribas Securities Services' address. Investors, can obtain free of charge, the prospectus, the simplified prospectus (both also available for potential investors), and the last annual and interim reports, from the representative at the above address and the official publications for the Company are published in [www.fundinfo.com](http://www.fundinfo.com).

Following a directive of the Swiss Funds Association dated 27 July 2004, the Company is required to supply performance data in conformity with the said directive. This data can be found under each of the Fund reports.

Please note that all references to a specific index are for comparative purposes only.

Past performance is no indication of current or future performance. The value of an investment can fall as well as rise as a result of market fluctuations and investors may not get back the amount originally invested. The performance data does not take account of the commissions and costs incurred on the issue and redemption of redeemable participating shares.

Investors should contact the Swiss representative at the above address should they require additional information, e.g. on performance including the composition of the relevant indices where applicable.



## Total Expense Ratio

Pursuant to a guideline from the Swiss Funds Association dated January 2006, the Company is required to publish a Total Expense Ratio (TER) for the period ended 31 December 2021.

The TERs for each Fund for the current and prior period are as follows:

| Name of Fund                              | 31 December 2021                     |                                      | 31 December 2020                     |                                      |
|---|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
|   | TER (excluding performance fee) in % | TER (including performance fee) in % | TER (excluding performance fee) in % | TER (including performance fee) in % |
| Asian Opportunities Fund*                 | –                                    | –                                    | 1.19                                 | 1.62                                 |
| Asian Stars Fund                          | 0.53                                 | 1.42                                 | 0.71                                 | 2.48                                 |
| Automation & Artificial Intelligence Fund | 0.61                                 | 0.61                                 | 0.55                                 | 1.91                                 |
| Biotechnology Fund                        | 1.31                                 | 1.61                                 | 1.33                                 | 2.69                                 |
| China Stars Fund                          | 0.63                                 | 0.63                                 | 0.71                                 | 1.67                                 |
| Emerging Markets Income Fund**            | 1.12                                 | 1.12                                 | 0.98                                 | 0.98                                 |
| Emerging Markets Stars Fund               | 1.57                                 | 1.83                                 | 0.66                                 | 2.29                                 |
| European ex UK Income Fund                | 1.05                                 | 1.05                                 | 0.97                                 | 0.97                                 |
| Financial Opportunities Fund              | 2.04                                 | 2.04                                 | 1.16                                 | 1.23                                 |
| Global Absolute Return Fund               | 0.90                                 | 1.17                                 | 0.90                                 | 4.55                                 |
| Global Convertible Fund                   | 1.02                                 | 1.02                                 | 0.97                                 | 0.97                                 |
| Global Insurance Fund                     | 0.86                                 | 0.86                                 | 0.90                                 | 0.90                                 |
| Global Technology Fund                    | 1.28                                 | 1.28                                 | 1.28                                 | 1.81                                 |
| Healthcare Blue Chip Fund                 | 0.69                                 | 0.69                                 | 0.75                                 | 0.75                                 |
| Healthcare Discovery Fund                 | 0.81                                 | 0.81                                 | 0.78                                 | 1.65                                 |
| Healthcare Opportunities Fund             | 1.17                                 | 1.17                                 | 1.20                                 | 1.24                                 |
| Income Opportunities Fund                 | 1.10                                 | 1.13                                 | 1.11                                 | 1.71                                 |
| Japan Value Fund                          | 0.90                                 | 0.90                                 | 1.00                                 | 1.00                                 |
| North American Fund                       | 0.75                                 | 0.75                                 | 0.74                                 | 0.74                                 |
| Smart Energy Fund***                      | 0.25                                 | 0.25                                 | –                                    | –                                    |
| Smart Mobility Fund****                   | 0.25                                 | 0.25                                 | –                                    | –                                    |
| UK Value Opportunities Fund               | 0.67                                 | 0.89                                 | 0.66                                 | 0.66                                 |

\* Asian Opportunities Fund terminated on 1 March 2021.

\*\* Emerging Markets Income Fund merged with Emerging Markets Stars Fund on 8 June 2021.

\*\*\* Smart Energy Fund launched on 30 September 2021.

\*\*\*\* Smart Mobility Fund launched on 30 September 2021.

The Total Expense Ratio is calculated after an adjustment for swing pricing.

## PEA Compliance (unaudited)

The European Income Fund is Plan d'Epargne en Actions ('PEA') eligible. For the purpose of eligibility requirement of Article L-221-31 of the French Monetary and Financial Code, the Fund must at all times during the financial year ended 31 December 2021 be invested in more than 75% of PEA eligible assets. PEA eligible assets are defined as equity or equity equivalent securities, which have their registered office in a country which is a member of the EU or the European Economic Area.

|                            | % PEA Eligible Assets<br>– 31 December 2021 | % PEA Eligible Assets<br>31 December 2020 |
|----------------------------|---|---|
| European Income ex UK Fund | 81.03%                                      | 81.48%                                    |

## Appendix I – Remuneration Disclosures (unaudited)

The below disclosure is made in respect of the remuneration policies of Bridge Fund Management Limited ('Manager') in accordance with the European Union Directive 2014/91/EU as implemented in Ireland by S.I. No. 143/2016 – European Union (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations 2016.

The Manager has a business model, policies and procedures, which by their nature do not promote excessive risk taking and take account of the nature, scale and complexity of the Manager and the UCITS. The Remuneration Policy is designed to discourage risk taking that is inconsistent with the risk profile of the UCITS and the Manager is not incentivised or rewarded for taking excessive risk.

The Bridge Remuneration Policy applies to all UCITS for which it acts as manager. All remuneration paid to Identified Staff can be divided into:

- Fixed remuneration (payments or benefits without consideration of any performance criteria); and
- Variable remuneration (additional payments or benefits depending on performance or, in certain cases, other contractual criteria) which is not based on the performance of the UCITS.

The Manager has designated the following persons as Identified Staff:

- Executive and Non-Executive members of the management body of the Manager e.g. CEO, Directors, Executive and Non-Executive partners;
- Senior management;
- Risk takers – staff who can exert material influence on the Manager or on the UCITS or AIFs it manages;
- Those in control functions: Operations, HR, Compliance, Finance where applicable;
- Staff whose total remuneration takes them into the bracket of senior management and risk takers, whose professional activities have a material impact on the Manager's risk position or those of the UCITS and/or AIFs it manages; and
- Categories of staff of the entities to which portfolio management or risk management activities have been delegated whose professional activities have a material impact on the Manager's risk position or those of the UCITS and/or AIFs it manages.

The Manager is required under the UCITS Regulations to make quantitative disclosures of remuneration. Disclosures are provided in relation to Identified Staff who are employed directly by the Manager and Identified staff who have the ability to materially impact the risk profile of the UCITS including individuals who, although not directly employed by the Manager, are assigned by their employer to carry out services directly by the Manager.

Remuneration details for the Manager are disclosed below:

| Description  | Number of beneficiaries | Total remuneration paid | Fixed remuneration paid | Variable remuneration paid |
|--|-------------------------|-------------------------|-------------------------|----------------------------|
| Total Staff Remuneration   | 29                      | €2,137,652              | €1,807,402              | €330,250                   |
| Senior Management (including executives), risk takers and other identified staff | 8                       | €1,003,801              | €760,801                | €243,000                   |

Details of the Remuneration Policy, including, but not limited to, a description of how remuneration and benefits are calculated and the identity of persons responsible for awarding the remuneration and benefits is available at the following website:

<https://bridgeconsulting.ie/management-company-services/>



## Appendix II – Securities Financing Transactions Regulation (unaudited)

The Securities Financing Transactions Regulation ('SFTR') came into effect on 12 January 2016. Article 13 requires information to be provided as to the use of securities financing transactions ('SFTs') and Total Return Swaps ('TRSs').

A Securities Financing Transaction ('SFT') is defined as per Article 3 (11) of the SFTR as: a repurchase transaction, securities or commodities lending and securities or commodities borrowing; a buy-sell back transaction or sell-buy back transaction; or a margin lending transaction.

As at 31 December 2021, Polar Capital Funds Plc held the following types of SFTs: Total Return Swaps (including CFDs). The amount of securities and commodities on loan as a proportion of total lendable assets (excluding cash and cash equivalents) was 0.00% as at 31 December 2021.

### Global Data

| Type of Asset                   | Absolute Amount | Proportion of AUM (%) |
|---------------------------------|-----------------|-----------------------|
| <b>Contracts for difference</b> |                 |                       |
| Global Absolute Return Fund     | \$30,760,039    | 17.95%                |
| Global Convertible Fund         | \$240,635,970   | 11.16%                |
| UK Absolute Equity Fund         | £0              | 0.00%                 |

### Concentration Data

|   | Collateral Issuers | Volume of the collateral securities and commodities |
|---|--------------------|---|
| 1 | UBS AG             | -\$110,803,425                                      |
| 2 | Credit Suisse      | £0  |

The gross volume of outstanding trades with each counterparty across all SFTs is as follows:

|                                 | Counterparty  | Gross volume of outstanding trades* |
|---------------------------------|---------------|-------------------------------------|
| <b>Contracts for difference</b> |               |                                     |
| Global Absolute Return Fund     | UBS AG        | \$30,760,039                        |
| Global Convertible Fund         | UBS AG        | \$240,635,970                       |
| UK Absolute Equity Fund         | Credit Suisse | £0                                  |

\* Gross volume of outstanding transactions expressed as market value of open derivative contracts at the reporting date.



## Appendix II – Securities Financing Transactions Regulation (unaudited) continued

### Aggregate transaction data

| Contracts for difference              | Type/ Quality of collateral | Currency | Maturity tenor (collateral) | Maturity tenor (SFTs/ Total Return Swaps) | Country of counterparty establishment (not collateral) | Settlement and clearing |
|---------------------------------------|-----------------------------|----------|-----------------------------|---|--|-------------------------|
| <b>Global Absolute Return Fund</b>    |                             |          |                             |   |  |                         |
| UBS AG                                | Cash                        | Multiple | >1 year                     | >1 year                                   | Switzerland  | Bilateral               |
| <b>Global Convertible Return Fund</b> |                             |          |                             |   |  |                         |
| UBS AG                                | Cash                        | Multiple | >1 year                     | >1 year                                   | Switzerland  | Bilateral               |
| <b>UK Absolute Equity Fund</b>        |                             |          |                             |   |  |                         |
| Credit Suisse                         | Cash                        | Multiple | >1 year                     | >1 year                                   | Ireland  | Bilateral               |

The share of collateral that is reused is 0.00%.

### Safekeeping

| Prime Broker  | Collateral assets safe-kept |
|---------------|-----------------------------|
| Credit Suisse | Cash Collateral             |
| UBS AG        | Cash Collateral             |

The proportion of collateral held in segregated accounts, in pooled accounts or any other accounts is 100.00%.

### Return/(Costs)

| Contracts for difference    | Absolute Returns |               | Overall returns % |
|-----------------------------|------------------|---------------|-------------------|
|                             | Return           | Cost          |                   |
| Global Absolute Return Fund | \$3,732,919      | -\$4,660,370  | 100               |
| Global Convertible Fund     | \$15,968,207     | -\$42,403,264 | 100               |



## Article 8 SFDR Asian Stars Fund Annual Report

### Description of the Achievement of the Characteristics

This disclosure should be read in conjunction with the Fund's prospectus and website disclosures under the Sustainable Finance Disclosure Regulation (EU) 2019/2088 ('SFDR').

In accordance with the Fund's prospectus, the Fund will invest in issuers situated in Asia that have the ability to remain competitive and deliver attractive profitability over the long-term due to robust fundamental characteristics only where these robust fundamental characteristics are combined with good or improving environmental, social and governance profiles based on the Investment Manager's proprietary analysis.

The Fund currently has a bias towards issuers with improving sustainability profiles, based on the Investment Manager's proprietary analysis.

The Fund excludes companies that have an unacceptable or controversial environmental, social or governance profile following the application of quantitative and qualitative analysis by the Investment Manager and through the use of exclusions lists.

The five specific areas of sustainability evaluated by the Investment Manager in its proprietary analysis, and the areas which are used as the sustainability indicators to measure the Fund's performance on its characteristics, are how companies in the Fund contribute to future sustainable economic development (their 'Impact on Progress'), how companies in the Fund manage their key risks and opportunities from an ESG perspective ('Material ESG Issues' – each of the environmental, social and governance issues being assessed as individual areas) and how companies in the Fund ensures they act as responsible corporate citizens (their 'Business Ethics').

Each company in the Fund is assigned a quantitative score from 1-10 based on these five areas. These scores are then taken together to provide the Investment Manager with a company's 'Sustainability Delta', which shows both the 'Current Level' and 'Future Direction' of a company from a sustainability perspective.

The Fund achieved its sustainability characteristics across all indicators during the reporting period.

As is consistent with the Fund's investment process and the expectations of the Investment Manager, the sustainability indicator scores shown at a headline, aggregated Fund level have remained relatively stable from the previous reference period to this reference period and no individual indicator has seen an uplift of greater than 0.5 as compared with the previous reference period, with one indicator stable, and no contractions.

There are two ways in which Fund-level indicator scores change from period to period. These are via i) upgrades or downgrades to our scores on existing holdings, and ii) portfolio changes from buying lower scoring, selling higher scoring stocks or vice versa.

In the case of the first type of change, upgrades or downgrades to a company's indicator score for each area are typically incremental. Such upgrades or downgrades are dependent on upgrades or downgrades to a number of sub-indicators that feed into each area's indicator score. In most cases, companies will require a large number of upgrades or downgrades across these sub-indicators for this to have a significant impact on each area's indicator score.

In the case of the second type of change, as the Fund has relatively low turnover and as it is also unlikely that the spread on all new stocks bought versus all stocks sold during a given period will be very wide (in either direction), this driver too is moderate. Over this reporting period we bought 13 new stocks and exited 9 positions.

We therefore expect to continue to see small changes in our sustainability indicators at the Fund level over time, even whilst at the underlying stock level there are a number of investments which have seen multi-point upgrades.



## Article 8 SFDR Asian Stars Fund Annual Report continued

### Description of the Achievement of the Characteristics continued

A summary of the aggregated Fund Level scores for 2020 and 2021, as at the last date of the respective reference periods, is shown below :

|                    | 2021          |                  | 2020          |                  |
|--------------------|---------------|------------------|---------------|------------------|
|                    | Current Level | Future Direction | Current Level | Future Direction |
| Impact on progress | 7.4           | 7.7              | 7.0           | 7.4              |
| Environmental      | 6.4           | 6.8              | 5.9           | 6.3              |
| Social             | 6.7           | 7.0              | 6.6           | 6.8              |
| Governance         | 7.0           | 7.2              | 7.0           | 7.1              |
| Business ethics    | 6.8           | 7.0              | 6.6           | 6.6              |

#### Impact on Progress

The Fund's 'Current Level' score increased by 0.4 as compared with 2020 and the 'Future Direction' score increased by 0.3, to 7.4 and 7.7 respectively as shown in the summary table above.

