# Polar Capital Technology Trust plc

## Half Year Report

For the six months ended 31 October 2024

# YOUR COMPANY AT A GLANCE

### PURPOSE

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

### INVESTMENT OBJECTIVE

The Investment Objective is to maximise long-term capital growth through investing in a diversified portfolio of technology companies around the world. The investment policy is set out in full in the Strategic Report of the Annual Report for the year ended 30 April 2024.

### INVESTMENT RATIONALE AND APPROACH

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

Technology may be defined as the application of scientific knowledge for practical purposes and technology companies are defined accordingly.

While this offers a very broad and dynamic investment universe and covers many different companies, the portfolio focuses on companies which use technology, or which develop and supply technological solutions as a core part of their business models. This includes areas as diverse as information, media, communications, environmental, healthcare, financial, e-commerce and renewable energy, as well as the more obvious applications such as computing and associated industries.

### MANAGEMENT STRUCTURE

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

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

# FINANCIAL HIGHLIGHTS

| | (Unaudited) As at 31 October 2024 | (Audited)^ As at 30 April 2024 | Movement % |
|---|---|---|---|
| Total net assets | **£4,179,544,000** | £3,804,533,000 | 9.9 |
| Net Asset Value (NAV) per ordinary share #~ | **352.15p** | 315.41p | 11.6 |
| Price per ordinary share# | **310.50p** | 292.00p | 6.3 |
| **Benchmark**<br>Dow Jones World Technology Index (total return, Sterling adjusted, with the removal of relevant withholding taxes) | **5,712.88** | 5,007.08 | 14.1 |
| Discount of ordinary share price to NAV per ordinary share~ | **(11.8%)** | (7.4%) | |
| Ordinary shares in issue #* | **1,186,874,680** | 1,206,215,690 | -1.6 |
| Ordinary shares held in treasury #* | **186,275,320** | 166,934,310 | 11.6 |

**KEY DATA**

| | For the six months to 31 October 2024 Local Currency % | For the six months to 31 October 2024 Sterling Adjusted % |
|---|---|---|
| **Benchmark (see above)** | 17.1 | 14.1 |
| **Other Indices over the period (total return)** | | |
| FTSE World | 11.0 | 7.9 |
| FTSE All-share | | 1.8 |
| S & P 500 composite | 14.1 | 10.9 |
| Nikkei 225 | 2.7 | 3.3 |
| Eurostoxx 600 | 1.7 | 0.6 |

| **Exchange rates** | **As at 31 October 2024** | **As at 30 April 2024** |
|---|---|---|
| US$ to £ | 1.2857 | 1.2522 |
| Japanese Yen to £ | 195.84 | 197.04 |
| Euro to £ | 1.1842 | 1.1711 |

No interim dividend has been declared for the period ended 31 October 2024, nor were there for periods ended 31 October 2023 or 30 April 2024, and there is no intention to declare a dividend for the year ending 30 April 2025.

*^ The financial information for the six-month periods ended 31 October 2024 and 31 October 2023 have not been audited. The figures and financial information above and in the following pages, for the year ended 30 April 2024 are an extract from the latest published Financial Statements and do not constitute statutory accounts for that year.*

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

*~See Alternative Performance Measure below.*

** The issued share capital on 9 December 2024 (latest practicable date) was 1,373,150,000 ordinary shares of which 188,223,085 were held in treasury.*

References throughout this document to “the Company” or “the Trust” relate to Polar Capital Technology Trust PLC while references to “the portfolio” relate to the assets managed on behalf of the Company.

# CHAIR'S STATEMENT

**THE BOARD**

As previously reported, Charlotta Ginman stepped down from the Board at the AGM held in September following completion of her 9-year tenure. Following Charlotta's departure and, as announced on 5 November 2024, having carried out a search process, we have appointed a new independent non-executive Director to your Board. Adiba Ighodaro was appointed with effect from 3 December 2024 and will stand for election by Shareholders at the AGM to be held in September 2025.

Adiba is currently an independent non-executive director and member of the Audit and Management Engagement Committees of ICG Enterprise Trust Plc, an independent non-executive director, Chair of the Credit Committee and member of the Risk Committee and the Nomination, Governance & Remuneration Committee of Standard Chartered Bank Nigeria Ltd. She is also a non-executive director of M-Kopa Holdings Ltd. Adiba has extensive experience in global private markets from over 30 years of working in legal structuring, development finance, private equity investment and fundraising. We greatly look forward to working with Adiba and feel she will bring her relevant experience to the Board.

Full biographical details of all Directors are available on the Company's website. There have been no other changes to the membership of the Board in the six months ended 31 October 2024.

