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Polar Capital Global Health Tst PLC
13 December 2024

POLAR CAPITAL GLOBAL HEALTHCARE TRUST PLC
Legal Entity Identifier: 549300YV7J2TWLE7PV84

AUDITED RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2024

FINANCIAL HIGHLIGHTS
For the year to 30 September 2024

Performance			
Net asset value per Ordinary share (total return)*			14.95%
Benchmark Index (MSCI ACWI Healthcare Index (total return in sterling with dividends reinvested))			9.88%
Since restructuring			
Net asset value per Ordinary share (total return) since restructuring *~			92.62%
Benchmark index total return since restructuring			82.42%
Expenses	**2024**	**2023**	
Ongoing charges*	0.88%	0.87%	

Financials	**As at 30 September 2024**	**As at 30 September 2023**	**Change %**
Total net assets	£479,073,000	£419,182,000	14.29%
Net asset value per Ordinary share	395.05p	345.66p	14.29%
Price per Ordinary share	376.00p	319.00p	17.87%
Discount per Ordinary share*	4.82%	7.71%	
Net (cash)/gearing*	(0.91%)	9.37%	
Ordinary shares in issue (excluding those held in treasury)	121,270,000	121,270,000	-
Ordinary shares held in treasury	2,879,256	2,879,256	-

Dividends
The Company has paid or declared the following dividends relating to the financial year ended 30 September 2024:

Pay date	Amount per Ordinary share	Record Date	Ex-Date	Declared Date
First interim: 31 August 2024	1.20p	2 August 2024	1 August 2024	12 July 2024
Second interim: 28 February 2025	1.20p	4 February 2025	3 February 2025	12 December 2024
Total (2023: 2.20p)	**2.40p**			

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

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STATUS OF ANNOUNCEMENT
The figures and financial information contained in this announcement are extracted from the Audited Annual Report for the year ended 30 September 2024 and do not constitute statutory accounts for the period. The Annual Report and Financial Statements include the Report of the Independent Auditors which is unqualified and does not contain a statement under either section 498(2) or Section 498(3) of the Companies Act 2006.

The Annual Report and Financial Statements for the year ended 30 September 2024 have not yet been delivered to the

The Annual Report and Financial Statements for the year ended 30 September 2024 have not yet been delivered to the Registrar of Companies. The figures and financial information for the period ended 30 September 2023 are extracted from the published Annual Report and Financial Statements for the period ended 30 September 2023 and do not constitute the statutory accounts for that year. The Annual Report and Financial Statements for the period ended 30 September 2023 have been delivered to the Registrar of Companies and included the Report of the Independent Auditors which was unqualified and did not contain a statement under either section 498(2) or Section 498(3) of the Companies Act 2006.

The Directors' Remuneration Report and certain other helpful Shareholder information have not been included in this announcement but forms part of the Annual Report which will be available on the Company's website and will be sent to Shareholders in December 2024.

CHAIR'S STATEMENT

Dear Shareholders

On behalf of the Board, I am pleased to provide to you the Company's Annual Report for the year ended 30 September 2024.

Performance
I am delighted to report that the Company had a very strong twelve months to 30 September 2024, ending the year 5.07% ahead of its benchmark (MSCI ACWI Healthcare Index, Total Return) and returning a NAV per share total return of 14.95%. Despite a relatively difficult year for the investment trust sector in general, the discount narrowed slightly during the year, ending the financial year at 4.82%.

Considering the challenging market backdrop as a whole, the Company's performance during the year under review, together with its longer term track record over the past three and five year periods, supports our belief in the investment objective and strategy, as well as demonstrating the benefits of an actively managed portfolio.

The outperformance was driven by strong stock selection across the entire market-capitalisation range, particularly in biotechnology and pharmaceuticals. For the second year in a row, Zealand Pharma was the highest contributor to overall performance attribution, as investor appetite for companies with exposure to the so-called weight loss drugs, and the potential they offer, continued.

Further detail is provided within the Manager's Report.

Outlook
We continue to believe the fundamentals for healthcare remain very strong. As we highlighted last year, innovation drives the future growth potential of companies, but pressure on healthcare costs to fund new products and initiatives means that access and affordability are increasingly critical if the innovation is to flow through into earnings growth. This is a theme our managers believe will be a driver for the next twelve months, together with continued excitement over the potential applications of technology, especially in Artificial Intelligence and also for opportunities in emerging markets, particularly China, which could benefit from increased economic stimulus.

The performance of the healthcare benchmark, whilst delivering positive absolute returns, has lagged the broader market in the last year. The healthcare sector is delivering high levels of innovation and has consistently shown the ability to yield strong revenue and earnings growth, regardless of the economic, political and regulatory environment. We remain very excited about the future prospects for healthcare and the ability to deliver superior returns for our shareholders.

Further detail is provided in the Manager's Report.

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

In August 2024 the Company paid an interim dividend of 1.20p per ordinary share. The Board has declared a further interim dividend of 1.20p per ordinary share payable to shareholders on the register as at 4 February 2025. This will bring the total dividend paid for the financial year under review to 2.40p per ordinary share, a 9% increase compared to the previous financial year.

Share Capital
The Company has 121,270,000 ordinary shares in issue as at the date of writing and no shares have been bought back or issued during the financial year under review. The Company's share price on 30 September 2024 was 376.00p (2023: 319.00p). The Company's market capitalisation at the financial year end was £456.0m (2023: £386.9m). The Board has reconfirmed the authority given to the Manager to use discretion to purchase shares in the market when deemed appropriate to do so.

Liquidation of Subsidiary Undertaking
As previously reported and announced, the Company's wholly owned subsidiary, PCGH ZDP Plc was incorporated with a limited life of seven years. The purpose of the subsidiary was to issue zero dividend preference ("ZDP") shares, the proceeds from which formed a loan to the parent in the form of structural gearing. This loan was repaid, and the subsidiary was liquidated on 19 June 2024 in accordance with the Articles of Association. Following repayment of the loan provided by the subsidiary, the Company's portfolio remains ungeared. The Company currently has no intention of seeking alternative forms of short-term gearing but will keep this decision under review in conjunction with any proposed corporate action.

The Board
There were no changes to the membership of the Board during the year under review, but shortly following the year end, Andrew Fleming stepped down from the Board. On behalf of the remaining Directors, we thank Andrew for his efforts, guidance and valuable input over the past five years.

In last year's Annual Report & Accounts we highlighted we had taken on Ei-Lene Heng as our first Board Apprentice. The Board Apprentice programme is an initiative designed to develop aspiring board members and boost diversity in boardrooms. We are pleased to confirm that Ei-Lene Heng has been invited to, and has accepted, the continuation of her apprenticeship with the Board through the next 12 to 15 months, which would include any corporate action associated with an extension of the Company's life. We feel that this will give Ei-Lene relevant and valuable experience to take into any future non-executive director (NED) role.

As referenced in my statement to Shareholders last year, the Board is aware of the FCA's Diversity and Inclusion Policy and notes that its current composition does not meet the recommended gender or ethnicity requirements. Given the Company's fixed life and any potential corporate reorganisation in 2025-26, the Board (via the Nomination Committee) has concluded that the appropriate time for recruitment would be shortly before or after any reconstruction plans. We have engaged with some of our major shareholders via our Company Secretary and they are understanding of this timeframe. It is a priority of the Board to be able to meet all aspects of the FCA's Diversity policy as part of any future succession plans. At the appropriate time, the Board will ensure that diversity is considered throughout any recruitment process, especially when compiling a shortlist of candidates and selecting individuals for interview.

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

Cost Disclosure
The Board notes the recent announcement from the government and Financial Conduct Authority ("FCA") to reform UK retail disclosure rules. This announcement also included a forbearance statement to temporarily exempt investment companies from PRIIPs and the cost disclosure aspects of MiFID. The Board has engaged with the Manager to understand the implications and explore any changes that could be applied to take advantage of the exemption. The full rules and revised regulations are expected to be published and come into force in mid-late 2025.

Life
The Board has started considering the future of the Company in light of its fixed-life and has commenced work with its advisors on developing and potentially bringing forward proposals for a corporate reorganisation in 2025. This would be ahead of the requirement to propose liquidation at the first AGM to be held after 1 March 2025 which would ordinarily take place in early 2026. As part of these considerations, the Board notes that should any performance fee be payable to the Investment Manager, it will crystallise on 1 March 2025, as envisaged at the time of the previous reorganisation in 2017.This crystallisation, in advance of the likely effective date for any reorganisation proposals, will provide shareholders with the opportunity to assess their returns in advance of any proposals being considered. No performance fee has been accrued as at 30 September 2024 (2023: nil) or at the time of writing.

Annual General Meeting
The Company's Annual General Meeting ("AGM") will be held at 16 Palace Street, London, SW1E 5JD at 2:00pm on Thursday, 13 February 2025. The notice of AGM has been provided to Shareholders and will also be available on the Company's website. Detailed explanations of the formal business and the resolutions to be proposed at the AGM are contained within the Shareholder Information in the Notice of AGM. We will once again upload a copy of the Manager's Investment Presentation (on or before 30 January 2025) to the Company's website ahead of the AGM to allow broader access, and as a result will only hold the formal business meeting in person. The Managers will be available at the AGM to answer questions and meet shareholders present.

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

Lisa Arnold

Chair

12 December 2024

INVESTMENT MANAGER'S REPORT - FOR THE YEAR ENDED 30 SEPTEMBER 2024

Over the financial year to 30 September 2024, the Company delivered a Net Asset Value (NAV) per share total return of 14.95%, a 5.07% outperformance of its benchmark, the MSCI All Country World Daily Net Total Return Health Care Index. The absolute performance of the healthcare sector was positive, up 9.88% over the reporting period, although it underperformed the broader market, as tracked by the MSCI All Country World Net Total Return Index, which was up 19.9% (all figures above are in sterling terms).

The Company's diversification strategy, coupled with its focus on large capitalisation[1] (cap) healthcare companies with robust, medium-term growth outlooks, helps drive the positive risk/return profile of the underlying assets, relative to the more volatile areas of healthcare. Further, the broad investment remit affords the opportunity to invest in growth areas regardless of the economic, political and regulatory environment.

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

Market Capitalisation

Market Cap at	**30 September 2024**	30 September 2023
Mega Cap (> US 100bn)	37.5%	34.5%
Large Cap (US 10bn - US 100bn)	38.7%	46.0%
Mid Cap (US 5bn - US 10bn)	15.3%	14.5%
Small Cap (< US 5bn)	7.5%	14.3%
Other net assets/(liabilities)*	1.0%	(9.3)%
Total	100.0%	100.0%

Source: Polar Capital.
* Please note the change in other net assets/ (liabilities) was primarily driven by the repayment of the ZDP shares.

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

At the end of the reporting period, 31 companies in the portfolio were in the Growth portfolio (91.5% of net assets) and 6 were in the Innovation portfolio (7.5%).

Following a sluggish start, global equity markets posted positive gains throughout most of the Company's financial year. The main trend that characterised the period was a significant rotation into some of the more economically sensitive areas of the market such as information technology and communication services. The latter was further boosted by investors' increased appetite towards companies exposed to artificial intelligence (AI).

The risk-on environment of the first nine months of the year also reflected a more benign macroeconomic picture than initially feared, with falling inflation, resilient growth prospects and improving supply chain dynamics. The three months to the end of September suggested a slower economic environment which boosted more defensive stocks, although most of those relative gains evaporated with the surprise 50 basis point (bp[2]) cut from the Federal Reserve (Fed) in September and fresh stimulus from China.

Reflecting on the Company's overall positive performance, there was strong stock selection across the entire spectrum, partially offset by negative allocation, with the Company's above-benchmark exposure to small and mid-cap stocks the biggest drag on performance. Within the benchmark, healthcare facilities, healthcare equipment and biopharmaceuticals (biotechnology and pharmaceuticals companies) were especially strong, reflecting an acceleration in utilisation and consumption for the first two subsectors and the start of new product cycles for biopharmaceuticals.