In both cases, the majority of this change in the scores was driven by portfolio changes as, particularly on the 'Current Level' score, the new stock purchases had much better ratings on Impact on Progress, with the average new stock bought over the period having a 'Current Level' score of 7.4 and the average stock sold having a 'Current Level' score of 6.0.

The prime reason for this was that the new stocks purchased operate in areas such as solar inverters, healthcare and robotics technologies which score well in this part of our framework.

#### Environmental

The Environmental indicator improved the most of all indicators over the reference period, increasing from 5.9 to 6.4 on the 'Current Level' score and 6.3 to 6.8 on the 'Future Direction' score. In each case, this 0.5 uplift breaks down as 0.2 from existing portfolio upgrades and 0.3 from portfolio changes.

There was a surprisingly large spread in the Environmental scores between newly bought companies, and those we exited. On 'Current Level' and 'Future Direction' scores, the outgoing companies average scores were 5.0 and 5.0 respectively and our new purchases scored 6.4 and 6.8 respectively.

There are a number of reasons for this difference. Firstly, the improvement in the detail of companies' disclosures on this subject, and the number of companies providing them, has been improving with every quarter, allowing us to improve the quality of our scoring. In tandem with this the range of data sources available has been an increasingly valuable input to more meaningful, complete scores, as well as increased engagement. Lastly, we have made enhancements to our own scoring mechanism to promote more rigorous scores.

The largest contributor to the improving scores from current holdings was a significant upgrade to Vietnam's Techcombank's score following a review of their underlying loan book exposure which has little in carbon intensive sectors and is heavily weighted towards high impact sectors.

#### Social

The Social indicator was the only area in which the Fund saw a small deterioration as compared with the previous reference period. On 'Current Level', the score increased 0.1 and on 'Future Direction' the score increased 0.2.

There was no material impact from the spread of portfolio change scores on this indicator. The main effect was a small net upgrade to the social scores for existing holdings on both 'Current Level' and 'Future Direction'. The largest positive change was made to Glodon as the company has made strong improvements to its social disclosures. This offset a downgrade to Naver, due to new information regarding a culture of 'machismo' (see engagement example below).



## Governance

This indicator was stable on the 'Current Level' score and increased only 0.1 on the 'Future Direction' score, with only very small fluctuations looked at in terms of both upgrades and downgrades and portfolio changes. The 'Current Level' score remained flat at 7.0.

Within existing holdings, positive changes, such as an upgrade to Longfor Properties which announced an internal reorganisation, offset negatives such as a weakened board at Samsung Electronics as a number of executive directors who failed to remove JY Lee won votes to retain their board seats.

The 'Future Direction' score increased very slightly over the reference period owing to a positive spread from portfolio changes, where we exited a number of young companies bought at IPO with less proven records of established governance structures and bought into names that were either more mature or where we had strong understanding and knowledge of a well-aligned founder-led business model.

Changes to the scores of existing scores detracted from this indicator, as the positive future effects from positive changes such as greater clarity on HDFC's succession plan was not enough to offset the larger downgrades from Samsung Electronics again (for reasons stated above), Koh Young Technology which was downgraded owing to the existence of related party transactions with an entity owned by the founder and Alibaba Health Information Technology where the score was reduced after a previously guided improvement in corporate structure between the company and its parent company Alibaba did not materialise.

## Business Ethics

Business Ethics moved up 0.2 on both 'Current Level' and 'Future Direction' scores. All changes at the underlying stock level were de minimis.

The table below displays a summary of all changes, at an aggregated Fund level, that have been described over the reporting period:

|                    | Level 2020 | Upgrade/downgrade | Portfolio change | Level 2021 | Direction 2020 | Upgrade/downgrade | Portfolio change | Direction 2021 |
|--------------------|------------|-------------------|------------------|------------|----------------|-------------------|------------------|----------------|
| Impact on progress | 7.0        | 0.10              | 0.30             | 7.4        | 7.4            | 0.1               | 0.20             | 7.7            |
| Environmental      | 5.9        | 0.20              | 0.30             | 6.4        | 6.3            | 0.2               | 0.30             | 6.8            |
| Social             | 6.6        | –                 | 0.10             | 6.7        | 6.8            | 0                 | 0.20             | 7.0            |
| Governance         | 7.0        | –                 | –                | 7          | 7.1            | (0.1)             | 0.20             | 7.2            |
| Business ethics    | 6.6        | 0.20              | –                | 6.8        | 6.6            | 0.2               | 0.20             | 7.0            |

## Describe the Fund's Top 10 Investments

| Holdings                 | Fund Weight (%) |
|--------------------------|-----------------|
| 1) TSMC                  | 9.2%            |
| 2) Samsung Electronics   | 7.8%            |
| 3) Tencent               | 6.6%            |
| 4) Alibaba Group Holding | 4.0%            |
| 5) Reliance Industries   | 3.4%            |
| 6) MediaTek              | 3.4%            |
| 7) SK Hynix              | 3.3%            |
| 8) ICICI Bank            | 3.1%            |
| 9) Sea                   | 3.1%            |
| 10) AIA Group            | 2.9%            |



## Article 8 SFDR Asian Stars Fund Annual Report continued

### Description of the Percentage of the Fund's Investments that meet the Characteristics

All investments attained the characteristics of the Fund on an individual basis over the reference period.

The Investment Manager determines a security has met the characteristics of the Fund if its score is equal to or greater than 5 on its proprietary 'Sustainability Delta' scoring framework.

The Investment Manager prefers to invest in securities which display an improving trend with the score for 'Future Direction' improving from the 'Current Level' score, though this is not a requirement for an investment to meet the Fund's characteristics and the Fund may invest in securities where scores are stable across the forecast period.

In cases where scores display a deteriorating trend, with the 'Future Direction' score declining from the 'Current Level' score, the Investment Manager makes a commitment to engage with the company to resolve a path forward.

The current breakdown of the Fund is shown in table below:

|  | % Fund |
|--|--------|
| Positive Delta: Current Level < Future Direction | 74.0%  |
| Stable Delta: Current Level = Future Direction   | 26.0%  |
| Negative Delta: Current Level > Future Direction | 0%     |

As at the final date of the reference period, the Fund was primarily invested in equities and equity warrants and the balance was held in cash.

As at the end of the reporting period the Fund had an investment in one security with some exposure to fossil fuels. This security, Reliance Industries, represented a 3.44% weight within the Fund as at the end of the reporting period. Reliance Industries' exposure to fossil fuel is less than 10% of its revenue.

Due to the nature of our process and commitment to investing in improving companies with at least good existing ESG, we can occasionally invest in what we term 'higher delta' cases, where at first glance they may seem more 'controversial'. Reliance Industries represents an example of this. We believe this company is on a huge transformational journey from being an old-style industrial refinery and chemicals business to a modern retail/consumer and communication/internet company, as well as now expanding into new materials and renewable energy and transitioning to net carbon zero by 2035. Owing to the complexity of this ambition, and the recognition that this is starting out as a more carbon intensive business, we have become co-lead investors as part of a Climate Action 100+ collective action engagement, to ensure that we are actively involved in our ownership of a company of this kind, monitoring and partnering so that the transition remains on track.

On our current 'Material ESG Issues' analysis, Reliance Industries scores better than many peers within the industry and is already reasonably efficient in terms of its water and energy usage, with annual improvements and a good safety record. It is far from a best-in-class sustainability company, but we believe it has the potential to be a future leader and the ability to make one of the largest differences. We provide greater detail about this investment and our engagement with Reliance Industries in the section that follows.

As at the date of this report, 0% of the Fund's investments fail the Fund's exclusion criteria.



## Describe Actions Taken to Attain Characteristics

The assessment of sustainability factors is not a one-time event and does not stop at the point of purchase. Ongoing engagement and monitoring are a constant and valuable part of our work, as we are very focused on how companies see the future and how they allocate capital accordingly to mitigate risk and benefit from revenue opportunities as part of a sustainable future. These are the types of companies that will score highly on our proprietary framework.

In this way, we view engagement as entirely integrated with our ongoing, fundamental dialogue with our investments. We hold hundreds of meetings each year alongside site visits, meetings with competitors, suppliers, customers, industry experts and lower-tier employees as part of our ongoing engagement and due diligence. Engagement can take the form of meetings, calls, emails or voting as a shareholder. We aim to be regular and proactive in our efforts rather than only engaging post an ESG 'event'.

However, we also maintain a record of specific interactions where we engaged with companies on environmental, social and governance issues. We classify these engagements into what we term 'heavy' and 'light' engagements. Heavy engagements are the minority of cases and reserved for situations where we feel there is either a greater need for action or a greater likelihood that we can affect material change as a minority investor. In light engagement cases, change is expected to be more incremental and our dialogue with companies on these issues less frequent and of lower materiality for the investment case.

Given the rigour we believe is required for quality, 'heavy' engagement work, as well as the reality that there are fewer companies that meet all aspects of our fundamental process and are in need of this kind of interventional stewardship, we guide that the number of heavy investments we will be undertaking in any year is likely to be in the low single digits. Light engagements may range between 10–30% of the portfolio.

In circumstances where a company is involved in a negative material ESG incident which compromises the integrity of the whole business, or, less dramatically, where we lose confidence in our investment thesis owing to an issue related to ESG practices and therefore our belief in a company's ability to generate long-term sustainable EVA, or our comfort with it as a corporate citizen, our policy is to immediately divest.

A summary of all engagements during the reporting period, together with key engagement and divestment examples are given below.

| Engagements                |    | Engagements                 |   |
|----------------------------|----|-----------------------------|---|
| <b>Total Engagements</b>   | 11 | <b>Seniority of Meeting</b> |   |
| Companies held             | 10 | Management                  | 3 |
| Companies not-held         | 1  | IR                          | 2 |
|                            |    | Other                       | 6 |
| <b>Type of Engagement</b>  |    | <b>Method of Engagement</b> |   |
| Collective Action          | 1  | In Person                   | 2 |
| Heavy                      | 3  | Video conference            | 7 |
| Light                      | 7  | Call                        | 2 |
|                            |    | Email/Letter                | 0 |
| <b>Topic of Engagement</b> |    |                             |   |
| Environment                | 1  |                             |   |
| Social                     | 1  |                             |   |
| Governance                 | 2  |                             |   |
| E&S                        | 3  |                             |   |
| E&G                        | 1  |                             |   |
| S&G                        | 2  |                             |   |
| E, S&G                     | 1  |                             |   |



## Article 8 SFDR Asian Stars Fund Annual Report continued

### Describe Actions Taken to Attain Characteristics continued

#### Key engagement examples

##### Reliance Industries

We are pleased to be co-lead investors of the Climate Action 100+ collective engagement on Reliance Industries (from 2021) to seek to gain better understanding and push them further on their net zero 2035 targets. Climate Action 100+ is an investor-led collaborative engagement initiative that aims to tackle the systemic climate change challenge by influencing the behaviour of management of the key global GHG emitting companies to implement strong governance around climate change, take action to reduce emissions, and improve disclosure.

Prior to joining Climate Action 100+, we had ourselves engaged extensively with Reliance Industries, most recently with meetings following the announcement of their new business reorganisation, with the CFO (Alok Agarwal) and Joint-CFO (Srikanth Venkatachari (Energy division) of Reliance Industries – to talk directly with them on investments in the energy division towards renewable energy and new materials and the commitment to become net-carbon zero by 2035.

Our engagement priorities as part of the Climate Action 100+ group are to establish a more definitive roadmap with milestones over the next 13 years toward reaching the net-carbon zero goal, including pushing for better provision of disclosures on current emissions (split by scope and businesses), committing to an annual commentary on emissions, drivers of year on year changes and commentary on targets and more communication on capital expenditure plans and progress.

The company initially planned to spend \$10bn to invest in 4 new energy giga factories, building an integrated solar photovoltaic module factory enabling 100GW of solar energy by 2030, an advanced energy storage battery factory, an electrolyser factory for green hydrogen and a fuel cell factory to work with the green hydrogen factory. Most recently, this has been increased to

\$80bn of investment, over the next 10-15 years, with US\$67bn going into renewable power plants and green hydrogen. This gives greater confidence in the ability of the company to fund the transition and ambitions and displays the seriousness and confidence of the management team in committing to the plans and to reaching the net zero 2035 target. Reliance Industries is targeting bringing the entire state of Gujarat to net zero by 2035, which would be an incredibly significant achievement for a private company, and perhaps a first globally.

We acknowledge that Reliance Industries is certainly an ‘improver’ or one of our largest ‘Sustainability Delta’ cases but are comfortable they are managing their ESG risks and positioning themselves firmly as future solution providers. We continue to engage in a very active way via Climate Action 100+.

##### Naver

Recently Korea has, in general, been hit by a number of cases around a ‘macho culture’ in the work place – which has a social impact for many younger, particularly female, employees. This ‘macho culture issue’ has also been hitting Naver and is why we are starting deeper engagement into this social topic. It appears to be very concentrated around a few individuals within Naver, and it does seem to have been addressed very quickly by the board (founder group) – which includes a new female CEO with a better ‘young culture’ understanding and drive.

We had a very interesting conversation bringing-up factors up like the Korean war and the strong influence of the very harsh military training that all men have to undergo in Korea – and how this military culture has ended up in the work place. Our light, initial engagement here reflects that Naver has responded very fast and with senior management involvement. However, this is an issue that will still hang across most Korean companies, and a large part of our engagement here is also for us to understand this deep-rooted cultural issue.

##### ITM Semiconductor

We arranged a call with the company to discuss the recent announcement that they are engaging with IQOS to supply their battery management technology for IQOS’ e-cigarettes. We explained that we believe this the wrong direction for the company as they have so many other attractive business opportunities to focus on, and that this move could potentially restrict their access to international institutional investors who could otherwise help unlock the value of the company, which we believe is underappreciated by the market, not to mention our own beliefs about the nature of the product from a health and social point of view. The investor relations manager said he would relay our message to the company management and we hope to continue this engagement and will try and persuade them to reconsider pursuing this client.



## HDFC

As all 3 key, top people in the management team have now been at the company for 12-15 years and are in their 60s, we asked the CEO about the potential to disclose more definitive succession planning steps to smooth the process and reassure that there is strong governance oversight for the next generation. We were informed that there is a clearly laid out plan at both the very top level and in each business line and that this is a key topic for the board that is discussed at all board meetings. HDFC's preference is to promote internally, but they would fill positions from the outside in some cases if that can be done better

## Ecopro

Ecopro BM proposed at their AGM in 2021 to significantly increase the limit on authorized shares from 150m to 500m, as well as the issuance limit on convertible securities from 100 billion South Korean Won ('KRW') to 1 trillion KRW.