**MANAGEMENT FEES**

Under the terms of the Investment Management Agreement, the Board is entitled to undertake a three-yearly review of the base fee arrangements with the Investment Manager, Polar Capital, and to negotiate a change when deemed appropriate. In addition, the Management Engagement Committee on behalf of the Board review the fees on an annual basis. The aim of the review is to ensure that the fees continue to provide value for shareholders, remaining competitive within the investment trust peer group, while also reflecting the quality and experience of Polar Capital's specialist technology team and the business infrastructure that supports them.

Following engagement with Polar Capital, I am pleased to confirm that we have concluded our discussions and have agreed an overall reduction in the base management fee. In addition, we have also agreed the complete removal of the performance fee. The revised arrangements will come into effect from 1 May 2025, the start of the next financial year.

**Current fee arrangements:**
The current base management fee is structured over three tiers:

- Tier 1: 0.80% on NAV up to and including £2bn
- Tier 2: 0.70% on NAV between £2bn and £3.5bn
- Tier 3: 0.60% on NAV above £3.5bn

Performance fee: The performance fee participation rate is 10 per cent. of outperformance above the Benchmark, subject to a cap on the amount which may be paid out in any one year of 1 per cent. of NAV. Further information is provided in note 6 below as well as the Company Annual Report and Accounts for the year ended 30 April 2024.

***New fee arrangements:***
The new base management fee will be structured over two tiers, and the performance fee will be removed entirely:

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

Performance fee: none

### GEARING

The Company's fixed rate term loans (JPY 3.8bn and USD$36m) with ING Bank N.V. were repaid on 30 September 2024.

The two loans were replaced with a single fixed rate term loan of 15bn JPY from The Bank of Nova Scotia; this loan was in place as at the period end, 31 October 2024. The JPY loan has been fixed at an all-in rate of 2.106% pa and is due to be repaid in September 2027 at which time the loan facility will be reviewed and may be replaced. The loan represents c.2% of the Company's Net Asset Value as at 31 October 2024.

### SHARE SPLIT

During the financial year under review, Shareholders approved the sub-division of existing Ordinary shares of 25 pence each into ten new shares of 2.5 pence each (ten for one share split). Following approval, the New Ordinary Shares were admitted to the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange's main market for listed securities on 13 September 2024. The Company's total Issued Share capital following the share split is: 1,373,150,000.

### SHARE BUY-BACKS

As described in the full year report and accounts for the year ending April 2024, the Board continually monitors the discount at which the Company's ordinary shares trade in relation to the Company's underlying NAV. 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 available actions. Whilst the Board does not have a formal discount policy or absolute target discount level at which it buys back shares, it will continue to exercise its discretion to buy back shares and is usually more active in doing this in periods of elevated share price volatility with the objective of reducing the share price volatility and adding a small uplift in NAV per share.

In the six months to 31 October 2024, the Company has been continually active in the market and has repurchased a total of 19,341,010 shares into treasury representing 1.4% of the total issued capital. Since the period end to 9 December 2024, we have bought back a further 1,947,765 shares.

### AUDITOR

KPMG LLP were re-appointed as the Company's external auditor at the AGM held on 11 September 2024.

### PRINCIPAL RISKS AND UNCERTAINTIES

The Directors consider that the principal risks and uncertainties faced by the Company for the remaining six months of the financial year, which could have a material impact on performance, remain consistent with those outlined in the Annual Report for the year ended 30 April 2024. A detailed explanation of the Company's principal risks and uncertainties, and how they are managed through mitigation and controls, can be found on pages 62 to 65 of the Annual Report for the year ended 30 April 2024. The Company has a risk management framework that provides a structured process for identifying, assessing and managing the risks associated with the Company's business. The investment portfolio is diversified by geography which mitigates risk but is focused on the technology sector and has a high proportion of non-Sterling investments. Further detail on the Company's performance and portfolio can be found in the Investment Managers' Review.

### RELATED PARTY TRANSACTIONS

In accordance with DTR 4.2.8R there have been no new related party transactions during the six-month period to 31 October 2024 and therefore nothing to report on any material effect by such transactions on the financial position or performance of the Company during that period. There have therefore been no changes in any related party transaction described in the last Annual Report that could have a material effect on the financial position or performance of the Company in the first six months of the current financial year or to the date of this report.

### GOING CONCERN

As detailed in the notes to the financial statements and in the Annual Report for the year ended 30 April 2024, the Board continually monitors the financial position of the Company and has considered for the six months ending 31 October 2024 a detailed assessment of the Company's ability to meet its liabilities as they fall due. The review also included consideration of the level of readily realisable investments and current cash and debt ratios of the Company and the ability to repay the outstanding bank facility. Repayment of the bank facility would equate to approximately 40% of the total cash and cash equivalents readily available to the Company as at 31 October 2024.