However, the past 12 months have been more challenging for the healthcare services, managed healthcare and healthcare supplies subsectors. The healthcare services and managed health care subsectors both struggled due to the fear of elevated medical costs, driven by increased utilisation and patient volumes. The sub-par performance for the supplies subsector is more a reflection of a cautious consumer given its index is heavily populated with dental and ophthalmology companies.

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

- **Innovation:** Recent history has witnessed a number of highly significant medical breakthroughs in a broad range of therapeutic categories.

- **AI and Machine Learning (ML):** Advancements in ML algorithms, greater access to data and the availability of more powerful mobile networks could materially accelerate the pace of change in the healthcare industry.

- **Emerging markets:** After a challenging period, especially in China, emerging markets should be a source of growth driven by an ever-increasing demand for healthcare products and services.

The themes summarised above will continue to be relevant as we look forward to the next financial year, especially as reimbursement and access improves for products and technologies that address unmet medical needs, generate efficiencies and improve patient outcomes.

We explore these themes in more detail below, in the 'Healthcare: Fundamentals remain strong' section.

Over the financial year to the end of September 2024, the Company outperformed its benchmark by 5.07%, achieving a positive return on net assets of 14.95%. This strong performance is particularly notable given the challenging environment, where the healthcare sector notably underperformed the broader market. In dollar terms, global equity markets put a challenging Q3 2023 behind them and entered a sustained rally for the rest of the financial year, a rally that was only interrupted by brief periods of weakness in April and from mid-July to early August.

As referred to above, the positive performance of the general equity market was largely driven by sectors directly or indirectly linked to the AI theme, such as information technology, communication services and utilities. In contrast, more defensive sectors lagged for the year as the macroeconomic picture turned more upbeat than the markets initially expected.

From a subsector perspective, biotechnology and pharmaceuticals were the best performers for the Company, bolstered by effective stock selection and positive allocation. Managed healthcare also made a positive contribution, with allocation being a more significant factor than selection. However, stock-picking in healthcare equipment, supplies and facilities was less successful, becoming the main detractor from performance, even though allocation in these areas was favourable.

From a market-cap point of view, stock selection was positive across the entire market capitalisation spectrum. For mega-cap investments, where the Company was underweight compared to the benchmark, the allocation had a negative impact, but stock-picking was notably strong. Large and mid-cap companies contributed positively, driven entirely by effective stock selection. Meanwhile, in small-cap stocks - where the Company was more exposed than the benchmark - stock selection was robust, but it was not enough to counteract the negative allocation effect.

On a geographical basis, Europe and North America contributed positively, with the former having good allocation and selection while the latter benefitted from good selection and favourable currency movements. Allocation to Asia Pacific ex-Japan stocks was negative, while selection was only marginally positive. The biggest detractor was Japan, entirely due to stock selection.

The active management of gearing had a marginally positive contribution to performance after accounting for foreign exchange moves.

Top 10 Relative Contributors (%)

Top 10	Average Stock Weight	Active Weight	Stock Return	Stock Return vs BM	Total Attribution
Zealand Pharma A/S	4.70	4.69	155.24	145.36	5.80
UCB	2.37	2.17	100.51	90.63	2.02
UnitedHealth Group	3.99	-2.22	5.55	-4.33	1.06
Swedish Orphan Biovitrum	3.14	3.08	43.48	33.60	1.06
Intuitive Surgical	3.58	1.86	52.99	43.11	0.71
Pfizer	0.00	-2.08	-20.58	-30.47	0.69
Sanofi	1.98	0.53	-2.68	-12.57	0.66
Amgen	1.01	-1.01	9.13	-0.76	0.57
Johnson & Johnson	0.33	-4.45	-5.29	-15.17	0.54
Global Health/India	0.91	0.91	28.81	18.93	0.54

Source: Polar Capital; September 2024

Zealand Pharma is a Danish biotechnology company focused on developing drugs for metabolic and gastrointestinal diseases. During the period, the company reported encouraging clinical data for key assets, with pretelintide, a novel weight-loss medication, garnering the most attention from the investment community as it demonstrated not only robust efficacy but also a relatively benign safety profile and good tolerability. Overall, the stock's strong performance reflected the continued enthusiasm that surrounds obesity assets and their potential to address a significant, unmet medical need.

Belgian pharmaceutical company **UCB** saw its stock price more than double in the past 12 months thanks to the impressive launch of psoriasis drug Bimzelx in the US. There was also increased appreciation of the drug's wider opportunities in other autoimmune conditions such as hidradenitis suppurativa (a very painful skin disease with limited therapeutic options), and for UCB's other commercialised assets in epilepsy, osteoporosis and generalised myasthenia gravis (a rare, chronic condition that causes muscle weakness).

Consistent with a view that the US healthcare systems would continue to experience elevated levels of utilisation, the Company did not hold a position in **UnitedHealth Group**, the largest provider of healthcare insurance in the US, for the first five months of the fiscal year. During the period, the stock came under pressure as higher medical costs dented the company's earning power. However, we took a position in UnitedHealth Group in March, taking the view that the healthcare insurer would be able to price its plans appropriately to offset the higher medical expenses and return to more predictable earnings growth. This thesis played out and the stock rebounded through the second half of the fiscal year.

Swedish Orphan Biovitrum ("SOBI"), a biotechnology company based in Sweden, performed well thanks to good execution, positive clinical data for some of its assets and strong demand for Beyfortus, a prophylactic therapy against respiratory syncytial virus (a seasonal virus mainly affecting babies and elderly individuals). For context, Beyfortus is commercialised in the US by Sanofi which pays SOBI a tiered royalty in the 25-35% range.

Intuitive Surgical, a leading protagonist in the field of soft- tissue surgical robots, experienced strong returns as the stock inflected with the company's approval and subsequent launch of its new robot, the DaVinci 5. The initial launch of this new robot surpassed even the more optimistic expectations as the latest product has numerous advantages over the previous version (such as haptic feedback) and represents a leap forward in technology. Such innovation should continue to drive conversion of open surgery and laparoscopic surgery toward robotic approaches and possibly expand the use of robotic surgery beyond the existing procedure types.

Bottom 10 Relative Contributors (%)

Bottom 10	Average Stock Weight	Active Weight	Stock Return	Stock Return vs BM	Total Attribution
Novo Nordisk A/S	1.03	-3.97	17.31	7.43	-1.25
DexCom	2.57	2.02	-34.60	-44.48	-1.08
Legend Biotech Corp	1.13	1.08	-33.96	-43.85	-0.97
Acadia Healthcare	2.25	2.25	-17.91	-27.79	-0.86
Align Technology	0.66	0.42	-24.18	-34.06	-0.81
Bio-Rad Laboratories	1.55	1.47	-15.04	-24.92	-0.69
Penumbra	1.01	1.01	-26.89	-36.77	-0.67
Becton Dickinson	2.58	1.69	-15.11	-25.00	-0.67
R1 RCM	0.35	0.35	-14.41	-24.30	-0.67
Bruker	0.89	0.89	0.90	-8.98	-0.65

Source: Polar Capital; September 2024

Whilst it did have positive exposure during the period under review to the so called 'weight loss drugs', the Company lacked exposure for most of the period to **Novo Nordisk**, a Danish pharmaceutical business focused on metabolic diseases and, more specifically, obesity. As mentioned earlier, investors' appreciation for the market opportunity for Novo Nordisk's weight-loss drug Wegovy (a so-called glucagon-like peptide-1 receptor agonist, or GLP1 for short) and similar assets continued unabated on the back of good commercial success, despite supply of the drug still being a constraint, and compelling new clinical results of the benefits of GLP1s beyond weight loss.

DexCom, a US company specialising in continuous glucose monitoring (CGM) for the management of diabetes, started the fiscal year strongly, recovering from the fears the novel GLP1 drugs could significantly slow down the funnel of its patients with type-2 diabetes. However, the stock had a precipitous fall when the company announced a weak set of financial results for Q2 2024 coupled with a material cut to its outlook. The driver behind the reset was a poorly executed salesforce restructure which led to both lost patients and a decline in its revenue per patient.

Legend Biotech's main asset is Carvykti, a drug co-owned with Johnson & Johnson for the treatment of a type of bone marrow cancer called multiple myeloma. The company experienced manufacturing constraints which meant sales for Carvykti disappointed for a couple of quarters. Additionally, the competitive landscape intensified as Bristol Myers Squibb received approval for its cell therapy drug for multiple myeloma as well as positive clinical data from other, earlier- stage assets emerging.

Behavioural health provider **Acadia Healthcare** had a turbulent past 12 months. Despite relatively solid execution in a challenging environment, the company came under significant pressure for legal and regulatory reasons. First, concerns arose regarding a proposed change in how opioid addiction treatments are administered in the US, which could have adversely impacted Acadia's medication-assisted treatment business. Second, the company is embroiled in various lawsuits and received subpoenas related to its admissions practices, lengths of stay and billing. These legal proceedings could mean the company is liable to pay substantial damages.

As a leader in dental aligners, **Align Technology** offers a less invasive and more discrete alternative to traditional teeth-straightening methods. When we initiated a position in the stock, we took a view that consumers around the world were in a healthier economic shape than most estimated and that the demand for clear aligners, which are often considered discretionary purchases, would start to rebound after a period of decline. Albeit sales did experience some growth in the first half of the 2024 calendar year, the company mismanaged its forward-looking guidance by raising its outlook in the first quarter but cutting it in the second, which understandably frustrated the markets. Additionally, data around consumer sentiment and its spending ability worsened, driving down expectations of a full recovery of the clear aligner market.

Healthcare: Fundamentals remain strong.

The 2023 Annual Report focused on three key themes we believed were accelerating:

- **Innovation:** Recent history has witnessed a number of highly significant medical breakthroughs in a broad range of therapeutic categories.
- **AI and ML:** Advancements in ML algorithms, greater access to data and the availability of more powerful mobile networks could materially accelerate the pace of change in the healthcare industry.
- **Emerging markets:** After a challenging period, especially in China, emerging markets should be a source of growth driven by an ever-increasing demand for healthcare products and services.

We continue to believe the above themes will be important for some time, especially for the lifeblood of the industry which is innovation, though access and affordability are also essential for commercial success and societal wellbeing. With that in mind, and thinking about the year ahead, we believe the following investment themes will be the most important:

- **Access and affordability:** Low-cost, high-quality medicines allow expanded access, with a new wave of biosimilars[3] set to deliver much needed savings.
- **Reimbursement of AI/ML-enabled technologies:** Investment and innovation is accelerating; the next steps are broader reimbursement and wider utilisation.
- **China:** After a challenging period, China should now be a recovery story driven by significant government stimuli.

Access and affordability: Critical for medical and financial health

Generic drugs and biosimilars account for c90% of all US prescriptions but represent only 13% of spending, offering clear evidence of the value that low-cost, high- quality medicines bring to patients, healthcare systems and government budgets alike. As such, it is imperative that regulators and manufacturers continue to work together to ensure long-term sustainability for the generics and biosimilars industry.

Small molecule generics have been an important driver of cost savings in the world of off-patent pharmaceuticals for decades, but it is the adoption of biosimilars that is really starting to accelerate and could lead to the next wave of savings. To be clear, the concept of biosimilars is far from new given there have been 61 approvals and 42 launches in the US as at September 2024 and there have been 106 biosimilars approved in Europe. Focusing first on the US market, since 2015 biosimilars have generated 36bn in savings but there appears to be a shift in the healthcare system that is really starting to accelerate the penetration of biosimilars, a change that could take the biosimilar market north of 100bn towards the end of the decade.