We felt this was an issue from a governance perspective as we believed 1) there was still plenty of headroom left under the current limits as the company has no outstanding convertibles and only 14% of the current limit on authorized shares was utilized, and 2) there is no clear reason stated for the proposal.

During our call, management explained that under the current expansion plans could be sourced by bank loans and internal cash flow as the company has said in the past, but if the company wanted to expand capacity in Europe, this would require additional capital they could not source from domestic banks.

## Liontown (not held)

One of the key focus areas of our engagement was on the company's environmental impact from its proposed lithium mining activities in Kathleen Valley in Australia and its plan to use 60% renewable energy on-site by the start of the project – which seems very ambitious. During our engagement, company management informed us that they felt very confident of reaching the renewable energy target and eventually aim to move to 100% renewable energy for the project.

Further, from a social responsibility perspective, the Kathleen Valley project is located in an important Aboriginal area in Australia, making social engagement an essential factor to its progress. We found, through our engagement, that the Native title holders, the Tjiwarl, have provided their full consent for the signing of the Kathleen Valley Project Native Title Agreement (NTA) and strong co-operation links have been established with the community. Liontown will be a large employer of local people and will bring a significant upgrade in access to water and electrification, whilst having full and clear understanding on all cultural sites.

The negotiations with the native title holders have been on-going for years and the contract and co-operation structure has been met with strong support from both sides. This reflects well on Liontown and significantly reduces 'S risk'.

## Key Divestments

There were no divestments during the reporting period due to reasons related to sustainability, ESG and engagement actions.

## Disclosure pursuant to the Taxonomy Regulation (EU) 2020/852

Under Article 8 SFDR, this Fund promotes environmental characteristics in the manner outlined above. In accordance with the requirements of Article 6 of the Taxonomy Regulation, the Fund must state that the 'do no significant harm' principle applies only to those investments underlying the Fund that take into account the EU criteria for environmentally sustainable economic activities.

However, the Fund has not elected to invest in sustainable investments, as defined in Article 2(17) SFDR, and, therefore, its investments are not made on the basis of applying the EU criteria for environmentally sustainable economic activities or, as a consequence, the 'do no significant harm' principle.



## Article 8 SFDR China Stars Annual Report

### Description of the Achievement of the Characteristics

This disclosure should be read in conjunction with the Fund's prospectus and website disclosures under the Sustainable Finance Disclosure Regulation (EU) 2019/2088 ('SFDR').

In accordance with the Fund's prospectus, the Fund will invest in issuers situated in Greater China or with material business exposure to Greater China that have the ability to remain competitive and deliver attractive profitability over the long-term due to robust fundamental characteristics, only where those robust fundamental characteristics are combined with positive environmental, social and governance profiles based on the Investment Manager's proprietary analysis.

The Fund excludes companies that have an unacceptable or controversial environmental, social or governance profile following the application of quantitative and qualitative analysis by the Investment Manager and through the use of exclusion lists.

The five specific areas of sustainability evaluated by the Investment Manager are how a company contributes to future sustainable economic development (its 'Impact on Progress'), how a company manages its key risks and opportunities from an ESG perspective (its 'Material ESG Issues' – each of the environmental, social and governance issues being assessed as individual areas) and how a company ensures it acts as a responsible corporate citizen (its 'Business Ethics'). Each company is assigned a quantitative score from 1-10 based on these five areas.

The Fund achieved its sustainability characteristics across all indicators during the reporting period.

Each company's scores in these areas are then taken together to provide the Investment Manager with a company's 'Sustainability Delta', which shows the holistic profile of a company from a sustainability perspective.

A summary of the aggregated Fund level scores for 2021 as at the last date of the reference period (31st December 2021) is shown below:

| 2021               | Score |
|--------------------|-------|
| Impact on Progress | 6.6   |
| Environmental      | 6.4   |
| Social             | 6.4   |
| Governance         | 6.4   |
| Business ethics    | 6.9   |

### Describe the Fund's Top 10 Investments

As at the last date of the reference period (31st December 2021), the top 10 holdings of the Fund were:

| Holdings   | Fund Weight (%) |
|--|-----------------|
| 1) Tencent   | 9.9%            |
| 2) China Construction Bank                         | 4.9%            |
| 3) BYD   | 3.9%            |
| 4) Alibaba ADR                                     | 3.8%            |
| 5) China Resources Sanjiu Medical & Pharmaceutical | 3.4%            |
| 6) Alibaba Group                                   | 3.2%            |
| 7) Meituan Dianping Class B                        | 3.2%            |
| 8) JD.com Inc                                      | 2.9%            |
| 9) China Meidong Auto                              | 2.7%            |
| 10) ManpowerGreater China                          | 2.5%            |



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## Description of the Percentage of the Fund's Investments that meet the Characteristics

All investments attain the characteristics of the Fund on an individual basis.

The Investment Manager determines a security has met the characteristics of the Fund if its scores equal to or greater than 5 on its proprietary 'Sustainability Delta' scoring framework.

The Investment Manager prefers to invest in securities which display an improving trend, though this is not a requirement for an investment to meet the Fund's characteristics and the Fund may invest in securities where scores are stable across the forecast period.

In cases where score display a deteriorating trend, the Investment Manager makes a commitment to engage with the company to resolve a path forward.

As at the final date of the reference period, the Fund was primarily invested in equities and equity warrants, the balance is held in cash.

## Describe Actions Taken to Attain Characteristics

The assessment of sustainability factors is not a one-time event and does not stop at the point of purchase. Ongoing engagement and monitoring are a constant and valuable part of our work, as we are very focused on how companies see the future and how they allocate capital accordingly to mitigate risk and benefit from revenue opportunities as part of a sustainable future. These are the types of companies that will score highly on our proprietary framework.

In this way, we view engagement as entirely integrated with our ongoing, fundamental dialogue with our investments. We hold hundreds of meetings each year alongside site visits, meetings with competitors, suppliers, customers, industry experts and lower-tier employees as part of our ongoing engagement and due diligence. Engagement can take the form of meetings, calls, emails or voting as a shareholder. We aim to be regular and proactive in our efforts rather than only engaging post an ESG 'event'. However, there are a few situations each year where we feel we can add value as minority shareholders through more active forms of engagements.

In circumstances where a company is involved in a negative Material ESG incident which compromises the integrity of the whole business, or, less dramatically, where we lose confidence in our investment thesis owing to an issue related to ESG practices and therefore our belief in a company's ability to generate long-term sustainable EVA, or our comfort with it as a corporate citizen, our policy is to immediately divest.

An example of a highly active engagement during the reporting period is given below.

## Active ESG engagement

### SF Holding

In our belief, SF Holding is China's best-in-class integrated logistics service provider. Through our proprietary research on its business practices and strategy, we are confident that SF is driving innovation through technology investments to reduce the logistic industry's carbon footprint and it is way ahead of its peers, which would give them a cost and productivity advantage in the long-term, boosting its profit margin and return profile. Based on the above, we disagreed with MSCI's CCC ESG rating for the company and decided to invest in SF Holding.

In conjunction with our investment, we engaged with SF Holding senior management to encourage them to engage with MSCI to help improve their ESG score, with the view that having an improved MSCI ESG rating would have a material impact on SF Holding's cost of capital in the future as the company looks to continue to expand its capacity. Through our engagement, we helped management understand the importance and urgency of improving their MSCI ESG rating and identified areas for improved communication and disclosure to address MSCI's concerns.

We were pleased to see a subsequent upgrade in SF Holdings' MSCI ESG rating from CCC to BB and believe that through highly engaged dialogue with MSCI on disclosure and communication, the company proved its ESG credentials and showed that is a positive driving force to improve the carbon footprint, productivity and safety of the logistics industry. As a shareholder, we welcome this outcome.

As at the date of this report, 0% of the Fund's investments fail the Fund's exclusion criteria.



## Article 8 SFDR China Stars Annual Report continued

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### Key Divestments

There were no divestments during the reporting period due to reasons related to sustainability, ESG and engagement actions.

### Disclosure pursuant to the Taxonomy Regulation (EU) 2020/852

Under Article 8 SFDR, this Fund promotes environmental characteristics in the manner outlined above. In accordance with the requirements of Article 6 of the Taxonomy Regulation, the Fund must state that the 'do no significant harm' principle applies only to those investments underlying the Fund that take into account the EU criteria for environmentally sustainable economic activities.

However, the Fund has not elected to invest in sustainable investments, as defined in Article 2(17) SFDR, and, therefore, its investments are not made on the basis of applying the EU criteria for environmentally sustainable economic activities or, as a consequence, the 'do no significant harm' principle.



## Article 8 SFDR Emerging Markets Stars Annual Report

### Description of the Achievement of the Characteristics

This disclosure should be read in conjunction with the Fund's prospectus and website disclosures under the Sustainable Finance Disclosure Regulation (EU) 2019/2088 ('SFDR').

In accordance with the Fund's prospectus, the Fund will invest in issuers situated in emerging markets that have the ability to remain competitive and deliver attractive profitability over the long-term due to robust fundamental characteristics only where these robust fundamental characteristics are combined with good or improving environmental, social and governance profiles based on the Investment Manager's proprietary analysis.

The Fund currently has a bias towards issuers with improving sustainability profiles, based on the Investment Manager's proprietary analysis.

The Fund excludes companies that have an unacceptable or controversial environmental, social or governance profile following the application of quantitative and qualitative analysis by the Investment Manager and through the use of exclusions lists.

The five specific areas of sustainability evaluated by the Investment Manager in its proprietary analysis, and the areas which are used as the sustainability indicators to measure the Fund's performance on its characteristics, are how companies in the Fund contribute to future sustainable economic development (their 'Impact on Progress'), how companies in the Fund manage their key risks and opportunities from an ESG perspective ('Material ESG Issues' – each of the environmental, social and governance issues being assessed as individual areas) and how companies in the Fund ensure they act as responsible corporate citizens (their 'Business Ethics').

Each company in the Fund is assigned a quantitative score from 1–10 based on these five areas. These scores are then taken together to provide the Investment Manager with a company's 'Sustainability Delta', which shows both the 'Current Level' and 'Future Direction' of a company from a sustainability perspective.

The Fund achieved its sustainability characteristics across all indicators during the reporting period.

As is consistent with the Fund's investment process and the expectations of the Investment Manager, the sustainability indicator scores shown at a headline, aggregated Fund level have remained relatively stable from the previous reference period to this reference period and no individual indicator at Fund level has seen an uplift of greater than 0.5 as compared with the previous reference period, whilst only one indicator has seen a contraction of -0.1.

There are two ways in which Fund-level indicator scores change from period to period. These are via i) upgrades or downgrades to our scores on existing holdings, and ii) portfolio changes from buying lower scoring, selling higher scoring stocks or vice versa.

In the case of the first type of change, upgrades or downgrades to a company's indicator scores are typically incremental. Such upgrades or downgrades are dependent on upgrades or downgrades to a number of sub-indicators that feed into each area's overall indicator score. In most cases, companies will require a large number of upgrades or downgrades across these sub-indicators for this to have a significant impact on each area's overall indicator score.

In the case of the second type of change, as the Fund has relatively low turnover and as it is also unlikely that the spread on all new stocks bought versus all stocks sold during a given period will be very wide (in either direction), this driver too is moderate. Over the reporting period, we bought 12 new stocks and exited 11 positions.

We therefore expect to continue to see small changes in our sustainability indicators at the Fund level over time, even whilst at the underlying stock level there are a number of investments which have seen multi-point upgrades.



## Article 8 SFDR Emerging Markets Stars Annual Report continued

### Description of the Achievement of the Characteristics continued

A summary of the aggregated Fund Level scores for 2020 and 2021 as at the last date of the respective reference periods (31st December) is shown below:

|                    | 2021          |                  | 2020          |                  |
|--------------------|---------------|------------------|---------------|------------------|
|                    | Current Level | Future Direction | Current Level | Future Direction |
| Impact on progress | 7.4           | 7.8              | 7.1           | 7.6              |
| Environmental      | 6.5           | 7.0              | 6.0           | 6.5              |
| Social             | 6.6           | 7.0              | 6.7           | 7.0              |
| Governance         | 6.9           | 7.1              | 6.9           | 7.1              |
| Business ethics    | 6.7           | 6.9              | 6.6           | 6.6              |

#### Impact on Progress

The Fund's 'Current Level' score increased 0.3 as compared with 2020 and the Fund's 'Future Direction' score increased by 0.2, to 7.4 and 7.8 as shown in the summary table above.

In both cases, the majority of this change in the scores was driven by portfolio changes as, particularly on the 'Current Level' score, the new stock purchases had much better ratings on Impact on Progress, with the average new stock bought over the period having a 'Current Level' score of 7.5, and the average stock sold having a 'Current Level' score of 6.6.

The prime reason for this was that the new stocks purchased operate in areas such as solar inverters, healthcare and robotics technologies which score well in this part of our framework.

#### Environmental

The Environmental indicator improved the most of all indicators over the reference period, increasing from 6.0 to 6.5 on the 'Current Level' score and 6.5 to 7.0 on the 'Future Direction' score. In each case, this 0.5 uplift breaks down as 0.2 from existing portfolio upgrades and 0.3 from portfolio changes.

There was a surprisingly large spread in the Environmental scores between newly bought companies and those we exited. On 'Current Level' and 'Future Direction' scores, the outgoing companies' average scores were 5.3 and 5.3 respectively and our new purchases scored 6.4 and 6.7 respectively.

There are a number of reasons for this difference. Firstly, the improvement in the detail of companies' disclosures on this subject, and the number of companies providing them, has been improving with every quarter, allowing us to improve the quality of our scoring. In tandem with this, the range of data sources available, has been an increasingly valuable input to more meaningful, complete scores, as well as increased engagement. Lastly, we have made enhancements to our own scoring mechanism to promote more rigorous scores.

The largest contributor to the improving scores from current holdings was a significant upgrade to Vietnam's Techcombank's score following a review of their underlying loan book exposure which has little in carbon intensive sectors and is heavily weighted towards high impact sectors.

#### Social

The Social indicator was the only area in which the Fund saw a small deterioration as compared with the previous reference period. On 'Current Level', the score fell 0.1 and on 'Future Direction' the score remained flat.

There was no material impact from the spread of portfolio change scores on this indicator. The main effect, whilst a small negative net movement to the score, was from downgrades to the social scores for existing holdings on both 'Current Level' and 'Future Direction'. The largest changes were made to Naver, due to new information regarding a culture of 'machismo' (see engagement example below) and Alibaba Health Information Technology, following necessary additional enhancements on the back of new regulation.