In light of the results of these tests on the Company's cash balances and liquidity position, the Directors consider that the Company has adequate financial resources to enable it to continue in operational existence. Having carried out the assessment, the Directors are satisfied that it is appropriate to continue to adopt the going concern basis in preparing the financial results of the Company. The Directors have not identified any material uncertainties or events that might cast significant doubt upon the Company's ability to continue as a going concern.

The assets of the Company comprise mainly of securities that are readily realisable and accordingly, the Company has adequate financial resources to meet its liabilities as and when they fall due and to continue in operational existence for the foreseeable future.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Directors of Polar Capital Technology Trust plc, all of whom are listed in the Directors and Contacts Section, confirm to the best of their knowledge and belief that:

- The condensed set of financial statements has been prepared in accordance with UK-adopted International Accounting Standard 34, and gives a true and fair view of the assets, liabilities, financial position and profit or loss of the Company as at 31 October 2024;

The Interim Management Report includes a fair review of the information required by:

a) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

b) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

The Half Year Report for the six-month period to 31 October 2024 has not been audited or reviewed by the Company's Auditor. The Half Year Report for the six-month period to 31 October 2024 was approved by the Board on 9 December 2024.

**On behalf of the Board**

**Catherine Cripps**
**Chair**

# INVESTMENT MANAGER'S REPORT

**Market Review**

The fiscal half-year to 31 October 2024 saw global markets continue their rebound from their October 2023 lows, the MSCI All Country World Index gaining +7.8% in sterling terms during the period. Economic growth remained firm despite significant geopolitical volatility, supported by a resilient consumer despite a gradual softening in labour markets. In the US, GDP growth rebounded to 3% and 2.8% in Q2 and Q3 2024 respectively, following a disappointing first quarter when the economy could only grow by 1.6%. Stronger growth, with inflation continuing to moderate, saw the case for a US 'soft landing' (where inflation comes down without causing a recession) strengthen during the period.

Equity market returns were driven by the US (S&P 500: +10.9%) and Asia (MSCI All Country Asia ex Japan Index: +8.5%) with Europe (Eurostoxx 600: +0.6%) and Japan (TOPIX: -0.1%) trailing. US large-cap stocks continued to dominate with the Russell 1000 (large cap) Index +10.8% as compared to the Russell 2000 (small cap) Index +9.0%. However, market breadth began to show some improvement by period end, with advance-decline lines (a measure of market breadth based on the number of advancing and declining stocks) for the S&P 500, NASDAQ 100 and NYSE reaching all-time highs in September and October. Chinese-related equities performed very strongly into the end of the fiscal half year following announcements of significant government stimulus measures to help achieve 5% GDP growth for the year and included a host of measures to boost the struggling property market. The Shanghai Shenzhen CSI 300 Index rose +29% from 13 September, rebounding from a five-year low to a one-year high by the end of the month, although around a fifth of the gains were reversed in October.

Volatility trended higher during the period, marked by a pronounced spike in August following weak US labour market data and significant yen strength after the Bank of Japan (BoJ) hiked its policy rate by 0.25% and announced plans to halve its purchases of Japanese government bonds. This prompted a sharp unwind of the yen carry trade (where investors borrow 'cheaply' in yen – as Japanese interest rates are lower – to buy other assets/currencies) and a market correction. The magnitude of the correction was unusual: the VIX Index (a measure of volatility) touched 60, its third highest level in recent history after Covid (2020) and the global financial crisis (2008). However, developed markets rebounded sharply on the back of renewed confidence in US economic resilience and coordinated actions from Japan's government and central bank.

Strong equity market returns coincided with renewed progress on inflation, especially after some stronger than hoped for readings early during the calendar year. The 'core PCE' (Personal Consumption Expenditure) rate, which is the Federal Reserve's (Fed) preferred measure and excludes volatile items like food and energy, averaged 2.7% on a year-on-year basis during the fiscal half-year period, trending down from 3.1% for the prior six months, and 4.3% for the six months before that. The inflation picture continued to improve globally, which changed the balance of risks for many central banks, including the Fed. As a result, focus shifted from managing the risk of higher/sticky inflation to supporting economic growth and the labour market which has prompted many to shift into interest rate-cutting mode. Oil prices also fell during the period, potentially underpinning a softer inflation outlook, despite further escalation of political tensions in the Middle East as Israel intensified its efforts against Hezbollah in Lebanon and Iran launched ballistic missiles into Israel in response.