Back in January 2024, CVS Caremark, which is the Pharmacy Benefit Manager (PBM) within health solutions company CVS Health, announced it will remove branded Humira (a biologic for the treatment of a number of autoimmune disorders that generated sales in excess of 20bn at their peak) from its major national commercial formularies and will only cover biosimilar Humira instead. This decision should help accelerate the adoption of biosimilar Humira given the significantly lower list price it offers its members. As a reminder, commercial formularies are the drug lists used by employers, unions and health plans for prescription drug coverage. As others follow suit, US consumers will start to benefit from materially lower prices without compromising their quality of care.

Switching gears to Europe, there is a school of thought that would argue the biosimilar market is slightly more advanced given earlier adoption and greater levels of cumulative savings of €50bn since 2012. More importantly, with more than 100 biologic medicines anticipated to lose patent protection by the end of 2032, the opportunity to generate further, much needed savings is hugely significant. In terms of investment opportunities, the primary beneficiaries are the companies involved in the manufacture and distribution of biosimilars, with the second derivative beneficiaries being the life sciences tools and services companies that provide the equipment and reagents used during the quality control and manufacturing processes.

Relevant Company investments include Avantor, Bruker, Fresenius SE, Lonza Group and Sandoz Group.

Reimbursement of AI/ML-enabled technologies: Critical to broader utilisation.

In last year's annual report, we touched on the idea that AI and ML can be used to make healthcare more productive. On the services side, key areas highlighted included the ability to automate coding and billing in hospitals, improving the efficiency revenue cycle management and helping prevent fraud. Diagnostics is also an area where AI and ML are starting to make a difference, especially in colonoscopy and ultrasound.

Can an AI overly improve accuracy and, potentially, improve patient outcomes? There is plenty of evidence to show the early detection of diseases, especially cancer, can drive better outcomes for patients. Take breast cancer, for example, where if the cancer is detected in stage one, i.e. it is localised, the five-year survival rate is 99%. The Enhanced Breast Cancer Detection (EBCD) program in the US is a breakthrough in early detection. It uses AI to help radiologists detect even subtle lesions and combined with high-quality mammography systems, EBCD's AI overlay optimises breast cancer screening, giving women greater confidence in their results. Unfortunately, despite what appears to be a significant medical advance, US insurance is yet to cover the costs, with EBCD carrying a 40 patient out-of-pocket co-pay.

The technology and ability to innovate is clearly there, as evidenced by the fact that the US Food and Drug Administration has approved 950 AI/ML-enabled medical devices to date. The next challenge for the industry is to deliver consistent results across a wide range of clinical environments and patient populations, to demonstrate a deeper understanding of the clinical benefits versus conventional screening methods and to obtain broad-based reimbursement, which will ultimately lead to wider adoption and commercial success.

Relevant Company investments include Intelligent Ultrasound Group and Intuitive Surgical.

China: Are things starting to turn?

The lifting of the Covid lockdowns was the catalyst for a strong rebound in economic activity in China in early 2023. However, growth stalled, with falling consumer spending, a real estate crisis and slumping exports all contributing factors. This macro slowdown adversely affected a number of

industries, including the life sciences tools and services sector. There were also healthcare-specific challenges that have been weighing on the sector in recent months, primarily an anti-corruption campaign that led to a decrease in activity within the healthcare ecosystem.

With the anti-corruption campaign starting to move into the rearview mirror, attention can now turn to the potential implications of economic stimulus plans. Starting in March 2024, the Chinese authorities announced a series of implications of economic stimulus plans. Starting in March 2024, the Chinese authorities announced a series of initiatives that could have positive, long-term implications for the healthcare industry. While not exhaustive, and covering a broad range of industries besides healthcare, the updates include plans to upgrade and renew equipment plus a 500bn yuan relending programme which will go towards China's science and technology industries. Further, late in September, Beijing held a politburo meeting with many taking the view that there is now a greater sense of urgency to deal with the country's economic challenges. With an explicit target of stopping the property market decline, there is also a commitment to cutting interest rates and addressing fiscal policy. All these offer encouragement that there is a greater sense of urgency to address China's deflationary environment.

Several healthcare subsectors could benefit from a recovery in China's economic fortunes, including medical equipment and supplies, pharmaceuticals and the life sciences tools and services industry. After a prolonged period of softness, driven by cautious spending and industry-wide destocking, it is perhaps the life sciences tools and services subsector that appears the most likely to enjoy a positive inflection. More specifically, the bioprocessing industry has been under pressure due to conservative spending and industry-side destocking. Public commentary by industry CEOs, however, appears to be turning more positive with specific references to increased annual budgets for science and technology and long-term investments in instrumentation equipment, technological advances and advanced research. Predicting the precise timing of a potential inflection is challenging, though there is high conviction that the region will continue to be an important source of long-term growth for the healthcare industry.

Relevant Company investments include Avantor and Bruker.

US politics: What does a Republican trifecta mean for healthcare?
In early November it was confirmed that Donald Trump will be the next US President. With the Republicans retaining control of the House of Representatives and also flipping the Senate from being Democratic, the trifecta is complete. Heading into the election, there was a school of thought that healthcare was not a key priority for the Republicans, with the focus more likely to be on the economy, taxes, immigration and the climate. This may yet turn out to be the case, but when Trump announced that Robert F Kennedy, Jr ("RFK Jr.") is his nominee to run the Department of Health and Human Services (HHS), he introduced a greater level of uncertainty for healthcare investors given some of RFK Jr's public comments on vaccines, especially COVID-19 vaccines fluoride in water and the association between HIV and AIDS. Ahead of RFK Jr's potential confirmation, far from guaranteed given the controversy surrounding the nomination, it is maybe worth discussing the key topics of access to care and drug pricing.

On the subject of access to care and insurance, Trump's views on the Affordable Care Act (ACA) have been somewhat ambiguous, with comments ranging from the ACA being a "disaster" that needs repealing and replacing only to then backtrack by saying that he is "not running to terminate" the ACA but wanted to make it "better" and "less expensive". Regardless, there is a potential risk that the new administration allows the Federal subsidies that provide financial assistance to millions of Americans to sunset at the end of 2025, a scenario that would create a headwind for the healthcare insurance companies exposed to Medicaid and the exchanges. A second derivative of that scenario would be less patient volumes running through the healthcare system, potentially putting modest pressure on healthcare facilities and providers. On the subject of drug pricing, things become even more opaque given the Republicans' lack of public commentary. Maybe they will look to stall the 2022 Inflation reduction Act (IRA), which introduced measures aimed at reducing the cost of prescription drugs for US seniors, or perhaps the Trump Administration will look to negotiate even bigger price discounts? Regardless of the eventual outcome, a Republican trifecta and Trump's surprising nominee to run the HHS, has introduced a greater level of near-term uncertainty, near- term uncertainty that could yield interesting medium-term investment opportunities.

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

As the year progressed, the sustainability of high levels of utilisation that characterised much of 2023 and the start of 2024 became a concern, plus valuations appeared to be rather stretched, especially for facilities stocks. As such, the overweight positions in healthcare facilities and medical devices (i.e. healthcare supplies and equipment) were reduced, having had an elevated exposure for the first half of the financial year. Nonetheless, we maintained a positive stance on these sectors, especially supplies, focussing on companies with reasonable valuations that are either in the middle of a new product cycle or whose sales growth and earning power are under-appreciated by the market. We would also note that medical technology companies are perhaps the ones further ahead in their adoption of AI, although we would also caveat that there remain reimbursement barriers that could slow the monetisation of new AI applications.

Throughout the financial year, the Company was consistently underweight versus the benchmark in pharmaceuticals and overweight in biotechnology. Variations in the magnitude of the difference versus the benchmark were mostly driven by stock specifics, with innovation and new product cycles central to the decision-making process. As a collective, pharmaceutical companies tend to have mature revenue and earnings growth profiles but there have been significant breakthroughs in areas such as obesity, Alzheimer's disease and respiratory disorders like COPD (smoker's cough) and RSV (respiratory syncytial virus) that are changing the investment landscape for some. Not only do these breakthroughs meet high unmet medical needs, but they offer significant commercial opportunities that could drive very attractive revenue and earnings growth.

As a reminder, the Company has exposure to this theme through holdings in companies like Eli Lilly, Sanofi, SOBI and Zealand Pharma (a biotechnology company).

Also, the Company adopted a less negative stance on life sciences tools and services, an industry that has faced several challenges in recent years, from customers reducing inventories for bioprocessing consumables and primary packaging components, depressed emerging biotechnology funding, muted replacement cycles for equipment, a more cautious approach to R&D (research and development) from larger biopharmaceutical companies and a slump in Chinese demand. Looking ahead, the industry's end-market fundamentals remain intact and exposure to the subsector has increased on a view that the tide will eventually turn. Thanks to the stimulus measures announced by the Chinese government, there could be a rebound in demand for life science equipment in China. Moreover, there are signs that early-stage biotechnology funding is improving which should benefit outsourcing companies such as Contract Research Organisations and Contract Development and Manufacturing Organisations. Finally, commentaries from various sources suggest customer inventory destocking is ending and that a new replacement cycle for basic life science instrumentations is emerging.

Geographical Exposure at	30 September 2024	30 September 2023
United States	46.2%	65.1%
Switzerland	12.6%	7.1%
Denmark	8.7%	8.3%
Japan	6.1%	7.6%

Japan	[illegible]	[illegible]
France	6.0%	3.9%
Netherlands	3.9%	-
Ireland	3.4%	0.8%
Germany	3.3%	2.3%
Belgium	2.8%	-
United Kingdom	2.5%	10.6%
Sweden	2.1%	2.8%
Italy	1.4%	-
Other net assets/(liabilities)	1.0%	(9.3%)
India	-	0.8%
Total	**100.0%**	**100.0%**

Source: Polar Capital, September 2024

Sector Exposure at	**30 September 2024**	**30 September 2023**
Pharmaceuticals	28.0%	30.8%
Biotechnology	20.5%	20.2%
Healthcare Equipment	14.3%	15.4%
Life Sciences Tools & Services	10.8%	6.8%
Managed Healthcare	7.7%	11.1%
Healthcare Supplies	5.4%	7.6%
Healthcare Facilities	3.5%	9.7%
Healthcare Services	3.3%	2.4%
Metal & Glass Containers	2.3%	2.5%
Healthcare Technology	2.3%	2.0%
Other net assets/(liabilities)	1.0%	(9.3%)
Healthcare Distributors	0.9%	0.8%
Total	**100.0%**	**100.0%**

Source: Polar Capital; September 2024; Please note the change in other net assets/(liabilities) was primarily driven by the repayment of the ZDP shares, as discussed below

From a geographic perspective, the Company continues to have an overweight stance in Europe and, albeit on a smaller scale, Japan. The biggest changes to the portfolio were a substantial decrease in our exposure to North America and a corresponding increase in European holdings. This shift in positioning was an effect of stock selection and changes in the allocation to subsectors.

We also note that the exposure to small-cap stocks (< 5bn) was reduced versus the start of the financial year. This was driven by a preference for select investments in the Growth portfolio.

While our previous charts focus on subsector and geographical weightings, bottom-up stock selection is central to our investment process. The healthcare industry is complex and dynamic, characterised by varied news flow, and lends itself to active management. We aim to capitalise on dislocations between near-term valuations and medium-term fundamentals. Our in-house idea generation is complemented by external research, with conviction built through company meetings, investor conferences, and discussions with expert physicians and consultants. Our team adheres to a strong valuation discipline, examining a wide range of metrics, including sales and earnings revisions, price-to-earnings ratios, enterprise values and free cash flow.

Net Gearing

The Company has historically used gearing in the form of Zero Dividend Preference (ZDP) Shares through its subsidiary, PCGH ZDP Plc, which was created as part of the Company's restructure in 2017 for the sole purpose of providing a loan to the parent. As previously announced, the subsidiary company was incorporated with a limited life of seven years and therefore the ZDP Shares were repaid and the Company liquidated on 19 June 2024 in accordance with its Articles of Association.