## Governance

This was a stable indicator, across both 'Current Level' and 'Future Direction' scores and with only very small fluctuations looked at in terms of both upgrades and downgrades and portfolio changes. The 'Current Level' score remained flat at 6.9.

Within existing holdings, positive changes, such as an upgrade to Brazilian ecommerce company Americanas following a merger which simplified their corporate structure, offset negatives, such as a weakened board at Samsung Electronics as a number of executive directors who failed to remove JY Lee won votes to retain their board seats to remain in place.

The 'Future Direction' score dropped very slightly over the reference period in terms of upgrades and downgrades as the positive future effects from positive changes such as greater clarity on HDFC's succession plan was not enough to offset the larger downgrades from Samsung Electronics again (for reasons stated above). Koh Young Technology was downgraded owing to the existence of related party transactions with an entity owned by the founder and Alibaba Health Information Technology's score was reduced after a previously guided improvement in corporate structure between the company and its parent company Alibaba did not materialise.

## Business Ethics

Business Ethics moved up 0.1 on 'Current Level' and 0.3 on 'Future Direction'. All changes at the underlying stock level were de minimis.

The table below displays a summary of all changes, at an aggregated Fund level, that have been described over the reporting period.

|                    | Level 2020 | Upgrade/downgrade | Portfolio change | Level 2021 | Direction 2020 | Upgrade/downgrade | Portfolio change | Direction 2021 |
|--------------------|------------|-------------------|------------------|------------|----------------|-------------------|------------------|----------------|
| Impact on progress | 7.1        | 0.10              | 0.20             | 7.4        | 7.6            | 0.1               | 0.10             | 7.8            |
| Environmental      | 6.0        | 0.20              | 0.30             | 6.5        | 6.5            | 0.2               | 0.30             | 7.0            |
| Social             | 6.7        | (0.10)            | –                | 6.6        | 7              | (0.1)             | 0.10             | 7.0            |
| Governance         | 6.9        | –                 | –                | 6.9        | 7.1            | (0.1)             | 0.10             | 7.1            |
| Business ethics    | 6.6        | 0.20              | (0.10)           | 6.7        | 6.6            | 0.2               | 0.10             | 6.9            |

## Describe the Fund's Top 10 Investments

| Holdings                 | Fund Weight (%) |
|--------------------------|-----------------|
| 1) TSMC                  | 8.3%            |
| 2) Samsung Electronics   | 7.6%            |
| 3) Tencent               | 6.7%            |
| 4) Alibaba Group Holding | 3.7%            |
| 5) ICICI Bank            | 3.1%            |
| 6) Reliance Industries   | 3.1%            |
| 7) Ivanhoe Mines         | 3.1%            |
| 8) MediaTek              | 3.0%            |
| 9) eMemory Technology    | 3.0%            |
| 10) Phoenix Mills        | 2.7%            |



## Description of the Percentage of the Fund's Investments that meet the Characteristics

All investments attained the characteristics of the Fund on an individual basis over the reference period.

The Investment Manager determines a security has met the characteristics of the Fund if its score is equal to or greater than 5 on its proprietary 'Sustainability Delta' scoring framework.

The Investment Manager prefers to invest in securities which display an improving trend with the score for 'Future Direction' improving from 'Current Level' score, though this is not a requirement for an investment to meet the Fund's characteristics and the Fund may invest in securities where scores are stable across the forecast period.

In cases where scores display a deteriorating trend, with the 'Future Direction' score declining from the 'Current Level' score, the Investment Manager makes a commitment to engage with the company to resolve a path forward.

The current breakdown of the Fund is shown in table below:

|  | % Fund |
|--|--------|
| Positive Delta: Current Level < Future Direction | 78.82% |
| Stable Delta: Current Level = Future Direction   | 21.2%  |
| Negative Delta: Current Level > Future Direction | 0%     |

As at the final date of the reference period, the Fund was primarily invested in equities and equity warrants, the balance is held in cash.

As at the end of the reporting period, the Fund had an investment in one security with some exposure to fossil fuels. This security, Reliance Industries, represented a 3.08% weight within the Fund as at the end of the reporting period. Reliance Industries' exposure to fossil fuel is less than 10% of its revenue.

Due to the nature of our process and commitment to investing in improving companies with at least good existing ESG, we can occasionally invest in what we term 'higher delta' cases, where at first glance they may seem more 'controversial'. Reliance Industries represents an example of this. We believe this company is on a huge transformational journey from being an old-style industrial refinery and chemicals business to a modern retail/consumer and communication/internet company, as well as now expanding into new materials and renewable energy and transitioning to net carbon zero by 2035. Owing to the complexity of this ambition, and the recognition that this is starting out as a more carbon intensive business, we have become co-lead investors as part of a Climate Action 100+ collective action engagement, to ensure that we are actively involved in our ownership of a company of this kind, monitoring and partnering so that the transition remains on track.

On our current Material ESG Issues analysis, Reliance Industries scores better than many peers within the industry and is already reasonably efficient in terms of its water and energy usage, with annual improvements and a good safety record. It is far from a best-in-class sustainability company, but we believe it has the potential to be a future leader and the ability to make one of the largest differences. We provide greater detail about this investment and our engagement with Reliance Industries in the section that follows.

As at the date of this report, 0% of the Fund's investments fail the Fund's exclusion criteria.

On our current Material ESG Issues analysis, Reliance Industries scores better than many peers within the industry and is already reasonably efficient in terms of its water and energy usage, with annual improvements and a good safety record. It is far from a best-in-class sustainability company, but we believe it has the potential to be a future leader and the ability to make one of the largest differences. We provide greater detail about this investment and our engagement with Reliance Industries in the section that follows.

As at the date of this report, 0% of the Fund's investments fail the Fund's exclusion criteria.



## Describe Actions Taken to Attain Characteristics

The assessment of sustainability factors is not a one-time event and does not stop at the point of purchase. Ongoing engagement and monitoring are a constant and valuable part of our work, as we are very focused on how companies see the future and how they allocate capital accordingly to mitigate risk and benefit from revenue opportunities as part of a sustainable future. These are the types of companies that will score highly on our proprietary framework.

In this way, we view engagement as entirely integrated with our ongoing, fundamental dialogue with our investments. We hold hundreds of meetings each year alongside site visits, meetings with competitors, suppliers, customers, industry experts and lower-tier employees as part of our ongoing engagement and due diligence. Engagement can take the form of meetings, calls, emails or voting as a shareholder. We aim to be regular and proactive in our efforts rather than only engaging post an ESG 'event'.

However, we also maintain a record of specific interactions where we engaged with companies on environmental, social and governance issues. We classify these engagements into what we term 'heavy' and 'light' engagements. Heavy engagements are the minority of cases and reserved for situations where we feel there is either a greater need for action or a greater likelihood that we can affect material change as a minority investor. In light engagement cases, change is expected to be more incremental and our dialogue with companies on these issues less frequent and of lower materiality for the investment case.

Given the rigour we believe is required for quality, 'heavy' engagement work, as well as the reality that there are fewer companies that meet all aspects of our fundamental process and are in need of this kind of interventional stewardship, we guide that the number of heavy investments we will be undertaking in any year is likely to be in the low single digits. Light engagements may range between 10–30% of the portfolio.

In circumstances where a company is involved in a negative, material ESG incident which compromises the integrity of the whole business, or, less dramatically, where we lose confidence in our investment thesis owing to an issue related to ESG practices and therefore our belief in a company's ability to generate long-term sustainable EVA, or our comfort with it as a corporate citizen, our policy is to immediately divest.

A summary of all engagements during the reporting period, together with key engagement and divestment examples are given below.

|                            |    |                             |   |
|----------------------------|----|-----------------------------|---|
| <b>Engagements</b>         |    | <b>Engagements</b>          |   |
| <b>Total Engagements</b>   | 13 | <b>Seniority of Meeting</b> |   |
| Companies held             | 10 | Management                  | 4 |
| Companies not-held         | 3  | IR                          | 2 |
|                            |    | Other                       | 7 |
| <b>Type of Engagement</b>  |    | <b>Method of Engagement</b> |   |
| Collective Action          | 1  | In Person                   | 2 |
| Heavy                      | 3  | Video conference            | 9 |
| Light                      | 9  | Call                        | 2 |
|                            |    | Email/Letter                | 0 |
| <b>Topic of Engagement</b> |    |                             |   |
| Environment                | 1  |                             |   |
| Social                     | 1  |                             |   |
| Governance                 | 2  |                             |   |
| E&S                        | 3  |                             |   |
| E&G                        | 2  |                             |   |
| S&G                        | 2  |                             |   |
| E, S&G                     | 2  |                             |   |



## Article 8 SFDR Emerging Markets Stars Annual Report continued

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### Describe Actions Taken to Attain Characteristics continued

#### Key engagement examples

##### Reliance Industries

We are pleased to be co-lead investors of the Climate Action 100+ collective engagement on Reliance Industries (from 2021) to seek to gain better understanding and push them further on their net zero 2035 targets. Climate Action 100+ is an investor-led collaborative engagement initiative that aims to tackle the systemic climate change challenge by influencing the behaviour of management of the key global GHG emitting companies to implement strong governance around climate change, take action to reduce emissions, and improve disclosure.

Prior to joining Climate Action 100+, we had ourselves engaged extensively with Reliance Industries, most recently with meetings following the announcement of their new business reorganisation, with the CFO (Alok Agarwal) and Joint-CFO (Srikanth Venkatachari (Energy division)) of Reliance Industries – to talk directly with them on investments in the energy division towards renewable energy and new materials and the commitment to become net-carbon zero by 2035.

Our engagement priorities as part of the Climate Action 100+ group are to establish a more definitive roadmap with milestones over the next 13 years toward reaching the net-carbon zero goal, including pushing for better provision of disclosures on current emissions (split by scope and businesses), committing to an annual commentary on emissions, drivers of year on year changes and commentary on targets and more communication on capital expenditure plans and progress.

The company initially planned to spend \$10bn to invest in 4 new energy giga factories, building an integrated solar photovoltaic module factory enabling 100GW of solar energy by 2030, an advanced energy storage battery factory, an electrolyser factory for green hydrogen and a fuel cell factory to work with the green hydrogen factory. Most recently, this has been increased to \$80bn of investment, over the next 10-15 years, with USD67bn going into renewable power plants and green hydrogen. This gives greater confidence in the ability of the company to fund the transition and ambitions and displays the seriousness and confidence of the management team in committing to the plans and to reaching the net zero 2035 target. Reliance Industries is targeting bringing the entire state of Gujarat to net zero by 2035, which would be an incredibly significant achievement for a private company, and perhaps a first globally.

We acknowledge that Reliance Industries is certainly an ‘improver’ or one of our largest ‘Sustainability Delta’ cases but are comfortable they are managing their ESG risks and positioning themselves firmly as future solution providers. We continue to engage in a very active way via Climate Action 100+.

##### Naver

Recently Korea has, in general, been hit by a number of cases around a ‘macho culture’ in the work place – which has a social impact for many younger – particularly female employees. This ‘macho culture’ issue has also been hitting Naver and is why we are starting deeper engagement into this social topic. It appears to be very concentrated around a few individuals within Naver, and it does seem to have been addressed very fast by the board (founder group) – which includes a new female CEO with a better ‘young culture’ understanding and drive.

We had a very interesting conversation bringing-up factors up like the Korean war and the strong influence of the very harsh military training that all men have to undergo in Korea – and how this military culture has ended up in the work place. Our light, initial engagement here reflects that Naver has responded very fast and with senior management involvement. However, this is an issue that will still hang across most Korean companies, and a large part of our engagement here is also for us to understand this deep-rooted cultural issue.

##### ITM Semiconductor

We arranged a call with the company to discuss the recent announcement that they are engaging with IQOS to supply their battery management technology for their e-cigarettes. We explained that we believe this is the wrong direction for the company as they have so many other attractive business opportunities to focus on, and that this move could potentially restrict their access to international institutional investors who could otherwise help unlock the value of the company, which we believe is underappreciated by the market, not to mention our own beliefs about the nature of the product from a health and social point of view.

The investor relations director said he would relay our message to the company management and we hope to continue this engagement and will try and persuade them to reconsider pursuing this client.



## HDFC

As all 3 key, top people in the management team have now been at the company for 12-15 years and are in their 60s, we asked the CEO about the potential to disclose more definitive succession planning steps to smooth the process and reassure that there is strong governance oversight for the next generation. We were informed that there is a clearly laid out plan at both the very top level and in each business line and that this is a key topic for the board that is discussed at all board meetings. HDFC's preference is to promote internally, but they would fill positions from the outside in some cases if that can be done better.

## Ecopro

Ecopro BM proposed at their AGM in 2021 to significantly increase the limit on authorized shares from 150m to 500m, as well as the issuance limit on convertible securities from 100 billion South Korean Won ('KRW') to 1 trillion KRW.

We felt this was an issue from a governance perspective as we believed 1) there was still plenty of headroom left under the current limits as the company has no outstanding convertibles and only 14% of the current limit on authorized shares was utilized, and 2) there is no clear reason stated for the proposal.

During our call, management explained that under the current expansion plans could be sourced by bank loans and internal cash flow as the company has said in the past, but if the company wanted to expand capacity in Europe, this would required additional capital they could not source from domestic banks.

## Arco

Arco are starting an initiative to improve their ESG disclosures, map their ESG materiality indicators and build towards publishing their first sustainability report at the end of 2022. They are using MSCI, Sustainability and SASB data as well as bringing consultants RPT on to help them with this process and opportunistically engaging with shareholders.

We were able to describe to them what we find materially important from an ESG perspective in our process and why, and which factors may need more focus, positively and negatively, for a business such as theirs. We are very encouraged to see that Arco are doing this and look forward to greater transparency from the results, particularly around the impact they can have. We also discussed the company's alignment with the UN SDGs, UN Global Compact and UN PRI.

## Hapvida (not held)

Hapvida is being investigated regarding their drugs prescription practices during the COVID-19 pandemic, specifically the use of the 'COVID kit' including recommendations of drugs such as chloroquine and Hydroxychloroquine which are used for rheumatoid arthritis, lupus and malaria, but have not been scientifically proven to fight COVID-19.

The investigation has highlighted evidence from doctors working for Hapvida in 2020 who reported internal pressure to prescribe these drugs despite unknown efficacy. Hapvida confirmed that they had encouraged doctors to use these drugs, though denied any pressure. On average 20% of doctors chose to use it, with the backing that the medical counsel permitted prescription with patient consent. Hapvida withdrew this recommendation in the absence of industry consensus.

On our call management with company management, they did not seem to adequately grasp the seriousness of the issue and felt it would 'blow over'. We view this kind of maltreatment of both employees and customers and the risks it presents as a serious governance and human capital management breach, which render the stock uninvestible.