The labour market continued to cool during the period with the July jobs report sending a recessionary warning signal by triggering the Sahm Rule (when the three-month moving average unemployment rate increases 50 basis points (bps[1]) from its lowest point during the previous 12 months). However, the unemployment rate ticked lower in subsequent jobs reports while Treasury yields fell and financial conditions loosened in anticipation of the start of the Fed's interest rate-cutting cycle. This started with a -50bps cut at its September meeting, which marked a near-term low as yields moved sharply higher as Donald Trump's election prospects improved and concerns around the fiscal deficit (whichever candidate prevailed) intensified. The rise in yields did little to discourage equity markets, with the S&P 500's year-to-date (YTD) return into the US presidential election the third highest on record at c.+22%.

[1] A basis point is a common unit of measure for interest rates and other percentages in finance. One basis point equals 0.01%

**Technology review**

The technology sector led equity markets higher during the fiscal half year as the Dow Jones Global Technology Index returned +14.1% against the FTSE World Index's +8.0%. Technology outperformance was driven by Artificial Intelligence ("AI") which continued to dominate both sector returns and the investment narrative. While strong AI fundamentals were the underlying driver of this outperformance, technology stocks also enjoyed some relative valuation expansion. During the period, the S&P 500 Information Technology sector saw its valuation premium to the S&P 500 Index expand to 1.37x from 1.28x.

Large-cap technology stocks continued to significantly outpace their small and mid-cap peers as the Russell 1000 (large cap) Technology Index and Russell 2000 (small cap) Technology Index delivered returns of +16.2% and +3.3% respectively. Similarly, the market cap-weighted NASDAQ 100 Index gained +11.4% while the equal-weighted NASDAQ 100 (the same stocks held at equal weights) returned just +3.2%. These divergences reflected remarkable returns enjoyed by some of the largest index constituents including NVIDIA (+49%), Apple (+29%), Meta (+28%) and Broadcom (+27%), all of which benefited from AI-related strength during the period. The absence of mega-cap 'AI-winners' saw the Dow Jones World ex-US Technology sector (W2TEC) continue to underperform meaningfully, rising just +4.7%.

There was also considerable variance in subsector performance: the Bloomberg Americas Software Index and the NASDAQ Internet Index returning +8.2% and +11% respectively while the Philadelphia Semiconductor Index (SOX) increased just +3.4% and the NYSE Arca Computer Hardware Index fell by -4.1%.

The surprising underperformance of semiconductor stocks given the progress made by AI reflected a significantly more challenging period for non-AI end markets. TSMC (+29%) – the world's leading semiconductor foundry – set the scene for this bifurcation in April when it outlined a 50% AI compound annual growth rate (CAGR) over the next five years while reducing its expectations for overall semiconductor industry growth (ex-memory) to just +10% y/y. This proved prescient, helping TSMC deliver strong results, increased capital expenditure (capex) and higher pricing amid "strong structural demand from AI".

This was heavily influenced by strength at its second largest customer, NVIDIA (+49%) which delivered an outstanding Q1 in May with revenues +262% y/y. While reported delays to its next-generation Blackwell chips created some stock price turbulence later in the period, CEO Jensen Huang reassured investors that the chip design issues had been solved and would result in only a three-month delay. Any outstanding concerns were laid to rest in August, when NVIDIA once again exceeded market expectations and announced it expected "several billion dollars of Blackwell revenue" towards the end of 2024.

AI chip rival Broadcom (+28%) also enjoyed strong demand in its custom silicon business as hyperscaler[2] customers continued to supplement graphics processing units (GPUs) with their own ASIC (application-specific integrated circuits) designs. Broadcom's networking business also performed well as key customers such as Arista Networks (+46%) benefited from AI-related data centre spending. In contrast, Advance Micro Devices (AMD; -11%) fared less well despite making good progress in its own AI chips. This reflected cyclical headwinds that weighed on its non-AI revenues as well as concerns that NVIDIA's expansion into full-stack AI systems might frustrate AMD competitive efforts. This view was seemingly supported by AMD's acquisition of server builder ZT Systems for $4.9bn in August.

Things were considerably worse at long-time AMD rival Intel* (-31%) which reduced guidance, suspended its dividend, cut capital spending and booked a record loss during the period. Intel's* travails largely reflected the challenge of competing with TSMC and the shift to AI-centric compute. However, Intel* – like many of its semiconductor peers - also struggled with cyclical headwinds that impacted demand in many non-AI markets including PC, smartphone and electric vehicle (EV)/automotives. This weakness frustrated earlier hopes of a cyclical recovery, and weighed on non-AI exposed chipmakers, including memory suppliers such as Micron Technology (-14%).