During the financial year, until the liquidation of the subsidiary and repayment of the loan, gearing averaged 7.8%, adjusted to reflect the risk/reward outlook throughout the past 12 months. Following repayment of the loan provided by the subsidiary, the Company's portfolio has remained ungeared. The team continues to adopt a top-down strategy in respect of the Company's portfolio whereby active decisions are made on market cap, subsector and geographic exposure, depending on the current macro-outlook of the team which is formulated with the help of third-party research and monitoring many key risk indicators. Alternative gearing sources may be considered in due course.

Outlook for healthcare: Finding solutions to complex problems

On an absolute basis, this financial year has been a rewarding one for healthcare investors, albeit that the sector has underperformed the broader market which has favoured more consumer-driven sectors such as information technology and communication services. With sentiment towards healthcare weak, as illustrated by extreme exchange- traded fund (ETF) outflows from the sector, the outlook from a contrarian perspective feels really compelling. After all, the sector continues to design and develop innovative medicines and technologies that are yielding attractive commercial rewards, the demand for products and services continues unabated and the industry's global reach offers multiple sources of long-term, durable growth.

The healthcare industry is incredibly dynamic and investing heavily in developing innovative solutions to solve complex problems. However, innovation without access is not sufficient, so addressing the challenge of access and affordability is of equal importance, not just for the commercial success of the companies but also for societal good. Thankfully, we are seeing evidence that payers,
especially on the private side, are making concerted efforts to address the challenge and, as we think about the financial year ahead, this theme will become more and more important, in both developed and emerging markets.

The manufacture, approval and launch of safe and effective biosimilars will not only generate material savings and expand access to care, but also offer durable growth prospects for the leading protagonists. The challenge for the payers, especially on the commercial side in the US, is to ensure that the right mechanisms are put in place to drive access and volumes. Similarly with AI/ML-enabled technologies, where the pace of innovation is very dynamic, healthcare systems must first get comfortable with the quality of the data outputs, and secondly introduce the appropriate levels of reimbursement to reflect the value of the technologies and ensure broad utility. Emerging markets, especially China which could benefit from economic stimulus, are another area of interest which could see a renaissance in the coming months and years as the healthcare system finds the right balance between cost control, compliance and attracting innovative, best-in-class therapies, devices and capital equipment.

In conclusion, whilst the healthcare sector currently appears to be out of favour relative to the broader market, it is delivering high levels of innovation and has consistently shown the ability to generate strong revenue and earnings growth, regardless of the economic, political and regulatory environment. Add in a greater focus on access and affordability and we believe the prospects to be very bright indeed.

James Douglas and Gareth Powell
Co-Managers of the Polar Capital Global Healthcare Trust plc

12 December 2024

1 The value of a listed company's shares owned by shareholders; market capitalisation (cap) is the price per share multiplied by the number of shares
2 basis point is a common unit of measure for interest rates and other percentages in finance
3 A biosimilar product is a biological product that is highly similar to, and has no clinically meaningful differences in terms of safety or effectiveness, from an existing reference product

PORTFOLIO REVIEW

Full Investment Portfolio
As at 30 September

Ranking		**Stock**	**Sector**	**Country**	**Market Value £'000**		**% of total net assets**	
2024	**2023**				**2024**	**2023**	**2024**	**2023**
1	(1)	Eli Lilly	Pharmaceuticals	United States	37,952	28,037	7.9%	6.7%
2	(-)	UnitedHealth	Managed Healthcare	United States	36,900	-	7.7%	-
3	(-)	Novo Nordisk	Pharmaceuticals	Denmark	29,395	-	6.1%	-
4	(4)	AbbVie	Biotechnology	United States	22,508	25,463	4.6%	6.1%
5	(-)	Roche	Pharmaceuticals	Switzerland	21,457	-	4.5%	-
6	(-)	Sanofi	Pharmaceuticals	France	17,095	-	3.6%	-
7	(-)	Fresenius	Healthcare Services	Germany	15,584	-	3.3%	-
8	(-)	Sandoz	Pharmaceuticals	Switzerland	14,947	-	3.1%	-
9	(-)	Terumo	Healthcare Equipment	Japan	14,764	-	3.1%	-
10	(7)	Intuitive Surgical	Healthcare Equipment	United States	14,273	17,482	3.0%	4.2%
Top 10 investments					**224,875**		**46.9%**	
11	(-)	Insulet	Healthcare Equipment	United States	13,633	-	2.8%	-
12	(-)	UCB	Pharmaceuticals	Belgium	13,521	-	2.8%	-
13	(20)	Lonza	Life Sciences Tools & Services	Switzerland	13,215	10,358	2.8%	2.5%
14	(6)	Zealand Pharma	Biotechnology	Denmark	12,497	19,655	2.6%	4.7%
15	(-)	ICON	Life Sciences Tools & Services	Ireland	12,122	-	2.5%	-
16	(27)	BioMerieux	Healthcare Equipment	France	11,678	8,777	2.4%	2.1%
17	(-)	Bruker BioSciences	Life Sciences Tools & Services	United States	11,077	-	2.3%	-
18	(18)	AptarGroup	Metal & Glass Containers	United States	11,011	10,480	2.3%	2.5%
19	(-)	Avidity Biosciences	Biotechnology	United States	10,732	-	2.2%	-
20	(15)	Acadia Healthcare	Healthcare Facilities	United States	10,654	10,787	2.2%	2.6%
Top 20 investments					**345,015**		**71.8%**	
21	(9)	Alcon	Healthcare Supplies	Switzerland	10,529	14,397	2.2%	3.4%
22	(-)	Argenx	Biotechnology	Netherlands	10,497	-	2.2%	-
23	(19)	Swedish Orphan Biovitrum	Biotechnology	Sweden	9,865	10,400	2.1%	2.5%
24	(-)	Vaxcyte	Biotechnology	United States	8,936	-	1.9%	-
25	(-)	ConvaTec	Healthcare Supplies	United Kingdom	8,900	-	1.9%	-
26	(-)	Penumbra	Healthcare Equipment	United States	8,675	-	1.8%	-
27	(-)	Avantor	Life Sciences Tools & Services	United States	8,407	-	1.8%	-
28	(26)	Legend Biotech	Biotechnology	United States	8,272	9,565	1.7%	2.3%
29	(34)	Medley	Healthcare Technology	Japan	8,148	4,953	1.7%	1.2%
30	(-)	Merus	Biotechnology	Netherlands	8,027	-	1.7%	-
Top 30 investments					**435,271**		**90.8%**	
31	(28)	Cytokinetics	Biotechnology	United States	6,980	8,172	1.5%	1.9%
32	(-)	Stevanato	Life Sciences Tools & Services	Italy	6,737	-	1.4%	-
33	(41)	Amvis	Healthcare Facilities	Japan	6,242	2,350	1.3%	0.6%
34	(-)	RxSight	Healthcare Supplies	United States	6,009	-	1.3%	-
35	(17)	DexCom	Healthcare Equipment	United States	5,731	10,560	1.2%	2.5%
36	(38)	Uniphar	Healthcare	Ireland	4,440	3,196	0.9%	0.8%

36	(38)	Uniphar	Healthcare Distributors	Ireland	4,440	3,196	0.9%	0.8%
37	(37)	Intelligent Ultrasound	Healthcare Technology	United Kingdom	2,726	3,272	0.6%	0.8%
Total equities					**474,136**		**99.0%**	
Other net assets					**4,937**		**1.0%**	
Net assets					**479,073**		**100.0%**	

STRATEGIC REPORT

The Strategic Report section of this Annual Report comprises the Chair's Statement, the Investment Manager's Report, including information on the portfolio, and this Strategic Report. This Report has been prepared to provide information to shareholders on the Company's strategy and the potential for this strategy to succeed, including a fair review of the Company's performance during the year ended 30 September 2024, the position of the Company at the year end and a description of the principal risks and uncertainties, including both economic and business risk factors underlying any such forward-looking information.

Business Model and Regulatory Arrangements
The Company's business model follows that of an externally managed investment trust providing Shareholders with access to a global portfolio of healthcare stocks.

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

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

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

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

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

The Company will seek to achieve its objective by investing in a diversified global portfolio consisting primarily of listed equities. The portfolio is diversified by geography, industry subsector and investment size.

The portfolio will comprise a single pool of investments, but for operational purposes, the Investment Manager will maintain a Growth portfolio and an Innovation portfolio. Innovation companies are broadly defined by the Investment Manager as small/mid cap innovators that are driving disruptive change, giving rise not only to new drugs and surgical treatments but also to a transformation in the management and delivery of healthcare. The Growth portfolio is expected to comprise a majority of the Company's assets. For this purpose, once an innovation stock's market capitalisation has risen above US 5bn, it will ordinarily then be treated as a growth stock.

The relative ratio between the two portfolios may vary over the life of the Company due to factors such as asset growth and the Investment Manager's views as to the risks and opportunities offered by investments in each pool and across the combined portfolio. The original make-up of the combined portfolio was of up to 50 stocks, with growth stocks being primarily US listed. In 2018, the Board authorised an increase to the number of stocks able to be held to 65 and confirmed there is no restriction on geographical exposure.

The combined portfolio will therefore be made up of interests in up to 65 companies, with no single investment accounting for more than 10% (or 15% in the case of an investment in another fund managed by the Investment Manager) of the Gross Assets at the time of investment. The innovation portfolio may include stocks which are neither quoted nor listed on any stock exchange but the exposure to such stocks, in aggregate, will not exceed 5% of Gross Assets at the time of investment. In the event that the Investment Manager launches a dedicated healthcare innovation fund, the Company's exposure to innovation stocks may be achieved in whole or in part by an investment in that fund. In any event, the Company will not, without the prior consent of the Board, acquire more than 15% of any such healthcare innovation fund's issued share capital.

The Board remains positive on the outlook for healthcare and the Company will continue to pursue its Investment Objective in accordance with the stated investment policy and strategy. Future performance is dependent to a significant degree on the world's financial markets and their reactions to economic events and other geo-political forces. The Chair's Statement and the Investment Manager's Report comment on the development and performance of the business during the financial year, the outlook and potential risks to the performance of the portfolio.

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

Service Providers

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

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

- Panmure Gordon & Co as Corporate Broker;
- Herbert Smith Freehills LLP as Solicitors;
- HSBC Securities Services as Custodian and Depositary;
- Equiniti Limited as Share Registrars;
- RD:IR for Investor Relations and Shareholder Analysis;
- Camarco as PR advisors;
- PricewaterhouseCoopers LLP as Independent Auditors;
- Huguenot Limited as website designers and internet hosting services; and
- Perivan Limited as designers and printers for shareholder communications.

Gearing
The Company has historically utilised gearing in the form of Zero Dividend Preference (ZDP) Shares through its subsidiary, PCGH ZDP Plc, which was created as part of the Company's restructure in 2017 for the sole purpose of providing a loan to the parent. The subsidiary company was incorporated with a limited life of seven years and, following repayment of the loan by the parent and redemption of the ZDP shares, it was placed into liquidation on 19 June 2024 in accordance with the Articles of Association. Following repayment of this loan the Company's portfolio has remained ungeared, however the Articles of Association provide that the Company may borrow up to 15% of its NAV at the time of drawdown for tactical deployment when the Board believes that gearing will enhance returns to shareholders. The Company currently has no intention of seeking alternative forms of short-term gearing but will keep this decision under review in conjunction with any proposed corporate action.

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

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

The Investment Manager is Polar Capital LLP ('Polar Capital'), which is authorised and regulated by the Financial Conduct Authority, to act as Investment Manager and AIFM of the Company with sole responsibility for the discretionary management of the Company's assets (including uninvested cash) and sole responsibility to take decisions as to the purchase and sale of individual investments. The Investment Manager also has responsibility for asset allocation within the limits of the investment policy and guidelines established and regularly reviewed by the Board, all subject to the overall control and supervision of the Board. Polar Capital provides a team of healthcare specialists and the portfolio is co-managed by Mr James Douglas and Mr Gareth Powell. The Investment Manager has other resources which support the investment team and has experience in managing and administering other investment trust companies.