## Article 8 SFDR Emerging Markets Stars Annual Report *continued*

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### Describe Actions Taken to Attain Characteristics *continued*

#### Key Divestments

##### Prosus

We engaged with Prosus in 2020 on governance issues, including the persistent holding company trading discount and management's plans to close this discount to realise more value for shareholders, as well as seeking an explanation of management remuneration and how that has been improved for better alignment of stakeholder interests.

Despite this previous engagement, in 2021 we divested from Prosus as the efforts by management during the year to close the trading discount, to the benefit of minority shareholders, principally by means of an unsatisfactory tender offer to simplify the Naspers-Prosus shareholding structure, to restore confidence and to improve corporate governance and the future prospects of organic company's value creation, if anything, deteriorated.

#### Disclosure pursuant to the Taxonomy Regulation (EU) 2020/852

Under Article 8 SFDR, this Fund promotes environmental characteristics in the manner outlined above. In accordance with the requirements of Article 6 of the Taxonomy Regulation, the Fund must state that the 'do no significant harm' principle applies only to those investments underlying the Fund that take into account the EU criteria for environmentally sustainable economic activities.

However, the Fund has not elected to invest in sustainable investments, as defined in Article 2(17) SFDR, and, therefore, its investments are not made on the basis of applying the EU criteria for environmentally sustainable economic activities or, as a consequence, the 'do no significant harm' principle.



## Article 8 SFDR Global Insurance Annual Report

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### Description of the Achievement of the Characteristics

This disclosure should be read in conjunction with the Fund's prospectus and website disclosures under the EU's Sustainable Finance Disclosure Regulation (EU) 2019/2088 ('SFDR').

In accordance with the Fund's prospectus, the Fund invests broadly in the global insurance industry but predominantly focuses on investing in the non-life sub-sector (also known as property and casualty insurance), which the Investment Manager believes positively impacts most, if not all, of the United Nation's Sustainable Development Goals ('UN SDGs').

In accordance with the Fund's Article 8 SFDR prospectus disclosure, the primary indicator through which the Fund measures its achievement of its Article 8 SFDR characteristics is through the Investment Manager's proprietary Polar Capital Funds plc – Global Insurance Fund UN SDG matrix (the 'UN SDG Matrix').

As at 31 December 2021, the Fund had a portfolio of 33 companies that were exposed to a diversified range of underwriting risks.

The UN SDG matrix sets out the weighting of the Fund in each area of underwriting risk and then demonstrates whether, and to what extent, the Fund's holdings within that underwriting risk area have contributed to each UN SDG over the reference period.

# Article 8 SFDR Global Insurance Annual Report continued

## Description of the Achievement of the Characteristics continued

Figure 1 – UN SDG Matrix – 31 December 2021 (draft)

| UN Sustainable Development Goals                             | 31 December 2021 Weighting | 1         | 2         | 3         | 4         | 5         | 6         | 7         | 8         | 9         |
|--|----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Portfolio Overview</b>                                    |                            |           |           |           |           |           |           |           |           |           |
| <b>Personal Insurance</b>                                    | <b>12%</b>                 |           |           |           |           |           |           |           |           |           |
| Personal Auto  | 8%                         | ■         |           | ■         | ■         |           |           |           | ■         | ■         |
| Homeowners   | 4%                         | □         | ■         |           | ■         |           | ■         | ■         | ■         | ■         |
| <b>Commercial Insurance and Reinsurance</b>                  |                            |           |           |           |           |           |           |           |           |           |
| <b>Property (Re)insurances</b>                               | <b>69%</b>                 |           |           |           |           |           |           |           |           |           |
| Property Catastrophe Reinsurance                             | 4%                         | ■         | ■         |           |           |           | ■         | ■         | ■         | ■         |
| Other Property Reinsurance                                   | 7%                         | ■         | ■         | ■         |           |           | ■         | ■         | ■         | ■         |
| Property Insurance   | 7%                         | ■         | ■         |           |           |           | ■         | ■         | ■         | ■         |
| Marine and Energy  | 3%                         |           |           |           |           |           | ■         | ■         | ■         | ■         |
| Crop   | 1%                         | ■         | ■         |           | ■         | ■         | ■         | ■         | ■         | ■         |
| <b>Casualty (Re)insurances</b>                               |                            |           |           |           |           |           |           |           |           |           |
| <b>Casualty (Re)insurances</b>                               | <b>36%</b>                 |           |           |           |           |           |           |           |           |           |
| General Casualty (D&O, E&O etc)                              | 14%                        |           |           | ■         |           | ■         | ■         |           | ■         | ■         |
| Commercial Multi Peril                                       | 4%                         | ■         | ■         |           |           |           | ■         |           | ■         | ■         |
| Commercial Auto  | 2%                         | ■         |           | ■         |           |           |           |           | ■         | ■         |
| Credit and Surety  | 1%                         | ■         |           |           |           |           | ■         |           | ■         |           |
| Workers Compensation   | 3%                         | ■         | ■         | ■         |           | ■         |           |           | ■         | ■         |
| Personal Accident  | 4%                         | ■         | ■         | ■         |           | ■         |           |           | ■         | ■         |
| Medical Malpractice  | 1%                         | ■         | ■         | ■         |           | ■         |           |           | ■         | ■         |
| Casualty Reinsurance   | 7%                         |           |           | ■         |           | ■         | ■         |           | ■         | ■         |
| Mortgage and Title   | 7%                         | ■         | ■         |           |           |           |           |           | ■         | ■         |
| <b>Critical Illness and Health Insurance and Reinsurance</b> |                            |           |           |           |           |           |           |           |           |           |
| <b>Critical Illness and Health Insurance and Reinsurance</b> | <b>4%</b>                  |           |           |           |           |           |           |           |           |           |
| Critical Illness and associated healthcare coverages         | 2%                         | ■         | ■         | ■         | ■         | ■         |           |           | ■         | ■         |
| Life Reinsurance   | 2%                         | ■         | ■         | ■         |           |           |           |           | ■         | ■         |
| <b>Other – including Brokers and Life</b>                    |                            |           |           |           |           |           |           |           |           |           |
| <b>Other – including Brokers and Life</b>                    | <b>19%</b>                 |           |           |           |           |           |           |           |           |           |
| (Re)insurance Brokers  | 13%                        |           |           | ■         | ■         | ■         |           |           | ■         | ■         |
| Life (excluding Critical Illness)                            | 1%                         | ■         | ■         | ■         |           |           |           |           | ■         | ■         |
| Other  | 5%                         |           |           |           |           |           |           |           | ■         | ■         |
| <b>Corporate ESG Assessment</b>                              |                            |           |           |           |           |           |           |           |           |           |
| <b>Corporate ESG Assessment</b>                              |                            |           |           |           |           |           |           |           |           |           |
| Fund Governance  |                            | ■         | ■         | ■         | ■         | ■         | ■         | ■         | ■         | ■         |
| Fund Environmental   |                            | ■         | ■         |           | ■         |           | ■         | ■         | ■         | ■         |
| Fund Social  |                            | ■         | ■         | ■         | ■         | ■         |           |           | ■         | ■         |
| <b>Fund Manager Engagement</b>                               |                            |           |           |           |           |           |           |           |           |           |
| <b>Fund Manager Engagement</b>                               |                            |           |           |           |           |           |           |           |           |           |
| Governance   |                            | ■         | ■         | ■         | ■         | ■         | ■         | ■         | ■         | ■         |
| Innovation   |                            | ■         | ■         | ■         | ■         | ■         | ■         | ■         | ■         | ■         |
| Nature Based Solutions                                       |                            | ■         | ■         | ■         | ■         | ■         | ■         | ■         | ■         | ■         |
| Sustainable Accounting                                       |                            | ■         | ■         | ■         | ■         | ■         | ■         | ■         | ■         | ■         |
| <b>Total Impact</b>  | <b>100%</b>                | <b>23</b> | <b>20</b> | <b>17</b> | <b>12</b> | <b>14</b> | <b>16</b> | <b>12</b> | <b>28</b> | <b>27</b> |
| o/w High Impact  |                            | 12        | 7         | 6         | 3         | 2         | 0         | 0         | 15        | 7         |
| o/w Strong Impact  |                            | 4         | 1         | 3         | 0         | 1         | 4         | 1         | 7         | 7         |
| o/w Positive Impact  |                            | 7         | 12        | 8         | 9         | 11        | 12        | 11        | 6         | 13        |
| o/w Adverse Impact   |                            | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |

■ High impact ■ Strong impact ■ Positive impact □ No impact



| UN Sustainable Development Goals                             | 31 December 2021 Weighting | 10        | 11        | 12        | 13        | 14        | 15        | 16        | 17        |
|--|----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Portfolio Overview</b>                                    |                            |           |           |           |           |           |           |           |           |
| <b>Personal Insurance</b>                                    | <b>12%</b>                 |           |           |           |           |           |           |           |           |
| Personal Auto  | 8%                         |           |           |           |           |           |           |           |           |
| Homeowners   | 4%                         |           |           |           |           |           |           |           |           |
| <b>Commercial Insurance and Reinsurance</b>                  |                            |           |           |           |           |           |           |           |           |
| <b>Property (Re)insurances</b>                               | <b>21%</b>                 |           |           |           |           |           |           |           |           |
| Property Catastrophe Reinsurance                             | 4%                         |           |           |           |           |           |           |           |           |
| Other Property Reinsurance                                   | 7%                         |           |           |           |           |           |           |           |           |
| Property Insurance   | 7%                         |           |           |           |           |           |           |           |           |
| Marine and Energy  | 3%                         |           |           |           |           |           |           |           |           |
| Crop   | 1%                         |           |           |           |           |           |           |           |           |
| <b>Casualty (Re)insurances</b>                               |                            |           |           |           |           |           |           |           |           |
| <b>Casualty (Re)insurances</b>                               | <b>36%</b>                 |           |           |           |           |           |           |           |           |
| General Casualty (D&O, E&O etc)                              | 14%                        |           |           |           |           |           |           |           |           |
| Commercial Multi Peril                                       | 4%                         |           |           |           |           |           |           |           |           |
| Commercial Auto  | 2%                         |           |           |           |           |           |           |           |           |
| Credit and Surety  | 1%                         |           |           |           |           |           |           |           |           |
| Workers Compensation   | 3%                         |           |           |           |           |           |           |           |           |
| Personal Accident  | 4%                         |           |           |           |           |           |           |           |           |
| Medical Malpractice  | 1%                         |           |           |           |           |           |           |           |           |
| Casualty Reinsurance   | 7%                         |           |           |           |           |           |           |           |           |
| Mortgage and Title   | 7%                         |           |           |           |           |           |           |           |           |
| <b>Critical Illness and Health Insurance and Reinsurance</b> |                            |           |           |           |           |           |           |           |           |
| <b>Critical Illness and Health Insurance and Reinsurance</b> | <b>4%</b>                  |           |           |           |           |           |           |           |           |
| Critical Illness and associated healthcare coverages         | 2%                         |           |           |           |           |           |           |           |           |
| Life Reinsurance   | 2%                         |           |           |           |           |           |           |           |           |
| <b>Other – including Brokers and Life</b>                    |                            |           |           |           |           |           |           |           |           |
| <b>Other – including Brokers and Life</b>                    | <b>19%</b>                 |           |           |           |           |           |           |           |           |
| (Re)insurance Brokers  | 13%                        |           |           |           |           |           |           |           |           |
| Life (excluding Critical Illness)                            | 1%                         |           |           |           |           |           |           |           |           |
| Other  | 5%                         |           |           |           |           |           |           |           |           |
| <b>Corporate ESG Assessment</b>                              |                            |           |           |           |           |           |           |           |           |
| <b>Corporate ESG Assessment</b>                              |                            |           |           |           |           |           |           |           |           |
| Fund Governance  |                            |           |           |           |           |           |           |           |           |
| Fund Environmental   |                            |           |           |           |           |           |           |           |           |
| Fund Social  |                            |           |           |           |           |           |           |           |           |
| <b>Fund Manager Engagement</b>                               |                            |           |           |           |           |           |           |           |           |
| <b>Fund Manager Engagement</b>                               |                            |           |           |           |           |           |           |           |           |
| Governance   |                            |           |           |           |           |           |           |           |           |
| Innovation   |                            |           |           |           |           |           |           |           |           |
| Nature Based Solutions                                       |                            |           |           |           |           |           |           |           |           |
| Sustainable Accounting                                       |                            |           |           |           |           |           |           |           |           |
| <b>Total Impact</b>  | <b>100%</b>                | <b>23</b> | <b>24</b> | <b>22</b> | <b>17</b> | <b>14</b> | <b>17</b> | <b>20</b> | <b>24</b> |
| o/w High Impact  |                            | 5         | 6         | 2         | 6         | 3         | 1         | 10        | 6         |
| o/w Strong Impact  |                            | 0         | 1         | 2         | 0         | 0         | 1         | 2         | 4         |
| o/w Positive Impact  |                            | 18        | 17        | 18        | 11        | 11        | 15        | 8         | 14        |
| o/w Adverse Impact   |                            | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |

# Article 8 SFDR Global Insurance Annual Report continued

## Description of the Achievement of the Characteristics continued

As shown in the key at the bottom of Figure 1, the Investment Manager assesses a company’s impact on the UN SDGs based on five categorisations namely; (i) high impact (■ – dark blue), (ii) strong impact (■ – blue), (iii) positive impact (■ – light blue), (iv) no impact (□ – white) or (v) adverse impact (■ – orange, but not shown).

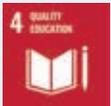
High impact actions are quantifiable actions taken by portfolio companies directly in support of specific UN SDGs, strong impacts reflect that company actions of the reference period have had indirect benefits from a UN SDG perspective and positive impacts reflect harder to quantify or more holistic impacts on the UN SDGs.

Adverse impacts are actions taken by portfolio companies, or occurrences at portfolio companies, that run counter to the intention and spirit of the UN SDGs.

Figure 2 below sets out six case studies in which, according to the Investment Manager’s methodology, the Fund’s investee companies have had a high impact on one or more UN SDGs.