[2] Cloud based services and applications
* not held

Strong AI-related demand for leading-edge manufacturing allowed semiconductor equipment suppliers such as KLA (-6%) to shrug off non-AI end market weakness. However, equipment providers reversed their earlier gains following foundry-related capex cuts at both Intel* and Samsung Electronics**. Furthermore, weak Q3 orders at ASML Holding (-26%) pointed to a potentially permanent change in leading-edge market dynamics. This, together with concerns about potentially tighter export controls to China in the event of a Trump victory, weighed heavily on the group.

Company fortunes were also bifurcated within the internet/cloud subsector, reflecting different AI starting points and significantly upward revisions to capex plans. **Meta's** renaissance continued as it posted strong results that were more than sufficient to allay any concerns about increased AI-driven capex. The company showed strong signs of AI progress across its platform with AI-driven feed improvements said to have increased time spent on Facebook and Instagram by 8% and 6% respectively. The company expects MetaAI to become the most used AI assistant by the end of this year, while downloads of its Llama LLMs (large language models) are approaching 350 million, a more than 10-fold increase from a year ago. By contrast, **Alphabet** (+2%) underperformed, despite core search resilience and Google Cloud Platform (GCP) exceeding expectations. This reflected disappointment at YouTube, higher capex spending to support AI investments and a legal ruling in August that found its agreement with Apple (to be the default search engine on iPhones) in violation of antitrust laws. Likewise, **Amazon** (+4%) failed to fully capture the AI zeitgeist with its retail and cloud (Amazon Web Services, or AWS) businesses rarely in sync, while operating margins proved highly variable. While reacceleration at AWS during the period was encouraging, generative AI (GenAI[3]) – reported to be a multi-billion run rate business growing triple digits – remains a relatively small contributor today.

Instead, upside in AI-driven cloud growth was better captured at **Oracle** (+44%) which prior to GenAI had struggled with its own cloud (Oracle Cloud Infrastructure, or OCI) efforts. However, strong AI-related demand, helped by expanded relationships with both NVIDIA and Microsoft, saw OCI backlog reach $99bn (+53% y/y). This emboldened Oracle management to raise its FY26 revenue target as well as initiate an ambitious FY29 revenue target of $104bn. **Microsoft** (+2%) also captured cloud share during the period, with AI contributing strongly to Azure growth. The company expects its AI business to exceed a $10bn annual revenue run rate next quarter and 70% of the Fortune 500 companies are said to be using M365 Copilot products. However, these gains did not translate into meaningful positive earnings revisions, in part due to higher capital spending necessary to meet AI demand, as well as higher 'other income' losses associated with its OpenAI investment.

Within the broader internet/cloud subsector, streaming entertainment winners **Netflix** (+34%) and **Spotify** (+34%) performed well as both flexed their leadership positions. Netflix subscriber numbers exceeded expectations, helped by an earlier crackdown on password sharing, price increases and its ad-supported tier. Spotify also delivered better than expected subscriber growth, with ARPU (average revenue per user) accelerating as it also raised pricing. **The Trade Desk** (+41%) also outperformed due to strength in the Connected TV advertising market and partnerships with Netflix, Disney and Roku beginning to bear fruit.

The software sector performed well during the period, although returns were heavily influenced by strong performances from several large-cap companies able to demonstrate AI monetisation. In addition to Oracle, these included **ServiceNow** (+31%) which delivered robust results, further disclosure around AI product contribution and gave commentary around a 30% realised pricing uplift for its AI products. Likewise, **SAP** (+25%) produced solid results, helped by improved execution on its long-anticipated cloud model transition and strong cost controls supporting positive earnings revisions. However, most software companies fared less well as AI spending 'crowded out' traditional projects and caused some enterprises to adopt a more considered investment approach given the potential risk posed by AI to the existing software stack. While **Adobe** (+0%) and **Salesforce** (+5%) both underperformed, consumption/data-related software companies such as **MongoDB** (-28%) and **Snowflake** (-28%) had to contend with further spend/usage optimisation, increased competition and AI uncertainty.

[3] GenAI: a type of AI that can create new content and ideas including conversations, stories, images, videos and music

* not held

** sold during reporting period

Against this backdrop, cybersecurity proved a relative bright spot despite the **CrowdStrike**** (+1%) IT outage in July when a faulty software update caused 8.5 million systems to crash resulting in the largest outage ever with financial damage estimated at $10bn. Regardless, cyber budgets remained robust, reflecting an increasingly sophisticated and evolving threat landscape, further intensified by AI. **CyberArk Software** (+12%) benefited from heightened risk (and some high profile breaches) of identity-related attacks. **Palo Alto Networks** (+20%) was perceived as a potential share gainer from the fallout of the CrowdStrike** debacle.