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

Fee Arrangements
Management Fee
Under the terms of the IMA, the Investment Manager will be entitled to a management fee together with reimbursement of reasonable expenses incurred by it in the performance of its duties. The management fee is payable monthly in arrears and is charged at the rate of 0.75% per annum based on the lower of the market capitalisation and adjusted net asset value. In accordance with the Directors' policy on the allocation of expenses between income and capital, in each financial year 80% of the management fee payable is charged to capital and the remaining 20% to income.

Performance Fee
The Investment Manager may receive a performance fee paid in cash when various performance parameters are met. No performance fee was accrued or is due to be paid as at the year ended 30 September 2024 (2023: nil). Any performance fee accrued will be paid in cash at the end of the Company's expected life (except in the case of an earlier termination of the IMA).

Further details on the termination arrangements and performance fee methodology and calculation are provided within the Shareholder Information in the Annual Report.

Performance And Key Performance Objectives
The Board appraises the performance of the Company and the Investment Manager as the key supplier of services to the Company against key performance indicators ('KPIs'). The objectives of the KPIs comprise both specific financial and Shareholder related measures. These KPI's have not differed from the prior year.

KPI	CONTROL PROCESS	OUTCOME
The provision of investment returns to shareholders measured by long-term NAV growth and relative performance against the Benchmark.	The Board reviews the performance of the portfolio in detail and hears the views of the Investment Manager at each meeting.	As at 30 September 2024, the total net assets of the Company amounted to £479,073,000 (2023: £419,182,000). The Company's NAV total return, over the year ended 30 September 2024, was

	The Board also considers the value delivered to shareholders through NAV growth and dividends paid.	14.95% while the Benchmark Index over the same period was 9.88%. The Company's performance is explained further in the Investment Manager's Report. Since restructuring on 20 June 2017, the total return of the NAV was 92.62% and the benchmark was 82.42%. Investment performance is explained in the Chair's Statement and the Investment Manager's Report.
The achievement of the dividend policy.	Financial forecasts are reviewed to track income and distributions.	Two dividends have been paid or are payable in respect of the year ended 30 September 2024 totalling 2.40p per share (2023: two dividends totalling 2.20p per share). The Company's focus remains on capital growth. While the Company continues to aim to pay two dividends per year these are expected to be a small part of a shareholder total return.
Monitoring and reacting to issues created by the discount or premium of the ordinary share price to the NAV per ordinary share with the aim of reduced discount volatility for shareholders.	The Board receives regular information on the composition of the share register including trading patterns and discount/premium levels of the Company's ordinary shares. The Board discusses and authorises the issue or buy back of shares when appropriate. The Board is aware of the vulnerability of a sector specialist investment trust to a change in investor sentiment to that sector. While there is no formal discount policy the Board discusses the market factors giving rise to any discount or premium, the long or short-term nature of those factors and the overall benefit to shareholders of any actions. The market liquidity is also considered when authorising the issue or buy back of shares when appropriate market conditions prevail. A daily NAV per share, calculated in accordance with the AIC guidelines is issued to the London Stock Exchange.	The discount of the ordinary share price to the NAV per ordinary share at the year ended 30 September 2024 was 4.82% (2023: 7.71%). During the year ended 30 September 2024, no new shares were issued or bought back. The number of shares in issue, as at the year end was 124,149,256 of which 2,879,256 were held in treasury. The total voting rights of the Company are 121,270,000 shares.
To qualify and continue to meet the requirements for sections 1158 and 1159 of the Corporation Tax Act 2010 ('investment trust status').	The Board receives regular financial information which discloses the current and projected financial position of the Company against each of the tests set out in sections 1158 and 1159.	The Company was granted investment trust status annually up to 1 October 2014 and is deemed to be granted such status for each subsequent year subject to the Company continuing to satisfy the conditions of section 1158 of the Corporation Tax Act 2010 and other associated ongoing requirements. The Directors confirm that the tests have been met in the financial year ended 30 September 2024 and believe that they will continue to be met.
To ensure the efficient operation of the Company by monitoring the services provided by third party suppliers, including the Investment Manager, and controlling ongoing charges.	The Board considers annually the services provided by the Investment Manager, both investment and administrative, and reviews on a cycle the provision of services from third parties including the costs of their services. The annual operating expenses	The Board has received, and considered satisfactory, the internal controls report of the Investment Manager and other key suppliers including the contingency arrangements to facilitate the ongoing operations of the Company in the event of withdrawal or failure of services. The ongoing charges for the year ended

	are reviewed and any non-recurring project related expenditure approved by the Board.	30 September 2024 were 0.88%, compared to 0.87% the previous year.

Risk Management

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

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

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

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

The Committee is mindful of the geopolitical political landscape specifically the ongoing military activity in Ukraine and the Middle East. Geopolitical events such as these can have a significant impact on global financial markets, and hence on the Company's portfolio performance. Further information on how the Committee has assessed the Company's ability to operate as a going concern and the Company's longer-term viability can be found in the Report of the Audit Committee in the full Annual Report.

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

Principal Risks and Uncertainties

Portfolio Management			
	Description	**Assessment**	**Mitigation**
Investment Performance	Breach of Investment policy, Investment Manager unable to deliver the Investment Objective leading to poor performance against the benchmark or market/industry average.	Unchanged from previous year.	The Board seeks to mitigate the impact of such risks through the regular reporting and monitoring of the Company's investment performance against its peer group, benchmark and other agreed indicators of relative performance. A detailed annual review of the investment strategy is undertaken by the Investment Manager with the Board including analysis of investment markets and sector trends. At each meeting the Board discusses developments in healthcare and drug pipelines with the Investment Manager in addition to the composition and diversification of the portfolio with sales and purchases of investments and the degree of risk which the Investment Manager incurs to generate investment returns. Individual investments are discussed with the Investment Manager as well as the Investment Manager's general views on the various investment markets and the healthcare sector in particular. Analytical performance data and attribution analysis is presented by the Investment Manager. The Board is committed to a clear communication program to ensure shareholders understand the investment strategy. This is maintained through the use

			of monthly factsheets which have a market commentary from the Investment Manager as well as portfolio data, an informative website as well as annual and half year reports.
Trading	Execution of unauthorised trade/dealing error. Error or breach may cause regulatory investigation leading to fines, reputational damage and risk to investment trust status.	Unchanged from previous year.	Investment limits and restrictions are encoded into the dealing and operations systems of the Investment Manager and various oversight functions are undertaken to ensure there is early warning of any potential issue of compliance or regulatory matters.
Discount/Premium	Persistent discount in excess of Board or Shareholder acceptable levels.	Unchanged from previous year.	The Board regularly considers, in comparison to the sector and peers, the level of premium and discount of the share price to the NAV and ways to enhance Shareholder value including share issuance and buy backs. The Board has carefully monitored the discount level and market movements and has discussed performance with the Managers and advisers. The discount of the Company narrowed during the year under review and as at 30 September 2024, the discount of the ordinary share price to the NAV per ordinary share was 4.82% (2023: 7.71%). The Chair also meets regularly with key shareholders to understand any concerns and views are detailed in the Chair's Statement and within the s172 Report. Further detail on the performance and the impact of market movements on the Company is given in the Investment Manager's Report.
		Regulatory Risk	
	Description	**Assessment**	**Mitigation**
	Non-compliance with statutes, regulations and disclosure requirements, including FCA UK listed company regime and Companies Act 2006; s1158/1159 of the Corporation Tax Act 2010, the Companies Act 2006 and other UK, European and overseas legislation affecting UK companies including MiFID II and the GDPR. Not complying with accounting standards could result is a suspension of listing or loss of investment trust status, reputational damage and Shareholder activism. Further risks arise from not keeping abreast of changes in legislation and regulations which have in recent years been substantial.	Unchanged from previous year	The Board monitors regulatory change with the assistance of the Investment Manager, Company Secretary and external professional suppliers and implements necessary changes should they be required. The Board receives regulatory reports for discussion and, if required, considers the need for any remedial action. In addition, as an investment company, the Company is required to comply with a framework of tax laws, regulation and company law.
		Economic And Market Risk	

	Description	Assessment	Mitigation
	Financial loss due to unexpected natural disaster or other unpredictable event disrupting the ability to operate or significant exposure to the economic cycles of the markets in which the underlying investments conduct their business operations as well as the economic impact on investment markets where such investments are listed. Fluctuations in stock markets and currency exchange rates could be advantageous or disadvantageous to the Company and its performance. Disruption to trading platforms and support services.	Unchanged from previous year.	The Board regularly discusses global geopolitical issues and general economic conditions and developments. The impact on the portfolio from other geopolitical changes are monitored through existing control systems and discussed regularly by the Board. While it is difficult to quantify the impact of such changes, it is not anticipated that they will fundamentally affect the business of the Company or make healthcare investing any less desirable. The longer term effects of geopolitical events in Ukraine and the Middle East crisis will continue to be assessed by the Audit Committee in light of how they will impact the Company's portfolio and the overall economic and geopolitical environment in which the Company operates. The Company through the Investment Manager, has a disaster recovery plan in place.
Operational Risk			
	Description	**Assessment**	**Mitigation**
Service Failure	Failure in services provided by the Investment Manager, Custodian, Depositary or other service providers; Accounting, Financial or Custody Errors resulting in regulatory investigation or financial loss, failure of trade settlement, potential loss of Shareholder assets and investment trust status.	Unchanged from previous year.	The Board carries out an annual review of internal control reports from suppliers which includes cyber protocols and disaster recovery procedures. Due diligence and service reviews are undertaken with third-party service providers including the Custodian and Depositary. A full review of the internal control framework is carried out at least annually. Regular reporting is received by the Investment Manager on behalf of the Board from the Depositary on the safe custody of the Company's assets. The Board undertakes independent reviews of the Depositary and external Administrator services and additional resources have been put in place by the Investment Manager. Management accounts are produced and reviewed monthly, statutory reporting and daily NAV calculations are produced by the external Administrator and verified by the Investment Manager. Accounting records are tested, and valuations verified independently as part of the year- end financial reporting process.
Cyber Risk	Cyber-attack causing disruption to or failure of operational and accounting systems and processes provided by the Investment	Unchanged from previous year.	The number, severity and success rate of cyberattacks have increased considerably over recent years. However, controls are in place and the

	provided by the Investment Manager creating an unexpected event and/or adverse impact on personnel or the portfolio.		controls are in place and the Board proactively seeks to keep abreast of developments through updates with representatives of the Investment Manager who undertakes meetings with relevant service providers. The Audit Committee once again sought assurance via the Investment Manager, from each of the Company's service providers on the resilience of their business continuity arrangements. These assurances and the subsequent detailed updates that were given to the Committee provided a satisfactory level of assurance that there had not been, and there was no anticipation of any disruption in the ability of each service provider to fulfil their duties as would typically be expected.
Key Person	Loss of Investment Manager or other key management professionals. Impact on investor confidence leading to widening of the discount and/or poor performance creating a period of uncertainty and potential termination of the Investment Management Agreement.	Unchanged from previous year.	The strength and depth of investment team provides comfort that there is not over-reliance on one person with alternative portfolio managers available to act if needed. For each key business process roles, responsibilities and reporting lines are clear and unambiguous. Key personnel are incentivised by equity participation in the investment management company.
Shareholder Communications	Failure to effectively communicate significant events to the shareholder and investor base.	Unchanged from previous year.	Polar Capital Sales Team and the Corporate Broker provide periodic reports to the Board on communications with shareholders and feedback received. The Board is committed to a clear communication programme to ensure Shareholders understand the investment strategy. This is maintained through the use of monthly factsheets which have a market commentary from the Investment Manager as well as portfolio data, an informative website as well as annual and half year reports. Contact details and how to contact the Board are provided in regulatory announcements and the Board are present at the AGM to speak to shareholders.