**Figure 2 – High UN SDG Impact Case Studies – Fund Investee Companies**

### UN SDG Case Studies – Fund Impact

| Company               | SDG   |   |
|-----------------------|---|---|
| <b>Travelers</b>      |     | <b>Fortifying Homes</b> – Joined forces with Habitat for Humanity® and the Insurance Institute for Business & Home Safety to build affordable, wind-resistant homes to ‘FORTIFIED Home’ standards. Recently extended relationship to work with a non profit SBP on training staff in construction which resulted in the 2020 Fortified Pioneer Award. More than 100 Fortified homes built across the US for low income families due to Travelers Funding. |
| <b>Arch</b>           |       | <b>Climate Policies</b> – New Thermal Coal Policy introduced with ‘high risk’ submissions either declined or tracked and referred to the Environmental Risk Oversight Committee for review. The company is tracking the outcomes and increasing external reporting for future years.  |
| <b>Marsh McLennan</b> |     | <b>Victor</b> – Victor and ICAT are delivering risk management and insurance solutions to over 125,000 insureds in the US and 43,000 in Canada as well as the UK and Europe through a national third-party distribution network of licensed brokers. Their capability includes Dovetail their digital enabled cloud based SME platform empowering agents which was developed with technology provider Duck Creek.   |
| <b>Chubb</b>          |        | <b>The Chubb Rule of Law Fund</b> – Funding scholarships supporting people of colour from underrepresented communities as well as providing internships to help recipients gain experience with Chubb and potentially enter their talent pipeline. CEO level commitment.  |
| <b>AIA</b>            |    | <b>Vitality and Wellness Ecosystem</b> – AIA continue to build out their health ecosystem including virtual access to quality care, medical case management, and driving health and wellness propositions through Vitality, webinars and initiatives such as One More Hour. These initiatives seek to reduce premature mortality by 1/3 by 2030 (vs 2015 level).  |
| <b>Beazley</b>        |      | <b>Claims</b> – Beazley’s product solutions are increasingly incorporating service propositions that support risk mitigation and prevention. Beazley pioneered this approach with Beazley Breach Response Cyber offering and is expanding the initiative to Intangible Assets, Transmission Failure and Virtual Care as part of their Incubator team.   |



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The first investee company example given in Figure 2, Travelers, is a US focused insurance business and is a significant provider of personal car insurance, home insurance and small and medium sized business insurance across the US and Canada.

The provision of property coverage to individuals and businesses aligns directly with UN SDG 1 (No Poverty) and UN SDG 11 (Sustainable Cities and Communities) given that claims payments following catastrophes help prevent poverty or financial ruin and reduce direct economic losses to society. The investee companies in the Fund that provide property coverage, including Travelers, have a very strong record of supporting clients and paying claims following adverse events.

However, Travelers supports UN SDG 1 and UN SDG 11 goals beyond the provision of this insurance coverage through their partnership with Habitat for Humanity, a global non-profit housing organisation, and the Insurance Institute for Business and Home Safety, a US based non-profit organisation whose research seeks to provide solutions to avoid insurable losses.

These partnerships support the construction of resilient and sustainable affordable homes for low-income families enhancing societal resilience, reduce the cost of coverage and help tackle the 'protection gap' (the level of economic losses suffered during a given year that were not insured).

Progressive and Direct Line, which are well regarded companies that provide similar insurance products by contrast, are, in the Investment Manager's belief, examples of companies within the portfolio that make a strong (rather than high) impact on one or more of the UN SDGs.

Commentary guidance from the UN on UN SDG 3 (Good Health and Wellbeing) specifically refers to the negative impact of road traffic injuries on society. Personal auto insurance can, in many cases, positively contribute to UN SDG 3 by funding the healthcare and rehabilitation of injured parties following a car accident.

In addition, Progressive use telematics, a technology that monitors driver behaviour, to encourage safer driving and, therefore, lower injuries on the road, while Direct Line has provided data to automotive manufacturers on certain types of claims concerning the manufacturer's vehicles in order to support the development of safer vehicles by those manufacturers. These activities further support UN SDG 3 by helping to prevent road traffic injuries from occurring in the first place.

However, given telematics is not a material part of personal auto insurance at this stage, the occasional nature of insurers communications with car manufacturers and that it is difficult to quantify insurers efforts to educate drivers on road safety, the Investment Manager believes that the steps taken above cannot be classified as high impact on UN SDG 3, and the UN SDGs more broadly.

The Investment Manager defines a Positive Impact as, for example, having robust controls over preventing corruption within supply chains particularly in relation to claims payments supporting UN SDGs, such as UN SDG 16 (Peace, Justice and Strong Institutions). Such controls are generally required by law and are not company specific factors, but a failure to adhere to such regulations and laws potentially would lead to adverse sustainability impacts.

The alignment of the Fund's holdings with the UN SDGs at the corporate level is assessed through the Investment Manager's proprietary ESG scoring process. Individual companies are scored across over 20 ESG factors, which in turns form the basis for discussion with investee company management teams. Based on the ESG scores in aggregate for the Fund's investee companies, the UN SDG matrix indicates the extent to which each UN SDG is impacted.

By assessing and then engaging on the weaker elements of a company's ESG impact the Investment Manager helps promote positive actions to address these areas which contributes positively to the overall portfolio UN SDG impact.

The UN SDG Matrix sets out the four key areas in which the Investment Manager has engaged with investee companies during the reference period and the corresponding impact that the Investment Manager believes this engagement has had on the relevant UN SDGs.

For example the Investment Manager encourages companies to look more at nature based solutions (i.e sustainable management practices and the use of natural features and processes to tackle socio-environmental challenges) as a form of risk prevention. An example of this is the Investment Manager introducing Direct Line to a rewilding charity. Subsequently Direct Line agreed to provide lending to the charity for the purchase of land in part to learn more about how land restoration helps with flood mitigation.

Further details around the Investment Manager's engagements, and the impact of these engagement, are discussed in the section 'Describe the actions taken to attain the characteristics' section.

## Article 8 SFDR Global Insurance Annual Report *continued*

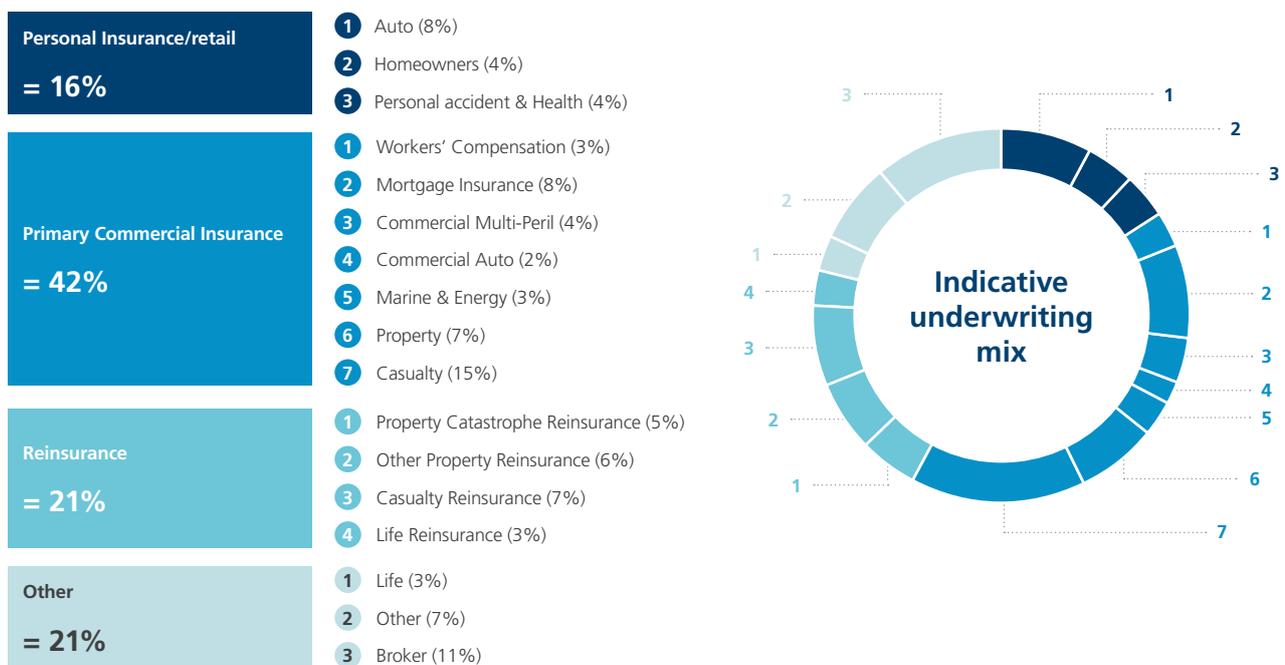
### Description of the Achievement of the Characteristics *continued*

The Investment Manager’s investment approach, including its sustainability approach, is underpinned by the underwriting spread of the Fund as shown below in Figure 3 at 31 December 2021.

The Fund’s alignment with the UN SDGs is closely linked with the insurance coverage and services provided by the insurers held in the Fund, as shown in Figure 3, and how those products are priced and delivered to clients.

From a financial performance perspective, the Investment Manager seeks to flex the Fund’s exposure to each underwriting set over time depending on the attractiveness of the market conditions applicable to that underwriting set and seeks to remain diversified to manage volatility that occurs where losses occur in one or more underwriting sub-set. During the reference period there has not been a material change in weightings.

**Figure 3 – Portfolio Underwriting Mix – at 31 December 2021**



In summary, the UN SDG Matrix has aggregated the total impact of the Fund on each specific UN SDG over the reference period based on its investee companies’ products and services (as shown in Figure 3), its investee companies’ corporate ESG profiles and through Investment Manager’s engagement.

The UN SDGs that are most materially supported by the Fund holdings, based on the outputs of the UN SDG Matrix and in order of materiality are; UN SDG 8 (Decent Work and Economic Growth), UN SDG 9 (Industry, Innovation and Infrastructure), UN SDG 11 (Sustainable Cities and Communities), UN SDG 17 (Partnerships for the Goals), UN SDG 1 (No Poverty) and UN SDG 10 (Reduced Inequalities).

The Investment Manager has also performed an assessment to determine whether, according to its methodology, there are any adverse impacts on the UN SDGs. Approximately 30% of Fund interactions with the UN SDGs resulted in a high impact, while 10% had a positive impact and 60% a positive impact. According to the Investment Manager’s methodology for the Fund, 0% of the Fund’s holdings had an adverse impact on the UN SDGs over the reference period.

**Figure 4 – UN SDG Matrix Integration methodology based on indicative portfolio weightings**

 Source: Polar Capital, January 2022 and <https://sdgs.un.org/goals>



## Article 8 SFDR Global Insurance Annual Report continued

### Description of the Achievement of the Characteristics continued

#### Describe the Fund's Top 10 Investments

| Holdings                | Fund Weight (%) |
|-------------------------|-----------------|
| 1) Arch Capital         | 8.1%            |
| 2) Marsh & McLennan Cos | 8.0%            |
| 3) Chubb                | 7.8%            |
| 4) Markel               | 5.4%            |
| 5) RenaissanceRe        | 5.2%            |
| 6) Fairfax Financial    | 4.9%            |
| 7) Alleghany            | 4.7%            |
| 8) Aon                  | 4.4%            |
| 9) Essent               | 4.3%            |
| 10) WR Berkley          | 4.2%            |

#### Description of the Percentage of the Fund's Investments that meet the Characteristics

As at the 31 December 2021, 100% of the Fund's investments, excluding the Fund's cash and any derivative holdings, have a positive impact on one or more of the UN SDGs, as demonstrated by the UN SDG matrix.

The Fund is primarily invested in listed equities. However, the Fund does have investments in several unlisted retrocession funds which are not listed entities. These retrocession funds are collective investment schemes in which the collective investment proceeds are used to underwrite a range of reinsurance protections, primarily for reinsurers and typically with a term of one year.

The Investment Manager assessed the impact of these retrocession funds on the UN SDGs through the UN SDG matrix. The retrocession funds are considered within the relevant underwriting risk areas set out in the UN SDG matrix, primarily property catastrophe coverage but also in property and marine and energy (re)insurance.

The Fund's direct exposure to fossil fuels is confined to its investment in Berkshire Hathaway, a mid-sized holding in the Fund. Berkshire Hathaway is a diversified conglomerate rather than a pure insurance company and one of its subsidiaries, Berkshire Hathaway Energy, has applicable revenues equating to c.6% of Berkshire Hathaway's total group revenues.

However, the Investment Manager believes that Berkshire Hathaway Energy is transitioning its business model from fossil fuels towards renewable energy at a satisfactory pace and making key investments that will help to facilitate the transition more broadly, particularly in US energy transmission capability. 32% of Berkshire Hathaway Energy's 2020 power generation was from renewables, up from 10% in 2005, which reflects capital investment of \$36bn to September 2021. A further \$4.9bn investment in wind and solar development is budgeted by the end of 2023 and existing plans are expected to achieve a 50% reduction in CO<sub>2</sub> emissions by 2030 from 2005 levels.

The Investment Manager is focused on the eradicating the Fund's exposure to thermal coal, oil sands and arctic exploration and other such activities that contribute to global warming from the underwriting portfolios of its investee companies.

A number of investee companies have committed to specific timetables for phasing out these risks and becoming carbon neutral well before 2050. Many of the Fund's investee companies have not underwritten or invested assets in such risks for many years, given the anticipation of increased liability exposures arising from them, and parts of the insurance market continue to withdraw coverage for these kinds of risks (including the Lloyd's of London Insurance Market).

The withdrawal of this coverage in turn raises the cost of the remaining coverage and materially supports the transition towards more sustainable business practices through pricing penalties.

The Investment Manager believes the reduction of coverage, and the associated increase in the cost of the remaining coverage, is already having an outsized impact, relative to the small size of the insurance sector as a whole, on reducing carbon emissions, particularly within the three most polluting industries; utilities, energy and materiality.

## Describe Actions Taken to Attain Characteristics

In seeking to attain the Fund’s investment objective and the Fund’s characteristics highlighted in the UN SDG Matrix, the Investment Manager actively manages the Fund’s look-through underwriting mix and corporate ESG alignment.

While the Fund had low turnover during the reference period, the Investment Manager flexed the weighting of the Fund’s positions to reflect the product and market characteristics within each line of business.

The Investment Manager undertook quarterly and deeper dive due diligence work on investee companies as necessary, utilising the Fund’s long track record and historical data on areas such as a company’s reserves, business mix, experience, incentives, culture, technological capability, innovation, data security, diversity and responsible underwriting integration metrics. This due diligence all fed into the Fund’s proprietary scoring and, in turn, the UN SDG Matrix.

Further, given the concentrated nature of the Fund, over the reference period the Investment Manager was able to engage with company management teams on a regular basis through meetings with company management teams, underwriters and market participants, as well as performing site visits and attending investor days.

The Fund also conducted ESG audit engagements on a number of investee companies during the reference period. At meetings with the relevant investee companies, the Investment Manager discussed the rating factors that are included in its proprietary ESG ratings, and any relevant findings, with the management teams, including emphasising the importance that portfolio companies should report under TCFD (over half of the Fund’s investee companies currently do) and/or the Sustainability Accounting Standards Board’s (SASB) sustainable accounting standards and should look to develop science-based carbon emission reduction targets where appropriate.

Figure 6 below sets out some of the key engagements with investee companies that took place during 2021.