AI also provided tailwinds for both **Apple** (+29%) and **Tesla** (+33%) despite challenging smartphone and EV end markets. For Apple, results were uninspiring but overshadowed by excitement about a potential AI-driven iPhone upgrade cycle following the release of Apple Intelligence, its suite of AI features integrated into iOS 18 announced in June. Despite challenging macroeconomic conditions, Tesla met vehicle delivery expectations, albeit with variable automotive gross margins. However, investor sentiment was buoyed by AI-driven progress in its full self-driving (FSD) solution despite its robotaxi event in October failing to live up to elevated expectations.

The IPO market remained extremely quiet during the period, with Morgan Stanley unable to find any historical examples of higher public market technology valuations and lower technology IPO volume than we are seeing today. At today's valuation levels, IPO activity has typically been 50-60% higher. Global technology M&A run rate for deals >$50m remains subdued at a c$270bn run rate in 2024, well down from the $450-500bn seen in 2020-22. Private market funding activity has accelerated this year but is unsurprisingly being driven by AI, with AI companies making up 44% of new North American Unicorns (valued >$1bn) YTD. At the larger end, frontier model builders have demanded ever-larger sums to finance the compute, data and power required to pursue scaling laws: OpenAI raised $6.6bn equity at a $157bn valuation and xAI raised a record 'Series B' round of $6bn, to take the total cumulatively raised by the seven largest private GenAI companies to c$35bn.

**Portfolio performance**

The Trust underperformed its benchmark during the period, with the net asset value (NAV) per share increasing by +11.7% during the first half of the financial year versus +14.1% for the sterling-adjusted Dow Jones World Technology Net Total Return Index. This largely reflected the remarkable performance of a select group of US mega-cap technology stocks which delivered strong positive returns in contrast with moribund returns in other geographies and market-cap tiers. Although the Trust benefited from large absolute positions in these stocks, it remains structurally underweight mega-caps. Once again the Trust delivered top-quartile performance versus our Lipper peer group for the fiscal half year and calendar year to date, reflecting the narrowness of the market and the challenge of outpacing a market cap-weighted benchmark firing on most cylinders.

The greatest detractor from performance during the period was our continued underweight exposure to mega-caps which significantly outperformed every other market-cap tier during the period. In addition, our average cash position of 3.1% and NDX (NASDAQ 100) put options[4] cost 55bps and 10bps respectively. However, stock selection was strongly positive as our pivot to AI was rewarded across most geographies and market-cap tiers. The Trust's share price advanced by 6.3%, reflecting the 11.7% higher NAV, offset by the discount widening from -13.4% to -14.5% during the period. We continue to monitor the discount, and the Trust bought back 19.34 million shares (post-split) during the period and had 1,186,874,680 shares in issue as at 31 October 2024.

At the stock level, our large underweight position in Apple (+29%) proved the most significant detractor to relative performance (-104bps) as excitement about a potential AI-driven iPhone refresh cycle overshadowed moribund growth. Our NVIDIA (+49%) holding, which averaged 11.2% of NAV, delivered a remarkable +481bps in absolute performance terms during the half year. However, this outsized position was still underweight relative to our benchmark, resulting in a -35bps drag in terms of relative performance. In addition, NVIDIA perceived dominance of the GPU market weighed on our AMD position, despite it guiding AI GPU sales to exceed $5bn in 2024, up from forecasts of more than $2bn at the start of the year.

[4] A put option grants the right to the owner to sell some/all of an underlying security at a specified price, on or before the option's expiration date
* not held
** sold during reporting period

Relative performance was also negatively impacted by pronounced weakness in semiconductor equipment stocks, one of our preferred ways of gaining exposure to leading edge (AI) semiconductors. Uncertainty around high bandwidth memory (HBM) spending, capex cuts at Intel* and Samsung Electronics** and an unexpected reset at ASML weighed on our overweight KLA (-6%), BE Semiconductor (-23%) and ASM International (-15%) positions. Although we were modestly positioned in non-AI related semiconductor companies, cyclical headwinds and a 'crowding out' of traditional spending negatively impacted several of our positions including Micron (-14%) and Teradyne** (-11%). These headwinds, together with weak demand in China, also negatively impacted automation stocks, and our last remaining robotics-related holding, Harmonic Drive Systems (-29%).

The Trust was also negatively impacted by several growth software stocks where higher interest rates, a choppy demand backdrop and in some cases poor execution more than offset AI-related positives, resulting in underperformance at Confluent (-9%), Elastic (-24%) and JFrog (-29%). Relative performance was also negatively impacted by our overweight position in CrowdStrike** (-1%) following the summer IT outage caused by its faulty software update. As ever, there were a few genuine disappointments during the period such as Hamamatsu Photonics and ASM Pacific, although these were contained to the portfolio tail.