Section 172 of the Companies Act 2006
The statutory duties of the Directors are listed in s171-177 of the Companies Act 2006. The Board recognises that under s172, Directors have a duty to promote the success of the Company for the benefit of its members (our shareholders) as a whole and in doing so have regard to the consequences of any decision in the long term, as well as having regard to the Company's wider stakeholders amongst other considerations. The fulfilment of this duty not only helps the Company achieve its Investment Objective but ensures decisions are made in a responsible and sustainable way for shareholders.

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

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

STAKEHOLDER GROUP	HOW WE ENGAGE WITH THEM
SHAREHOLDERS	The Directors have considered this duty when making the strategic decisions during the year that affect shareholders, including the continued appointment of the Investment Manager and the recommendation that shareholders vote in favour of the resolutions for the Company to continue and to renew the allotment and buy back authorities at the AGM. The Directors have also engaged with and taken account of shareholders' interests during the year. The Company's AGM will be held at 2:00pm on Thursday 13 February 2025 at the offices of Polar Capital, 16 Palace Street, London SW1E 5JD. The Board recognises that the AGM is an important event for shareholders and the Company and is keen to ensure that shareholders are able to exercise their right to vote and participate. Any changes to these arrangements will be communicated through the Company's website and via a Regulatory Information Service announcement. The Board believes that shareholder engagement remains important, especially in the current market conditions and is keen that the AGM be a participative event for all. As was the case in 2024, shareholders will once again have the opportunity to hear the Managers' pre-recorded presentation, reviewing the Company's performance in the year and the outlook for 2024-2025, in advance of the AGM. The presentation will be uploaded to the Company's website ahead of the AGM, on or before 30 January 2025. In addition, Shareholders will also be able to watch the proceedings of the AGM live via Zoom Conference. Details of how to access the online link are provided in the Notice of AGM. Please note that the physical AGM will comprise the formal business and questions only; there will be no live Managers presentation. Shareholders are encouraged to send any questions ahead of the AGM to the Board via the Company Secretary at **cosec@polarcapital.co.uk** stating the subject matter as **PCGH-AGM**. The Chairs of the Board and of the Committees, along with the Managers, will be in attendance at the AGM and will be available to respond to questions and concerns from shareholders. Should any significant votes be cast against a resolution, the Board will engage with shareholders and explain in its announcement of the results of the AGM the actions it intends to take to consult shareholders in order to understand the reasons behind the votes against. Following the consultation, an update will be published no later than six months after the AGM and the Annual Report will detail the impact the Shareholder feedback has had on any decisions the Board has taken and any actions or resolutions proposed. **Relations with shareholders** The Board and the Manager consider maintaining good communications and engaging with shareholders through meetings and presentations a key priority. The Board regularly considers the share register of the Company and receives regular reports from the Manager and the Corporate Broker on meetings attended with shareholders and any concerns that are raised in those meetings. The Board also reviews correspondence from shareholders and may attend investor presentations. Shareholders are kept informed by the publication of annual and half year reports, monthly fact sheets, access to commentary from the Investment Manager via the Company's website and attendance at events at which the Investment Manager presents. Shareholders are able to raise any concerns directly with the Chair or the Board without intervention of the Manager or Company Secretary, they may do this either in person at the AGM or at other events, or in writing either via the registered office of the Company or to the Chair's specific email address **Chair.PCGH@polarcapital.co.uk**. The Company, through the sales and marketing efforts of the Investment Manager, encourages retail investment platforms to engage with underlying shareholders in relation to Company communications and enable those shareholders to cast their votes on Shareholder resolutions; the Company however has no responsibility over such platforms. The Board therefore encourage shareholders invested via the platforms to regularly visit the Company's website or to make contact with the Company directly to obtain copies of Shareholder communications. The Company has also made arrangements with its registrar for shareholders, who own their shares directly rather than through a nominee or share scheme, to view their account online at www.shareview.co.uk. Other services are also available via this service. **Outcomes and strategic decisions during the year** **AGM** To enable more shareholders the opportunity to hear the Investment Manager's AGM presentation, the Board has opted to pre-record and upload this to the website ahead of the voting deadline and in-person formal business AGM. In addition, shareholders will also have the opportunity to watch the proceedings of the AGM live via Zoom Conference. Details of how to access the online link are provided in the Notice of AGM.

	Conference. Details of how to access the online link are provided in the Notice of AGM.
INVESTMENT MANAGER	Through the Board meeting cycle, regular updates and the work of the Management Engagement Committee reviewing the services of the Investment Manager annually, the Board is able to safeguard Shareholder interests by: • Ensuring excessive risk is not undertaken in the pursuit of investment performance; • Ensuring adherence to the Investment Management Policy and reviewing the agreed management and performance fees; • Ensuring compliance with statutory legal requirements, regulations and other advisory guidance such as consumer duty and aspects of operational resilience; and • Reviewing the Investment Manager's decision making and consistency in investment process. Maintaining a close and constructive working relationship with the Manager is crucial as the Board and the Investment Manager both aim to continue to achieve consistent, long-term returns in line with the Investment Objective. The culture which the Board maintains to ensure this involves encouraging open discussion with the Investment Manager; recognising that the interests of shareholders and the Investment Manager are aligned, providing constructive challenge and making Directors' experience available to support the Investment Manager. This culture is aligned with the collegiate and meritocratic culture which Polar Capital has developed and maintains. **Outcomes and strategic decisions during the year** **ESG** The Board continued to engage with the Investment Manager to understand how ESG has been integrated into the overall house style, the healthcare team investment approach and decision making as well as the methodology behind this. The Board also receives information on how ESG affects Polar Capital as a business and the healthcare team in particular. **Consumer Duty** The Board continues to work with the Investment Manager to ensure the obligations of the new Consumer Duty regulations are adopted appropriately. All communications including the website, fact sheets and other published documentation, are reviewed ahead of publication to ensure they are appropriate for all end users. A 'value for money' assessment is undertaken annually and is made available to distributors on request for their due diligence processes. **Cost Disclosure** The Board has engaged with the Manager to understand the implications of the FCA's forbearance statement and explore any changes that could be applied to key documentation to take advantage of the exemption from PRIIPs and the cost disclosure aspects of MiFID. The Board has reviewed the changes to the Company's Key Information Document and Factsheet, both of which have been updated in line with industry guidance. **Management** The Management Engagement Committee has recommended and the Board has approved the continued appointment of the Investment Manager on the terms set out within the Investment Management Agreement.
INVESTEE COMPANIES	The Board has instructed the Investment Manager to take into account the published corporate governance policies of the companies in which it invests. The Board has also considered the Investment Manager's Stewardship Code and Proxy Voting Policy. The Voting Policy is for the Investment Manager to vote at all general meetings of companies in favour of resolutions proposed by the management where it believes that the proposals are in the interests of shareholders. However, in exceptional cases, where the Investment Manager believes that a resolution would be detrimental to the interests of shareholders or the financial performance of the Company, appropriate notification will be given and abstentions or a vote against will be lodged. The Investment Manager has voted at 41 company meetings over the year ended 30 September 2024, with 35.7% of meetings having at least one against, withheld or abstain vote. The Investment Manager reports to the Board, when requested, on the application of the Stewardship Code and Voting Policy. The Investment Manager's Stewardship Code and Voting Policy can be found on the Investment Manager's website in the Corporate Governance section (www.polarcapital.co.uk). Further information on how the Investment Manager considers ESG in its engagement with investee companies can be found in the ESG report in the Annual Report and Accounts. **Outcomes and strategic decisions during the year** The Board receives information on the ratings of investee companies and is able to use this as a tool to inform discussions with the Manager during Board meetings.
SERVICE PROVIDERS	The Directors have frequent engagement with the Company's other service providers through the annual cycle of reporting and due diligence meetings or site visits. This engagement is completed with the aim of having effective oversight of delegated services, seeking to improve the processes for the benefit of the Company and to understand the needs and views of the Company's service providers, as stakeholders

	understand the needs and views of the Company's service providers, as stakeholders in the Company. Further information on the Board's engagement with service providers is included in the Corporate Governance Statement and the Report of the Audit Committee. During the year under review, due diligence meetings have been undertaken by the Investment Manager and where possible, service providers have joined meetings to present their reports directly to the Board or the Audit Committee as appropriate. **Outcomes and strategic decisions during the year** The reviews of the Company's service providers have been positive and the Directors believe their continued appointment is in the best interests of the Company. The accounting and administration services of HSBC Securities Services (HSS) are contracted through Polar Capital and provided to the Company under the terms of the IMA. The Board continue to monitor service levels and due diligence reviews conducted by the Company Secretary and is satisfied that the service received continues to be of a high standard.
PROXY ADVISORS	The support of proxy adviser agencies is important to the Directors, as the Company seeks to retain a reputation for high standards of corporate governance, which the Directors believe contributes to the long-term sustainable success of the Company. The Directors consider the recommendations of these various proxy voting agencies when contemplating decisions that will affect shareholders and also when reporting to shareholders through the Half Year and Annual Reports. Recognising the principles of stewardship, as promoted by the UK Stewardship Code, the Board welcomes engagement with all of its investors. The Board recognises that the views, questions from, and recommendations of many institutional investors and proxy adviser agencies provide a valuable feedback mechanism and play a part in highlighting evolving shareholders' expectations and concerns. **Outcomes and strategic decisions during the year** Where possible the Chair and other representatives of the Company have engaged with the stewardship teams of some larger investors to understand and address their expectations in terms of board governance, recruitment and diversity. Prior to AGMs, the Company engages with these agencies to fact check their advisory reports and clarify any areas or topics contained within the report. This ensures that whilst the proxy advisory reports provided to shareholders are objective and independent, the Company's actions and intentions are represented as clearly as possible to assist with shareholders' decision making when considering the resolutions proposed at the AGM.
AIC	The Company is a member of the AIC and has supported lobbying activities. Representatives of the Manager sit on a variety of forums run by the AIC which aids development and understanding of new policies and procedures. The Directors may cast votes in the AIC Board Elections each year and regularly attend AIC events.

Approved by the Board on 12 December 2024
By order of the Board

TRACEY LAGO, FCG
Polar Capital Secretarial Services Limited
Company Secretary

Statement of Directors' Responsibilities

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

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors have prepared the Company's Financial Statements in accordance with UK-adopted IAS and applicable law. Additionally, the Financial Conduct Authority's Disclosure Guidance and Transparency Rules require the directors to prepare the Financial Statements in accordance with UK-adopted IAS.

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

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

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

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

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

Directors' Confirmations
The Directors consider that the annual report and financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

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

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

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

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

Lisa Arnold
Chair

12 December 2024

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 September 2024

		Year ended 30 September 2024			Year ended 30 September 2023		
		Revenue return	Capital return	Total return	Revenue return	Capital return	Total return
	Note	£'000	£'000	£'000	£'000	£'000	£'000
Gains on investments held at fair value	5	-	63,240	63,240	-	19,574	19,574
Investment income	3	5,369	-	5,369	4,804	-	4,804
Other operating income	4	122	-	122	104	-	104
Other currency gains/(losses)	6	-	281	281	-	(1,130)	(1,130)
Total income		**5,491**	**63,521**	**69,012**	4,908	18,444	23,352
Expenses							
Investment management fee	7	(687)	(2,747)	(3,434)	(650)	(2,598)	(3,248)
Other administrative expenses	8	(833)	(100)	(933)	(712)	(13)	(725)
Total expenses		**(1,520)**	**(2,847)**	**(4,367)**	(1,362)	(2,611)	(3,973)
Profit before finance costs and tax		**3,971**	**60,674**	**64,645**	3,546	15,833	19,379
Finance costs	9	(14)	(882)	(896)	(9)	(1,161)	(1,170)
Profit before tax		**3,957**	**59,792**	**63,749**	3,537	14,672	18,209
Tax	10	(708)	(240)	(948)	(598)	(715)	(1,313)
Net profit for the year and total comprehensive income		**3,249**	**59,552**	**62,801**	2,939	13,957	16,896
Earnings per Ordinary share (pence)	12	**2.68**	**49.11**	**51.79**	2.42	11.51	13.93

The total column of this statement represents Company's Statement of Comprehensive Income, prepared in accordance with

UK adopted International Accounting Standards.