### Figure 6 Engagement Insight

#### UN SDG Case Studies – Engagement

| Company                | SDG                                       |   |
|------------------------|---|---|
| US (Re)insurer         | 5 GENDER EQUALITY                         | <b>ESG Audits – in-depth ESG audit of a US (Re)insurer and meeting with CEO and management team.</b> The company noted that they had started their ESG journey relatively recently in 2019. Engagement was provided based on mgmt request around what organisations and frameworks were most important to investors. They have reported under the GRI methodology in their Sustainability Report. The Fund Manager developed significant insight during the engagement around the companies cultural and social approach particularly in relation to how they have managed through the pandemic. The Fund Manager notably discussed Governance and Board Composition in detail with the company in the context of 2020 Proxy Voting and ISS recommendations. The Fund consequently vote with Management following the engagement. |
|                        | 8 DECENT WORK AND ECONOMIC GROWTH         |   |
|                        | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE |   |
|                        | 10 REDUCED INEQUALITIES                   |   |
|                        | 11 SUSTAINABLE CITIES AND COMMUNITIES     |   |
|                        | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION |   |
|                        | 13 CLIMATE ACTION                         |   |
|                        | 16 PEACE, JUSTICE AND STRONG INSTITUTIONS |   |
|                        | 17 PARTNERSHIPS FOR THE GOALS             |   |
| US/Bermuda (Re)insurer | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE | <b>MSCI Low ESG Rating – initiated ESG engagement call with company’s general council.</b> It became clear that the management team and board were taking ESG seriously and that the low external agency score was more related to disclosure. Mgmt had recognised this was an issue (the Fund had engaged with mgmt and IR over several years on their disclosures) and were in the process of publishing a sustainability report and improving disclosure. While external ESG ratings agencies have been slow to reflect the companies approach and improved discloses their MSCI score had improved and climbed from CCC 2 years ago to BB.  |
|                        | 17 PARTNERSHIPS FOR THE GOALS             |   |

# Article 8 SFDR Global Insurance Annual Report *continued*

## Describe Actions Taken to Attain Characteristics *continued*

| Company                           | SDG   |   |
|-----------------------------------|---|---|
| London/<br>Bermuda<br>(Re)insurer |             | <p><b>Governance – treatment of remuneration.</b> The Fund manager engaged with other teams within Polar with respect to the way remuneration was treated at a London/ Bermuda (Re)Insurer. A meeting was arranged with the Chairman and Senior Non Executive Director. Following this meeting, given that the issues raised appeared not to be sufficiently addressed, the Fund Manager composed a letter which was sent to the Board of Directors. Subsequently the board acknowledged the Fund Managers concerns and indicated that they would implemented a number of the recommendations for the forthcoming financial year.</p>   |
| Instech<br>London                 |      | <p><b>Innovation – supporting innovation.</b> Polar Capital is a sponsor of Instech London, the community that seeks to identify and promotes the use of the best technology, data and analytics within insurance and risk-management around the world. Their network includes insurers, brokers, consultants, investors and technology companies from start-ups to the established global enterprises. The Fund Manager has been a supporter, matchmaker and mentor for companies within Instech London’s ecosystem since their inception in 2015. The Fund has also participated on a number of accelerator programs over the years.</p>  |
| Various<br>Companies              |     | <p><b>Nature Based Solutions – raising awareness of industries alignment.</b> The Fund has engaged with a number of companies and the industry more broadly in raising awareness about the role nature based solutions can play in increasing societies resilience against natural catastrophes. Projects Fund companies have been directly involved include mangrove restoration (reduces the impact of storm surge) to Rewilding initiatives (reduce flooding and increase biodiversity) with Polar plc a sponsor of Heal Rewilding. The importance of biodiversity is something that not every company management team has yet to appreciate and the Fund has sought to raise awareness of the alignment between the natural partnership opportunities between nature based solutions and insurance solutions.</p> |

The Investment Manager’s corporate ESG assessments reflect industry insight, financial analysis, company visits and management meetings attained over decades. Where ESG-related disclosures are not available from an investee company, or a company within the Fund’s investment universe, the Investment Manager proactively reaches out to that company and its management team to obtain the relevant information and uses third party data sources as a starting point.

As shown above in Figure 6, one investee company has acknowledged, through the Investment Manager’s engagement, that the level of public disclosure needs to be improved, despite the fact that they are already engaging with many ESG issues internally.

In recent periods, investee companies have become more focused on increasing disclosures to third-party providers, which the Investment Manager continues to encourage. Bringing together disclosure of company practices from a variety of published materials into a more dedicated ESG/Sustainability report or website area helps to narrow the differences in ratings between the Fund and third-party providers, which often rely solely on the availability of easily found company disclosures on company websites.

The Investment Manager reached out to investee companies over the reference period for further ESG insight where external rating agencies highlighted factors of concern or provided a low rating to the company.

The Investment Manager is of the view that third party ESG ratings providers ascribe higher ratings to larger, better resourced companies that are capable of a higher level of disclosure which does not, at present, suit the Fund’s mid-cap and US market focus or necessarily correlate with better ESG stewardship.



However, the Investment Manager engaged with the companies that had the lowest 5 ESG ratings according to MSCI, as well as its own proprietary ESG scoring process, to understand whether the issue was a matter of disclosure or indicative of deeper ESG issues.

As a result of this engagement, the Investment Manager found that some investee companies considered matters such as climate change within their operational models and underwriting policies and maintain exclusions on climate related risks or areas, but have not disclosed these policies and procedures publicly.

In the instance of smaller investee companies, the Investment Manager found that given the size and scope of the investee companies' operations, some are yet to consider climate related risks and opportunities more broadly within their business and strategy.

A key engagement during the 2021 proxy voting season was in relation to further engagement actions taken by the Investment Manager on an investee company's remuneration proposals, following failure by the Chairman of the Board and a senior independent director of the Board to take on suggestions made by the Investment Manager during a meeting with them, or to find a mutually acceptable solution to the issues raised by the Investment Manager.

The Investment Manager followed up this meeting with a letter to the investee company's Board expressing the importance of the fiduciary duty the Investment Manager owes to its investors and the Investment Manager's continued disagreement with the proposed approach to remuneration. The investee company has since acknowledged the Investment Manager's concerns and implemented a number of the Investment Manager's recommendations on remuneration for the forthcoming financial year.

Other important votes during the 2021 proxy voting season the Investment Manager voted against management in one instance to support a climate transition and risk review resolution at Berkshire Hathaway and abstained from two votes, firstly in respect of Aon's remuneration report given concerns on director remuneration, and secondly in respect of a business resolution from Chubb relating to Swiss law.

Finally, through its broader engagement activities, the Investment Manager has connected a number of investee companies with industry groups, industry communities and charities, such as Instech London and Heal Rewilding, to raise awareness of nature based solutions and insurance solutions and increase the possible impact that those groups, communities and charities have on the UN SDGs and sustainability more broadly.

## **Disclosure pursuant to the Taxonomy Regulation (EU) 2020/852**

Under Article 8 SFDR, this Fund promotes environmental characteristics in the manner outlined above. In accordance with the requirements of Article 6 of the Taxonomy Regulation, the Fund must state that the 'do no significant harm' principle applies only to those investments underlying the Fund that take into account the EU criteria for environmentally sustainable economic activities.

However, the Fund has not elected to invest in sustainable investments, as defined in Article 2(17) SFDR, and, therefore, its investments are not made on the basis of applying the EU criteria for environmentally sustainable economic activities or, as a consequence, the 'do no significant harm' principle.



## Article 9 SFDR Smart Energy Annual Report

### Description of the Achievement of the Characteristics

This disclosure should be read in conjunction with the Fund's prospectus and website disclosures under the Sustainable Finance Disclosure Regulation (EU) 2019/2088 ('SFDR').

In accordance with the Fund's prospectus disclosures under Article 9 of the SFDR, this Fund has as its sustainable investment objective investment in a portfolio of companies worldwide that support, through their technology solutions and services, the decarbonization and thereby electrification of the global energy sector.

The Investment Manager measures the Fund's alignment with its sustainable investment objective on a qualitative and quantitative basis by:

1. The alignment of the Fund's investments with the Fund's eligible investment universe, as described in the 'Investment Strategy' section of the Fund's prospectus and website SFDR disclosures.
2. The alignment of the Fund's investments with the Investment Manager's exclusions list for the Fund, as set out in the 'Investment Strategy' section of the Fund's prospectus and website SFDR disclosures.

During the reference period of this annual report, the Investment Manager's eligible investment universe comprised four main themes:

- 1. Clear Power Generation** – this theme is comprised of the following sub-areas
  - a. Solar Power Supply Chain – companies that procure raw materials to produce solar power infrastructure, that produce solar power cells and modules and solar power inverters, that produce ancillary equipment required for solar power infrastructure or that are solar power service companies
  - b. Wind Power Supply Chain – companies that procure the materials required to produce wind power infrastructure or that produce wind turbines and/or the gearboxes for wind turbines
  - c. Renewable Power Producers – companies that operate wind, solar, hydro-electric or other renewable energy power sites.
- 2. Energy Transmission and Distribution** – this theme is comprised of the following sub-areas:
  - a. Smart Grid Equipment – companies that produce equipment used in electrical grids that help to manage the energy flows intelligently, making sure that supply always matches demand, with any surplus of electricity supply being stored temporarily.
  - b. Hydrogen Infrastructure Equipment – companies that produce equipment for the generation of electricity using hydrogen through electrolysis, or that produce equipment to transport, distribute or store hydrogen.
  - c. Electric Grid and Hydrogen Distribution Operators – companies that operate electrical grids or that transmit, distribute, or store hydrogen.
- 3. Energy Conversion and Storage** – this theme is comprised of the following sub-areas:
  - a. Power Conversion – companies that produce or design power semiconductors for the energy, industrial, transport, IT and building sectors and/or for consumer electronics/ appliances.
  - b. Energy Storage – companies that supply raw materials or components to battery producers or that produce batteries for industry or consumers, for electric vehicles and/or for grid management purposes.
- 4. Energy Efficiency** – this theme is comprised of the following sub-areas:
  - a. Buildings – companies involved in the production or operation of heating, ventilation and air conditioning systems, efficient lighting, smart home appliances or production/installation of insulation materials for buildings.
  - b. Industrial Processes – companies that develop energy efficient solutions for industrial automation (e.g. electric motors, industrial processes, industrial internet of things).
  - c. Transportation – companies that engineer and manufacture public transport vehicles (e.g. trains, trams), battery electric and fuel cells electric vehicle manufacturers or their electric components or subsystem suppliers.
  - d. Big Data – companies that provide data centres with efficient power and thermal management solutions or the provide energy efficient solutions for high-throughput data processing (for artificial intelligence/machine learning and broadband communications).

To be included in the eligible investment universe, the companies had to derive at least 30% of their current or future revenues from one of the sub-themes set out above. Over the reference period, this resulted in an eligible universe of circa 250 companies.



As at 31 December 2021, the Fund's exposures to each of the four themes were as follows:

| Investment Area                    | Portfolio Weighting | Average Current Revenue Exposure |
|------------------------------------|---------------------|----------------------------------|
| Clean Power Generation             | 6.6%                | 100.0%                           |
| Energy Conversion & Storage        | 35.7%               | 75.5%                            |
| Energy Efficiency                  | 45.1%               | 76.5%                            |
| Energy Transmission & Distribution | 12.2%               | 70.8%                            |
| Cash                               | 0.4%                | 0.0%                             |

During the reference period, the Fund did not invest in any companies that were not aligned with the Fund's sustainable investment objective, by virtue of not meeting the prescribed current or future revenue exposure threshold, or companies that participated in activities linked to the Fund's exclusions criteria.

## Describe the Fund's Top 10 Investments

As at the last date of the reference period (31st December 2021), the top 10 holdings of the Fund were:

| Holdings                          | Fund Weight (%) |
|-----------------------------------|-----------------|
| 1) ON Semiconductor               | 5.2%            |
| 2) Power Integrations             | 5.0%            |
| 3) Schneider Electric             | 4.3%            |
| 4) Xpeng Motors ADR               | 3.4%            |
| 5) Johnson Controls International | 3.4%            |
| 6) EnerSys                        | 3.4%            |
| 7) Infineon Technologies          | 3.2%            |
| 8) Rohm                           | 3.1%            |
| 9) Xilinx                         | 3.1%            |
| 10) Lattice Semiconductor         | 3.1%            |

## Description of the Percentage of the Fund's Investments that meet the Characteristics

All of the Fund's equity investments during the reference period contributed to the sustainable investment objective through their exposure to one or more of the sub-themes set out above.

The Fund did have cash and cash equivalents over the reference period. These investments did not contribute towards the sustainable investment objective and there were no environmental or social safeguards in place for these holdings as they are held for liquidity management and hedging purposes only.

As per the Fund's exclusion criteria, investments in fossil fuel exploration and production companies, as well as in utilities with thermal fossil power generation, are prohibited.



## Article 9 SFDR Smart Energy Annual Report continued

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### **Describe the contribution to the environmental objectives of the Taxonomy Regulation (EU) 2020/852**

In accordance with the requirements of Article 5 of the Taxonomy Regulation, where the Fund invests in economic activities that contribute to an environmental objective, it must disclose the environmental objective or objectives set out in Article 9 Taxonomy Regulation to which the Fund's investments contribute and a description of how and to what extent these investments are in environmentally sustainable economic activities under Article 3 of the Taxonomy Regulation.

In implementing the investment strategy of the Fund, the Investment Manager selects investments which it believes contribute to the environmental objective of climate change mitigation under Article 9 of the Taxonomy Regulation.

In assessing whether an investment is considered to be in environmentally sustainable economic activities contributing to climate change mitigation, the Investment Manager must be satisfied that the relevant economic activity (i) contributes substantially to the environmental objective of climate change mitigation, (ii) does not significantly harm any of the environmental objectives outlined in the Taxonomy Regulation; (iii) is carried out in compliance with the minimum safeguards laid down in the Taxonomy Regulation and (iv) complies with the Technical Screening Criteria ('TSC') in respect of climate change mitigation that have been published and approved by the European Commission.

The TSC in respect of climate change mitigation were approved by the European Commission on 9 December 2021 and came into force on 1 January 2022. In addition, there is a lack of reliable, timely and verifiable data publicly reported by issuers or investee companies concerning the Taxonomy eligibility or alignment of their economic activities.

In light of the delay in approving the TSC and the challenges in obtaining data from issuers or investee companies on the Taxonomy eligibility or alignment of their economic activities, the Investment Manager is not currently in a position to assess with certainty (a) whether or not the investments underlying the Fund are in environmentally sustainable activities (b) the extent to which the investments of the Fund are in economic activities that qualify as environmentally sustainable and are aligned with the Taxonomy Regulation; (c) the proportion, as a percentage of the Fund's portfolio, of investments in environmentally sustainable activities which are aligned with the Taxonomy Regulation; and (d) the proportion, as a percentage of the Fund's portfolio, of enabling and transitional activities (as described in the Taxonomy Regulation).