In terms of positives, the most important performance contribution during the half year was our earlier decision to pivot the portfolio significantly towards AI. This involved the introduction of an 'AI lens' to our investment process to help assess every portfolio holding and potential holding in terms of its positioning in an AI-first world. As a result, the Trust benefited from positive stock selection and an overweight exposure to the AI theme that again dominated returns and investment discourse during the period.

Our AI-first approach has emboldened us to rebuild or hold larger positions in AI-winners such as NVIDIA, while providing us with a framework to avoid companies and themes we perceive to be on the 'wrong side' of likely AI progress. During the period, this was evident in strong performances in several outsized AI-related holdings including Advantest (+85%) which significantly exceeded consensus expectations, driven by strength in its system-on-chip (SoC) testers used for AI chips as well as robust sales of high-bandwidth memory (HBM) testers. Likewise, we significantly increased our position in long-time holding TSMC (+28%) given its dominant position in leading-edge chip manufacturing. The company delivered strong results during the period, with evidence of its pricing power becoming more apparent. We also increased our position in Meta (+28%) which we consider the best positioned of the internet giants with 'many ways to win' in an AI-centric world.

The portfolio also benefited from the strong performance of Arista Networks (+46%), another long-term holding that we have scaled up given its exposure to hyperscale customers and their datacentre / AI-related spending. Demand for faster networking and increased optical speeds also helped Nitto Boseki (+33%), a Japanese supplier of optical-grade glass fibre critical in higher speed transmission. Positive contributions were also delivered by smaller networking-related positions including Fabrinet (+35%), Coherent (+64%) and Celestica (+32%). After avoiding networking stocks for almost two decades, we are actively looking for more opportunities to gain exposure in an AI-centric world as data centre spending, power shortages and inference workload needs could lead to a revival of networking fortunes.

Our AI lens further aided performance by helping us avoid or reduce exposure to companies having to contend with AI-related headwinds. One of the best examples of this was Samsung Electronics** (-28%) where we were materially underweight (and exited during the half year). While the company remains a critical memory supplier, it has struggled with yields in HBM, in contrast to local rival SK Hynix. Our AI lens also helped us avoid Intel* (-30%) which so far appears to be the highest profile mega-cap casualty of an AI-centric compute world.

Our relative performance further benefited from our underweight position in Alphabet (+2%) reflecting concerns that the company might yet be a net loser from AI with its dominant position in search and/or search industry economics potentially at risk from AI-based alternatives from OpenAI, Perplexity and others. Finally, our somewhat jaundiced view of the listed software sector (informed by AI-related concerns) benefited relative performance via underweight or zero holdings in Intuit, Workday and Microsoft.

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* not held
** sold during reporting period

During the half year, the portfolio also benefited from a number of stock-specific successes including Spotify (+34%), The Trade Desk (+41%) and Tesla (+33%). However, the most pleasing of these has been Axon Enterprise (+31%), a stock we first bought in 2014.

During the period, Axon Enterprise – maker of Tasers and body cameras – delivered strong results across all product lines. However, this was overshadowed by the introduction of its AI powered report writing software Draft One, reported to be able to auto-draft c80% of a police report in just six minutes, based on audio content captured on body cameras. Not only did this directly benefit portfolio performance (by c25bps) but we believe it represents an early glimpse and important waypoint into the innovation and productivity gains we expect to become commonplace in the AI era.

**Portfolio activity**

We continue to be active in the portfolio to maintain significant AI exposure via stocks which sit on the right side of the AI trade. The AI technology stack and supply chain are evolving very quickly as the annual product cadence of semiconductor chips brings opportunities as well as challenges. Against this backdrop we have tried to run winners, reduce exposure to also-rans and remain nimble given the breakneck pace of technological improvement and the twists and turns this brings.

We have been positively surprised by the pace of AI adoption at some early beneficiaries in subsectors adjacent to traditional core technology and added small positions in some of the most promising, including RELX on the data side and Eaton for exposure to the growing power demands of AI compute. The AI power theme is a new area for us and a good example of how our AI-first approach should inform us of where the puck is headed.

We continued to dial down our software exposure as we remain sceptical that many existing packaged application software vendors will prove good conduits for AI adoption as the technology continues to advance. We exited our remaining positions in Intuit, Salesforce, Workday and Adobe during the period and added small positions in Palantir Technologies and Samsara. We also see significant uncertainty around the nature and durability of infrastructure software in an AI-first world and exited our small position in Confluent.