The revenue return and capital return columns are supplementary to this and are prepared under guidance published by the Association of Investment Companies.

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

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

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

The notes below form part of these Financial Statements.

STATEMENTS OF CHANGES IN EQUITY
For the year ended 30 September 2024

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

	Note	Year ended 30 September 2023						
		Called up share capital £'000	Capital redemption reserve £'000	Share premium reserve £'000	Special distributable reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total Equity £'000
Total equity at 1 October 2022		31,037	6,575	80,685	3,672	280,791	2,073	404,833
Total comprehensive income:								
Profit for the year ended 30 September 2023		-	-	-	-	13,957	2,939	16,896
Transactions with owners, recorded directly to equity:								
Equity dividends paid	11	-	-	-	-	-	(2,547)	(2,547)
Total equity at 30 September 2023		**31,037**	**6,575**	**80,685**	**3,672**	**294,748**	**2,465**	**419,182**

The notes below form part of these Financial Statements.

BALANCE SHEET
As at 30 September 2024

	Notes	30 September 2024 £'000	30 September 2023 £'000
Non-current assets			
Investments held at fair value	13	474,136	458,255
Investment in subsidiary	13	-	50

Current assets			
Cash and cash equivalents	16	9,552	4,630
Overseas tax recoverable		842	678
Receivables		180	505
		10,574	5,813
Total assets		**484,710**	464,118
Current liabilities			
Payables		(5,263)	(3,981)
Bank overdraft	16	(374)	(2,014)
Loan from subsidiary		-	(38,687)
		(5,637)	(44,682)
Non-current liabilities			
Indian capital gains tax provision		-	(254)
Total liabilities		**(5,637)**	(44,936)
Net assets		**479,073**	419,182
Equity attributable to equity Shareholders			
Called up share capital	14	31,037	31,037
Share premium reserve		80,685	80,685
Capital Redemption reserve		6,575	6,575
Special distributable reserve		3,672	3,672
Capital reserves		354,300	294,748
Revenue reserve		2,804	2,465
Total equity		**479,073**	419,182
Net asset value per Ordinary share (pence)	15	395.05	345.66

The Financial Statements were approved and authorised for issue by the Board of Directors on 12 December 2024 and signed on its behalf by

Lisa Arnold
Chair

The notes below form part of these Financial Statements.

Registered number 7251471

CASH FLOW STATEMENTS
For the year ended 30 September 2024

	Note	Year ended 30 September 2024 £'000	Year ended 30 September 2023 £'000
Cash flows from operating activities			
Profit before finance costs and tax		64,645	19,379
Adjustment for non-cash items:			
Gains on investments held at fair value through profit or loss		(63,240)	(19,574)
Adjusted profit/(loss) before tax		**1,405**	(195)
Adjustments for:			
Purchases of investments, including transaction costs		(688,173)	(503,002)
Sales of investments, including transaction costs		737,080	501,992
Decrease/(increase) in receivables		325	(272)
(Decrease)/increase in payables		(266)	259
Indian capital gains tax		(494)	(461)

Overseas tax deducted at source		(872)	(610)
Net cash generated from/(used in) operating activities		**49,005**	(2,289)
Cash flows from financing activities			
Redemption of ZDP shareholders		(39,515)	-
Interest paid		(68)	(44)
Equity dividends paid	11	(2,910)	(2,547)
Net cash used in financing activities		**(42,493)**	(2,591)
Net increase/(decrease) in cash and cash equivalents		**6,512**	(4,880)
Cash and cash equivalents at the beginning of the year		**2,666**	7,546
Cash and cash equivalents at the end of the year	16	**9,178**	2,666

The notes below form part of these Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 September 2024

1. General Information
The Financial Statements for the year ended 30 September 2024 comprise the Financial Statements of the Company. On 19 June 2024, the Company's only subsidiary, PCGH ZDP plc, was placed into liquidation following the full repayment of the loan owed to it by the Company and the redemption of the ZDP shares. As a result of this, consolidated financial statements are no longer necessary as the subsidiary's financial information is deemed immaterial to the overall financial position of the Company.

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

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

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

(a) Basis of Preparation

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

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

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

The financial position of the Company as at 30 September 2024 is shown in the Annual Report. As at 30 September 2024 the Company's total assets exceeded its total liabilities by a multiple of over 85. The assets of the Company consist mainly of securities that are held in accordance with the Company's Investment Policy, and these securities are readily realisable. The Directors have considered a detailed assessment of the Company's ability to meet its liabilities as they fall due. The assessment took account of the Company's current financial position, its cash flow and its liquidity position. In light of the results of these tests, the Company's cash balances, and the liquidity positions, the Directors consider that the Company has adequate financial resources to enable it to continue in operational existence for a period of 12 months from the approval of these financial statements.

Per the Company's Articles of Association, there would be a requirement for a special resolution for the winding-up of the Company to be proposed to the shareholders at the first AGM to take place at after 1 March 2025 unless alternative reconstruction proposals have been approved by the shareholders prior to that date. Although taking place more than 12 months after the signing date of the 2024 annual report and financial statements, it is relevant to consider this as part of the going concern assessment. Should a liquidation resolution be proposed to the AGM and a single vote be cast in favour, irrespective of the performance of the trust, the resolution will pass and the Company be placed into liquidation. Therefore, it has been concluded that a material uncertainty exists in relation to going concern surrounding the liquidation vote which may cast significant doubt on the Company's ability to continue as a going concern.

However, subject to consultation with shareholders and advisors, the Directors intend to review alternative reconstruction proposals during 2025. On the assumption that these deliberations result in alternative resolutions being put to and approved by shareholders, a liquidation resolution would not be required. As such, the Board concluded that it remained appropriate to continue to prepare the financial statements on a going concern basis.

The financial statements do not include the adjustments that would result if the Company were unable to continue as a going concern.

(b) Presentation of the Statement of Comprehensive Income
In order to better reflect the activities of an investment trust company and in accordance with the guidance set out by the AIC, supplementary information which analyses the Statement of Comprehensive Income between items of a

revenue and capital nature has been presented alongside the Statement of Comprehensive Income. The results presented in the revenue return column is the measure the Directors believe appropriate in assessing the Company's compliance with certain requirements set out in section 1158 of the Corporation Tax Act 2010.

(c) Income

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

Special dividends are recognised on an ex-dividend basis and may be considered to be either revenue or capital items. The facts and circumstances are considered on a case by case basis before a conclusion on appropriate allocation is reached.

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

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

(d) Written Options

The Company may write exchange-traded options with a view to generating income. This involves writing short-dated covered-call options and put options. The use of financial derivatives is governed by the Company's policies, as approved by the Board.

These options are recorded initially at fair value, based on the premium income received, and are then measured at subsequent reporting dates at fair value. Changes in the fair value of the options are recognised in the capital return for the period.

The option premiums are recognised evenly over the life of the option and shown in the revenue return, with an appropriate amount shown in the capital return to ensure the total return reflects the overall change in the fair value of the options.

Where an option is exercised, any balance of the premium is recognised immediately in the revenue return with a corresponding adjustment in the capital return based on the amount of the loss arising on exercise of the option.

(e) Expenses

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

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

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

The performance fee (when payable) is charged entirely to capital as the fee is based on the out-performance of the Benchmark and is expected to be attributable largely, if not wholly, to capital performance.

The research costs relate solely to specialist healthcare research and are accounted for on an accrual basis and, are allocated 20% to revenue and 80% capital. This is in line with the Board's expected long-term split of revenue and capital return from the Company's investment portfolio.

Finance costs

The ZDP shares were designed to provide a pre-determined capital growth from their original issue price of 100p on 20 June 2017 to a final capital repayment of 122.99p on 19 June 2024. The initial capital increased at a compound interest rate of 3% per annum.

On 19 June 2024, the subsidiary PCGH ZDP plc was placed into liquidation following the repayment of the loan that it had advanced to the Company and the redemption of the ZDP shareholders.

No dividends were payable on the ZDP shares. The provision for the capital growth entitlement of the ZDP shares is included as a finance cost and charged 100% to capital within the Statement of Comprehensive Income (AIC SORP paragraph 53 - issued July 2022).

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

Share issue costs

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

Zero Dividend Preference (ZDP) shares

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

(f) Taxation

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

The tax currently payable is based on the taxable profits for the year ended 30 September 2024. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the balance sheet date.

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

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

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

The Company is liable to Indian capital gains tax under Section 115 AD of the Indian Income Tax Act 1961. The Indian capital gains tax provision represents an estimate of the amount of tax payable by the Company. Tax amounts payable may differ from this provision depending on when the Company disposes of its investments. The current provision for Indian capital gains tax is calculated based on the long term (securities held more than one year) or short term (securities held less than one year) nature of the investments and the applicable tax rate at the year end. With effect from 23 July 2024, the short-term tax rate is 20% (previously 15%) and the long-term tax rate is 12.5% (previously 10%). The estimated tax charge is subject to regular review including a consideration of the likely period of ownership, tax rates and market valuation movements. The provision at the year end is recognised in the Balance Sheet and the year-on-year movement in the provision is recognised in the Statement of Comprehensive Income.

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

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

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

(g) Investments Held at Fair Value Through Profit or Loss

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

On initial recognition the Company has designated all of its investments as held at fair value through profit or loss as defined by UK-adopted IAS. All investments are measured at subsequent reporting dates at fair value, which is either the bid price or the last traded price, depending on the convention of the exchange on which the investment is quoted.

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

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

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

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

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

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

(h) Receivables

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

(i) Cash and Cash Equivalents

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

(j) Dividends Payable

Dividends payable to shareholders are recognised in the Financial Statements when they are paid or, in the case of final dividends, when they are approved by the shareholders.

(k) Payables

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

(l) Foreign Currency Translation

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

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

(m) Capital Reserves

Capital reserve arising on investments sold includes:

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

Capital reserve arising on investments held includes:

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

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

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

(n) Repurchase of Ordinary Shares (Including Those Held in Treasury)

The costs of repurchasing Ordinary shares including related stamp duty and transaction costs are taken directly to equity and reported through the Statement of Changes in Equity as a charge on the special distributable reserve. Share repurchase transactions are accounted for on a trade date basis.

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

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

(o) Segmental Reporting

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

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

(p) Key Estimates and judgements

Estimates and assumptions used in preparing the Financial Statements are reviewed on an ongoing basis and are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The results of these estimates and assumptions form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. The Company do not consider that there have been any significant estimates or assumptions in the current financial year.

(q) New and revised accounting Standards

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

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

Standards & Interpretations		**Effective for periods commencing on or after**
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	Requirement amended to disclose material accounting policies instead of significant accounting policies and provided guidance in making materiality judgements to accounting policy disclosure.	1 January 2023
Definition of Accounting Estimates (amendments to IAS 8)	Introduced the definition of accounting estimates and included other amendments to IAS 8 to help entities distinguish changes in accounting estimates from changes in accounting policy.	1 January 2023
International Tax Reform - Pillar Two Model Rules (Amendments to IAS 12)	A mandatory temporary exception to the accounting for deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.	1 January 2023

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

Standards & Interpretations		**Effective for periods**

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

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

3. Investment Income

	Year ended 30 September 2024 £'000	Year ended 30 September 2023 £'000
Revenue:		
UK Dividend income	306	591
Overseas Dividend income	5,063	4,213
Total investment income allocated to revenue	**5,369**	**4,804**

All investment income is derived from listed investments.