Accordingly, the proportion of investments of the Fund in environmentally sustainable economic activities contributing to climate change mitigation, including in transitional and enabling activities, and aligned with the requirements of the Taxonomy Regulation is 0% of the Fund's net assets.

The Investment Manager shall, once sufficient reliable, timely and verifiable data from issuers or investee companies becomes available, update its regulatory documentation to provide an indication of the proportion of investments of the Fund which are in environmentally sustainable economic activities under the EU Taxonomy Framework.



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## Describe how the Fund assessed the 'DNSH' principle for its investments over the reference period

Over the reference period, the Investment Manager carried out a screening process during the construction of its eligible investment universe to exclude any companies that significantly harm environmental or social objectives due to their involvement in a range of controversial business activities. The Investment Manager used external ESG data providers as an initial input for the screen.

The Investment Manager's screening for controversial activities was carried out over the reference period in accordance with the Investment Manager's thematic exclusions for the Fund, which cover, from an environmental perspective, involvement in hydrocarbon exploration and production, fossil and nuclear power generation, natural gas transmission and distribution and first-generation biofuels and palm oil.

Further, the Investment Manager's controversies assessment included evaluating if companies were involved in material issues that would cause harm to the Taxonomy Regulation's environmental objectives. Companies with very severe and significant controversies were excluded.

The Investment Manager screened and excluded companies from the eligible investment universe where they were exposed to involvement in controversial weapons, civilian firearms, military contracting, gambling, adult entertainment, tobacco and alcohol.

Finally, the Investment Manager applied additional exclusions based on companies' controversial products or behaviour which violated the principles of the UN Global Compact, the United Nations Guiding Principles on Business and Human Rights and OECD Guidelines for multinational enterprises.

The Investment Manager's screening process ensured that, to the best of its knowledge and belief, no companies that significantly harm environmental or social objectives were included in the Fund's eligible investment universe and, therefore, the Fund.

## Describe the actions taken to attain the sustainable investment objective

Over the reference period, the Investment Manager constructed the Fund's eligible investment universe according to the four themes set out above and only invested in companies within that eligible investment universe.

Therefore, all the companies in the portfolio passed the necessary minimum thematic threshold and did not breach the SFDR's principles 'do no significant harm' and 'good corporate governance'.

The eligible investment universe serves as a secondary, internal benchmark to the Fund, both in terms of performance and in terms of contribution to the sustainable investment objective. The Investment Manager reconsiders the companies that qualify for the eligible investment universe on a periodic basis. However, the Fund was launched end of September 2021 and the Investment Manager did not undertake the first rebalancing of the eligible investment universe during the reference period.



## Article 9 SFDR Smart Mobility Annual Report

### Description of the Achievement of the Characteristics

This disclosure should be read in conjunction with the Fund's prospectus and website disclosures under the Sustainable Finance Disclosure Regulation (EU) 2019/2088 ('SFDR').

In accordance with the Fund's prospectus disclosures under Article 9 of the SFDR, this Fund has as its sustainable investment objective investment in a portfolio of companies worldwide that support, through their technology solutions and services, the decarbonization and thereby electrification of the global energy sector.

The Investment Manager measures the Fund's alignment with its sustainable investment objective on a qualitative and quantitative basis by:

1. The alignment of the Fund's investments with the Fund's eligible investment universe, as described in the 'Investment Strategy' section of the Fund's prospectus and website SFDR disclosures.
2. The alignment of the Fund's investments with the Investment Manager's exclusions list for the Fund, as set out in the 'Investment Strategy' section of the Fund's prospectus and website SFDR disclosures.

During the reference period of this annual report, the Investment Manager's eligible investment universe comprised of four main themes:

1. **EV Technologies** – this theme is comprised of the following sub-areas:
  - a. Batteries – the sub-area covers the total electric vehicle ('EV') battery life cycle including companies that operate in the mining of materials, the manufacturing of cells, modules and packages, as well as recycling.
  - b. Electric Powertrain – companies that provide materials and electric components for the EV powertrain, i.e. for the electric motor and main inverter, as well as for the on-board charger. In particular, companies that produce high-voltage power semiconductors enabling the energy-efficient conversion of electric power, as well as the control of the electric motor.
  - c. Hydrogen Fuel Cells – companies that develop and manufacture hydrogen fuel cells and related components for electric vehicles.
2. **EV Manufacturing** – this theme is comprised of the following sub-areas:
  - a. EV Manufacturers – companies that are exclusively focused on the development and/or manufacturing of electric vehicles including 2/3 wheelers, passenger cars, commercial delivery vans and trucks, buses and aircrafts.
  - b. EV Suppliers – automotive tier-one suppliers offering product solutions dedicated to the electrification of vehicles.
  - c. Process Equipment & Software – engineering and software companies that provide technology solutions addressing the development, manufacturing and testing of electric vehicles and subsystems.
3. **Autonomous Driving** – this theme is comprised of the following sub-areas:
  - a. Connectivity – companies developing data connectivity components and solutions for improved efficiency and safety.
  - b. Sensor Technologies & AI – companies developing vision, ultrasound, radar and laser sensor technologies as well as artificial intelligence enhanced data processors to enable automated/autonomous driving.
  - c. Autonomous Driving Solutions – companies offering complete autonomous driving platforms including hardware systems, software and artificial intelligence algorithms for improved safety.
4. **Shared Mobility** – this theme is comprised of the following sub-areas:
  - a. Public Transport & Vehicle Sharing – companies that manufacture or operate electric trains for public transport as well as companies that operate shared mobility platforms
  - b. Smart Grid & Charging – companies involved in the equipment, buildout and operation of electric vehicle charging infrastructure.
  - c. Green Hydrogen & Sustainable Fuels – companies that are providing equipment for and/or are operating in the production of green hydrogen and sustainable fuels.

To be included in the eligible investment universe, the companies had to derive at least 20% of their current or future revenues from one of the sub-themes set out above. Over the reference period, this resulted in an eligible universe of circa 240 companies.



As at 31 December 2021, the Fund's exposures to each of the four themes were as follows:

| Investment Area                     | Portfolio Weighting | Average Current Revenue Exposure |
|-------------------------------------|---------------------|----------------------------------|
| Autonomous Driving                  | 14.1%               | 28.0%                            |
| EV Manufacturing and Infrastructure | 20.5%               | 45.3%                            |
| EV Technologies                     | 40.7%               | 20.7%                            |
| Shared Mobility                     | 24.2%               | 48.0%                            |
| Cash                                | 0.5%                | 0.0%                             |

During the reference period, the Fund did not invest in any companies that were not aligned with the Fund's sustainable investment objective, by virtue of not meeting the prescribed current or future revenue exposure threshold, or companies that participated in activities linked to the Fund's exclusions criteria.

### Describe the Fund's Top 10 Investments

As at the last date of the reference period (31 December 2021), the top 10 holdings of the Fund were:

| Holdings                 | Fund Weight (%) |
|--------------------------|-----------------|
| 1) ON Semiconductor      | 6.0%            |
| 2) Infineon Technologies | 4.7%            |
| 3) Visteon               | 4.5%            |
| 4) Aptiv                 | 4.2%            |
| 5) XPeng                 | 4.2%            |
| 6) Uber Technologies     | 4.0%            |
| 7) Livent                | 4.0%            |
| 8) Power Integrations    | 3.9%            |
| 9) Alstom                | 3.9%            |
| 10) Denso                | 3.6%            |

### Description of the Percentage of the Fund's Investments that meet the Characteristics

All of the Fund's equity investments during the reference period contributed to the sustainable investment objective through their exposure to one or more of the sub-themes set out above.

The Fund did have cash and cash equivalents over the reference period. These investments did not contribute towards the sustainable investment objective and there were no environmental or social safeguards in place for these holdings as they are held for liquidity management and hedging purposes only.



## Describe the contribution to the environmental objectives of the Taxonomy Regulation (EU) 2020/852

In accordance with the requirements of Article 5 of the Taxonomy Regulation, where the Fund invests in economic activities that contribute to an environmental objective, it must disclose the environmental objective or objectives set out in Article 9 Taxonomy Regulation to which the Fund's investments contribute and a description of how and to what extent these investments are in environmentally sustainable economic activities under Article 3 of the Taxonomy Regulation.

In implementing the investment strategy of the Fund, the Investment Manager selects investments which it believes contribute to the environmental objective of climate change mitigation under Article 9 of the Taxonomy Regulation.

In assessing whether an investment is considered to be in environmentally sustainable economic activities contributing to climate change mitigation, the Investment Manager must be satisfied that the relevant economic activity (i) contributes substantially to the environmental objective of climate change mitigation, (ii) does not significantly harm any of the environmental objectives outlined in the Taxonomy Regulation; (iii) is carried out in compliance with the minimum safeguards laid down in the Taxonomy Regulation and (iv) complies with the Technical Screening Criteria ('TSC') in respect of climate change mitigation that have been published and approved by the European Commission.

The TSC in respect of climate change mitigation were approved by the European Commission on 9 December 2021 and came into force on 1 January 2022. In addition, there is a lack of reliable, timely and verifiable data publicly reported by issuers or investee companies concerning the Taxonomy eligibility or alignment of their economic activities.

In light of the delay in approving the TSC and the challenges in obtaining data from issuers or investee companies on the Taxonomy eligibility or alignment of their economic activities, the Investment Manager is not currently in a position to assess with certainty (a) whether or not the investments underlying the Fund are in environmentally sustainable activities (b) the extent to which the investments of the Fund are in economic activities that qualify as environmentally sustainable and are aligned with the Taxonomy Regulation; (c) the proportion, as a percentage of the Fund's portfolio, of investments in environmentally sustainable activities which are aligned with the Taxonomy Regulation; and (d) the proportion, as a percentage of the Fund's portfolio, of enabling and transitional activities (as described in the Taxonomy Regulation).

Accordingly, the proportion of investments of the Fund in environmentally sustainable economic activities contributing to climate change mitigation, including in transitional and enabling activities, and aligned with the requirements of the Taxonomy Regulation is 0% of the Fund's net assets.

The Investment Manager shall, once sufficient reliable, timely and verifiable data from issuers or investee companies becomes available, update its regulatory documentation to provide an indication of the proportion of investments of the Fund which are in environmentally sustainable economic activities under the EU Taxonomy Framework.

## Describe how the Fund assessed the 'DNSH' principle for its investments over the reference period

Over the reference period, the Investment Manager carried out a screening process during the construction of its eligible investment universe to exclude any companies that significantly harm environmental or social objectives due to their involvement in a range of controversial business activities. The Investment Manager used external ESG data providers as an initial input for the screen.

The Investment Manager's screening for controversies assessment included evaluating if companies were involved in material issues that would cause harm to the Taxonomy Regulation's environmental objectives. Companies with very severe and significant controversies were excluded.

The Investment Manager screened and excluded companies from the eligible investment universe where they were exposed to involvement in controversial weapons, civilian firearms, military contracting, gambling, adult entertainment, tobacco and alcohol.

Finally, the Investment Manager applied additional exclusions based on companies' controversial products or behaviour which violated the principles of the UN Global compact, the United Nations Guiding Principles on Business and Human Rights and OECD Guidelines for multinational enterprises.

The Investment Manager's screening process ensured that, to the best of its knowledge and belief, no companies that significantly harm environmental or social objectives were included in the Fund's eligible investment universe and, therefore, the Fund.



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## Describe the actions taken to attain the sustainable investment objective

Over the reference period, the Investment Manager constructed the Fund's eligible investment universe according to the four themes set out above and only invested in companies within that eligible investment universe.

Therefore, all the companies in the portfolio passed the necessary minimum thematic threshold and did not breach the principles 'do-no-significant harm' and 'good corporate governance'.

The eligible investment universe serves as a secondary, internal benchmark to the Fund, both in terms of performance and in terms of contribution to the sustainable investment objective. The Investment Manager reconsiders the companies that qualify for the eligible investment universe on a periodic basis. However, the Fund was launched end of September 2021 and the Investment Manager did not undertake the first rebalancing of the eligible investment universe during the reference period.

The remaining Funds do not have as their objective sustainable investment, nor do they promote environmental or social characteristics. As a result, the remaining Funds do not fall within the scope of the Taxonomy Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment. The investments underlying these remaining Funds do not take into account the EU criteria for environmentally sustainable economic activities.

## Management and Administration

### **Directors** (all non-executive):

David Astor (GB)\*

Robert Bovet (MT)\* (Chairman)

James Cayzer-Colvin (GB)

David Hammond (IE)\*

Charles Scott (GB)\*

Karen Nolan (IE)\*(Appointed 16 February 2021)

\* Directors independent of the Investment Manager

### **Manager:**

#### **Bridge Fund Management Limited**

Ferry House

48–53 Mount Street Lower

Dublin D02 PT98

Ireland

### **Depository:**

#### **Northern Trust Fiduciary Services (Ireland) Limited**

Georges Court

54–62 Townsend Street

Dublin D02 R156

Ireland

### **Independent Auditor:**

#### **Deloitte Ireland LLP**

Chartered Accountants & Statutory Audit Firm

Deloitte & Touche House

Earlsfort Terrace

Dublin D02 AY28

Ireland

### **Swedish Paying Agent:**

#### **SEB Merchant Banking**

Sergel Tog 2

ST H1 10640

Stockholm

Sweden

### **German Paying and Information Agent:**

#### **Deutsche Bank AG**

Taunusanlage 12

60325

Frankfurt am Main

Germany

### **Austrian Paying Agent:**

#### **UniCredit Bank Austria AG**

Rothschildplatz 1

1020 Vienna

Austria

### **Registered Office:**

Georges Court

54–62 Townsend Street

Dublin D02 R156

Ireland

### **Company Registration Number:**

348391

### **Investment Manager and Global Distributor:**

Polar Capital LLP

16 Palace Street

London SW1E 5JD

United Kingdom

### **Administrator, Registrar, Transfer Agent and Company Secretary:**

#### **Northern Trust Fund Administration Services (Ireland) Limited**

Georges Court

54–62 Townsend Street

Dublin D02 R156

Ireland

### **Legal Adviser:**

as to Irish law:

#### **Dillon Eustace**

33 Sir John Rogerson's Quay

Dublin D02 XK09

Ireland

### **Sponsoring Broker:**

#### **Davy Stockbroker**

Davy House

49 Dawson Street

Dublin D02 PY05

Ireland

### **Swiss Paying Agent/Representative:**

#### **BNP Paribas Securities Services Paris**

Succursale de Zurich

Selnaustrasse 16

8002 Zürich

Switzerland

### **French Centralising and Paying Agent:**

#### **BNP Paribas Securities Services**

66 Rue de la Victoire

75009 Paris

France