4. Other Operating Income

	Year ended 30 September 2024 £'000	Year ended 30 September 2023 £'000
Bank interest	122	104
Total other operating income	**122**	**104**

5. Gains on Investments Held at Fair Value

	Year ended 30 September 2024 £'000	Year ended 30 September 2023 £'000
Net gains on disposal of investments at historic cost	48,604	33,182
Less fair value adjustments in earlier years	(10,156)	(14,297)
Gains based on carrying value at previous balance sheet date	**38,448**	**18,885**
Valuation gains on investments held during the year	24,792	689
	63,240	**19,574**

6. Other Currency Gains/(Losses)

	Year ended 30 September 2024 £'000	Year ended 30 September 2023 £'000
Exchange gains/(losses) on currency balances	281	(1,130)

7. Investment Management Fee

	Year ended 30 September 2024	Year ended 30 September 2023

	2024	2023
	£'000	£'000
Management fee		
- charged to revenue	687	650
- charged to capital	2,747	2,598
Investment management fee payable to Polar Capital LLP	**3,434**	**3,248**

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

8. Other Administrative Expenses

	Year ended 30 September 2024 £'000	Year ended 30 September 2023 £'000
Directors' fees and expenses[1]	150	143
Directors' NIC	16	14
Auditors' remuneration[2]: For audit of the Company Financial Statements	55	60
Depositary fee	29	30
Registrar fee	39	37
Custody and other bank charges	65	42
UKLA and LSE listing fees[3]	53	40
Legal & professional fee	7	5
AIC fees	21	21
Directors' and officers liability insurance	20	18
Corporate brokers fee	25	25
Marketing expenses[4]	111	47
Research costs - allocated to revenue[5]	-	3
Shareholder communications	24	17
HSBC administration fee	215	208
Other expenses	3	2
Total other administrative expenses allocated to revenue	**833**	**712**
Costs related to redemption of ZDP shares and liquidation of PCGH ZDP plc subsidiary	100	-
Research cost - allocated to capital[5]	-	13
Total other administrative expenses	**933**	**725**

1 Full disclosure is given in the Directors' Remuneration Report in the Annual Report.
2 2024 includes £nil (2023: £8,000) paid to the Auditors for the audit of PCGH ZDP Plc.
3 Reflects increased FCA and LSE fees incurred.
4 Includes bespoke marketing budget of £50,000 (2023: £15,500) and third party fees of £30,000 (2023: £nil).
5 Research costs payable by the Company amounted to £nil. (2023: £16,000 - 3 months to 31 December 2022). With effect from 1 January 2023, specialist research costs are absorbed by Polar Capital. These costs are allocated 20% to revenue and 80% to capital and are included in the ongoing charges calculation.

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

The ongoing charges ratio for the year ended 30 September 2024 was 0.88% (2023: 0.87%). See Alternative Performance provided in the Annual Report.

9. Finance Costs

	Year ended 30 September 2024			Year ended 30 September 2023		
	Revenue return	Capital return	Total return	Revenue return	Capital return	Total return
	£'000	£'000	£'000	£'000	£'000	£'000
Interest on overdrafts	14	54	68	9	35	44
Appropriation to ZDP shares	-	828	828	-	1,126	1,126
Total finance costs	**14**	**882**	**896**	**9**	**1,161**	**1,170**

10. Taxation

	Year ended 30 September 2024	Year ended 30 September 2023

	30 September 2024			30 September 2023		
	Revenue return	Capital return	Total return	Revenue return	Capital return	Total return
	£'000	£'000	£'000	£'000	£'000	£'000
a) Analysis of tax charge for the year:						
Overseas tax	708	-	708	598	-	598
Indian capital gains tax	-	240	240	-	715	715
Total tax for the year (see note 10b)	**708**	**240**	**948**	**598**	**715**	**1,313**

b) Factors affecting tax charge for the year:

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

Profit before tax	**3,957**	**59,792**	**63,749**	**3,537**	**14,672**	**18,209**
Tax at the UK corporation tax rate of 25% (2023: effective tax rate of 22%)	989	14,948	15,937	778	3,228	4,006
Tax effect of non-taxable dividends	(1,342)	-	(1,342)	(1,057)	-	(1,057)
Gains on investments that are not taxable	-	(15,879)	(15,879)	-	(4,058)	(4,058)
Non taxable expenses not utillised in the year	353	699	1,052	279	582	861
Overseas tax suffered	708	-	708	598	-	598
Indian capital gains tax	-	240	240	-	715	715
Expenses not allowable	-	232	232	-	248	248
Total tax for the year (see note 10a)	**708**	**240**	**948**	**598**	**715**	**1,313**

c) Factors that may affect future tax charges:
The Company has an unrecognised deferred tax asset of £8,364,000 (2023: £7,312,000). The deferred tax asset is based on the current corporation tax rate of 25% (2023: 25%).

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

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

The Company is liable to Indian capital gains tax under Section 115 AD of the Indian Income Tax Act 1961. A tax provision on Indian capital gains is calculated based on the long term (securities held more than one year) or short term (securities held less than one year) nature of the investments and the applicable tax rate at the year end. The current rates from 23 July 2024 of short-term tax rates are 20% (previously 15%) and the long term tax rates are 12.5% (previously 10%) respectively. At the year ended 30 September 2024, the Company has a deferred tax liability of £nil (2023: £254,000) on capital gains which may arise if Indian investments are sold.

11. Amounts Recognised as Distributions to Ordinary Shareholders in the Year

Dividends paid in the year ended 30 September 2024

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

The revenue available for distribution by way of dividend for the year is £3,249,000 (2023: £2,939,000).

The total dividends payable in respect of the financial year ended 30 September 2023 which is the basis on which the
requirements of Section 1158 Corporation Tax Act 2010 are considered, is set out below:

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

Dividends paid in the year ended 30 September 2023

Year ended
30 September 2023

Payment date	No of shares	Pence per share	£'000
28 February 2023	121,270,000	1.10p	1,334
31 August 2023	121,270,000	1.00p	1,213
			2,547

The total dividends payable in respect of the financial year ended 30 September 2023, which is the basis on which the requirements of Section 1158 Corporation Tax Act 2010 are considered, is set out below:

			Year ended 30 September 2023
Payment date	**No of shares**	**Pence per share**	**£'000**
31 August 2023	121,270,000	1.00p	1,213
29 February 2024	121,270,000	1.20p	1,455
			2,668

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

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

12. Earnings per Ordinary Share

	Year ended 30 September 2024			Year ended 30 September 2023		
	Revenue return	**Capital return**	**Total return**	**Revenue return**	**Capital return**	**Total return**
The calculation of basic earnings per share is based on the following data:						
Net profit for the year (£'000)	3,249	59,552	62,801	2,939	13,957	16,896
Weighted average Ordinary shares in issue during the year	121,270,000	121,270,000	121,270,000	121,270,000	121,270,000	121,270,000
Basic - Ordinary shares (pence)	**2.68**	**49.11**	**51.79**	**2.42**	**11.51**	**13.93**

As at 30 September 2024 there were no potentially dilutive shares in issue.

13. Investments held at fair value

a) Investments held at far value through profit or loss

	30 September 2024 £'000	30 September 2023 £'000
Opening book cost	438,965	401,521
Opening investment holding gains	19,290	32,898
Opening fair value	**458,255**	**434,419**
Analysis of transactions made during the year		
Purchases at cost	689,721	506,254
Sales proceeds received	(737,080)	(501,992)
Gains on investments held at fair value	63,240	19,574
Closing fair value	**474,136**	**458,255**
Closing book cost	440,211	438,965
Closing investment holding gains	33,925	19,290
Closing fair value	**474,136**	**458,255**

The Company received £737,080,000 (2023: £501,992,000) from disposal of investments in the year. The book cost of these investments when they were purchased were £688,475,000 (2023: £468,810,000). These investments have been revalued over time and until they were sold, any unrealised gains/(losses) were included in the fair value of the investments.

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

	30 September 2024 £'000	30 September 2023 £'000
On acquisition	540	481
On disposal	383	257
	923	**738**

b) Fair value hierarchy

	30 September 2024 £'000	30 September 2023 £'000
Level 1 assets	474,136	458,255
Valuation at the end of the year	**474,136**	**458,255**

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

c) Subsidiary undertaking

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

Following the full repayment of the ZDP shareholders on 19 June 2024, the subsidiary was placed into liquidation. Refer to Note 1 for further details.

14. Called up Share Capital

Ordinary shares - Allotted, Called up and Fully paid:	30 September 2024 £'000	30 September 2023 £'000
Ordinary shares of nominal value 25p each:		
Opening balance of 121,270,000 (2023: 121,270,000)	30,317	30,317
Allotted, Called up and Fully paid: 121,270,000 (2023: 121,270,000) ordinary shares of 25p	**30,317**	**30,317**
2,879,256 (2023: 2,879,256) Ordinary shares, held in treasury	720	720
At 30 September 2024	**31,037**	**31,037**

No Ordinary shares were repurchased or issued during the year (2023: nil).

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

15. Net Asset Value Per Ordinarily Share

Ordinary shares	30 September 2024	30 September 2023
Net assets attributable to Ordinary Shareholders (£'000)	479,073	419,182
Ordinary shares in issue at end of year	121,270,000	121,270,000
Net asset value per Ordinary share (pence)	**395.05**	**345.66**
Total issued Ordinary shares	124,149,256	124,149,256
Ordinary shares held in treasury	2,879,256	2,879,256
Ordinary shares in issue	**121,270,000**	**121,270,000**

As at 30 September 2024 there were no potentially dilutive shares in issue.

16. Cash and Cash Equivalents

17. Transactions with the Investment Manager and Related Party Transactions

(a) Transactions with the Manager
Under the terms of an agreement dated 26 May 2010 the Company has appointed Polar Capital LLP ("Polar Capital") to provide investment management, accounting, secretarial and administrative services. Details of the fee arrangement for these services are given in the Strategic Report. The total fees, paid under this agreement to Polar Capital in respect of the year ended 30 September 2024 were £3,434,000 (2023: £3,248,000) of which £288,000 (2023: £537,000) was outstanding at the year-end.

In addition, the total research cost in respect of the year ended 30 September 2024 was £nil (2023: £16,000). As at the year end, £nil (2023: £nil) was outstanding. From 1 January 2023 all research costs are payable by Polar Capital. Refer to note 8 above for more details.

(b) Related party transactions
The Company has no employees and therefore no key management personnel other than the Directors. The Company paid £150,000 (2023: £143,000) to the Directors and the Remuneration Report including Directors' shareholdings and movements within the year is set out within the full Annual Report.

Refer to note 13(c) for details of the subsidiary undertaking.

18. Post Balance Sheet Events
There are no significant events that have occurred after the end of the reporting period to the date of this report which require disclosure.

AGM

The Annual Report and separate Notice for the Annual General Meeting will be posted to Shareholders in December 2024 and is available from the Company Secretary at the Company's Registered Office, (16 Palace Street London SW1E 5JD) or from the Company's website. The AGM will be held at the Company's Registered Office at 2:00pm on 13 February 2025.

FORWARD LOOKING STATEMENTS

Certain statements included in this Annual Report and Financial Statements contain forward-looking information concerning the Company's strategy, operations, financial performance or condition, outlook, growth opportunities or circumstances in the countries, sectors or markets in which the Company operates.

By their nature, forward-looking statements involve uncertainty because they depend on future circumstances, and relate to events, not all of which are within the Company's control or can be predicted by the Company.

Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct.

Actual results could differ materially from those set out in the forward-looking statements. For a detailed analysis of the factors that may affect our business, financial performance or results of operations, we urge you to look at the principal risks and uncertainties included in the Strategic Report Section the Annual Report and Financial Statements.

No part of this Annual Report constitutes, or shall be taken to constitute, an invitation or inducement to invest in Polar Capital Global Healthcare Trust plc or any other entity and must not be relied upon in any way in connection with an investment decision. The Company undertakes no obligation to update any forward-looking statements.

Neither the contents of the Company's website nor the contents of any website accessible from hyperlinks on the company's website (or any other website) is incorporated into, or forms part of, this announcement.

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