We reduced exposure to smartphone, auto industrial and other more mature markets which showed limited signs of bottoming despite occasional green shoots. In addition, higher fiscal deficits, together with the prospect of a Trump presidency, resulted in considerable policy uncertainty (including risk to Inflation Reduction Act funding). However, the Trust was only directly impacted via its holding in First Solar having previously exited its other clean energy holdings.

The Trust's positioning has not changed significantly in recent weeks, with the portfolio still materially exposed to GenAI enablers and beneficiaries. However, we made some portfolio adjustments coming into the US election. We became less positive on the semiconductor production equipment (SPE) sector, reducing exposure and fully exiting ASML Holding, as tighter US/China technology export restrictions and manufacturing challenges at Intel* and Samsung Electronics** (both lost significant market share) continue to weigh on sentiment and the trajectory of wafer manufacturing equipment growth next year. In addition, we reduced smartphone exposure on mixed data points (especially relating to iPhone 16 demand), including an exit of our underweight Qualcomm* position, which also reflected some concern about potential future M&A interest in Intel*.

**Market concentration**

For several years we have reminded our shareholders of the concentration risk both within the Trust and the market cap-weighted index around which we construct the portfolio. After another period of pronounced large-cap outperformance, concentration risk remains elevated. At the half year, our three largest holdings – NVIDIA, Microsoft and Meta – represented c27% and c33% of our NAV and benchmark respectively, while our top five holdings (which include Apple and TSMC) represent c37% and c51% of our NAV and benchmark respectively.

As a large team with a growth-centric investment approach, we would welcome the opportunity to move materially underweight positions in the largest index constituents should we become concerned about their growth prospects, their positioning in an AI-first world or if we believe there are more attractive risk/reward profiles elsewhere.

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* not held
** sold during reporting period

That said, large-cap returns continue to dominate small-cap returns and the so-called Magnificent Seven (Mag7) [5] have accounted for nearly half the S&P 500's capital appreciation during the calendar year – a further reminder of the opportunity cost associated with a premature move away from unique assets, many of which capture the zeitgeist of this technology cycle.

Index concentration does not appear to be driven entirely by ebullient valuations; the Mag7 explain both c30% of S&P 500 market cap and, for 2025, consensus has $2.32trn as net income for the S&P 500, 30% of which is expected to come from the Mag 7. Back in 2019, it was $1.3trn in net income, 13% of which came from the Mag 7, according to Bank of America. Likewise, according to Bloomberg, the 'Magnificent Seven Index' trades at 29x 2025 P/E[6] ratio, which does not seem excessive for estimated c18% earnings growth CAGR.

The past six months support our earlier view that AI plays well into mega-caps given their significant scale advantages. However, while the Trust is able to hold up to a full benchmark weight subject to a maximum limit of 15%, we still find it difficult to argue for holding much more than 10% in any individual stock as we struggle with the idea that we are reducing risk by making the portfolio ever more concentrated. Our intention remains to construct a diversified portfolio comprising the best of what the benchmark has to offer, plus a selection of growth technology companies which investors may lack the resources or expertise to discover, analyse and monitor for themselves. We continue to believe that a diversified portfolio of growth stocks and themes capable of outperformance and constructed to withstand investment setbacks will deliver superior returns over the medium to long term, particularly on a risk-adjusted basis.

**Market Outlook**

The US equity market and the dollar responded positively to Donald Trump's decisive presidential election victory and the likely Republican control of both the Senate and House of Representatives, as markets welcomed a pro-business, anti-regulatory agenda expected to support corporate investment and capital deployment. However, concerns remain around tariffs, higher fiscal deficits and reduced immigration tightening the labour supply. At a time of above-average valuations and significant geopolitical uncertainty, these factors could drive higher inflation, pushing up yields and tightening financial conditions, potentially slowing the economy.

A new round of tariffs on China would likely be inflationary. If the full 60% tariff on Chinese imports went into effect, this would likely boost US core PCE by 0.3-0.4%, while a 10% 'across the board' tariff might add around +1% to inflation, according to Goldman Sachs. Indeed, the uncertainty around the scope and size of tariffs may well tighten financial conditions anyway, just as it did in 2018-19, which could weigh on capital investment and valuation multiples.

Growing deficits and debt burdens are another concern. Extending the 2017 tax cuts would leave the total and primary deficit at 6.4% and 3.1% of GDP in FY24, at uncomfortably high levels given that US debt-to-GDP is roughly 100% and could reach 130% within a decade. While this may support higher nominal growth near term, the risk of a rebound in inflation as well as the lurking threat of debt markets being unwilling to finance such fiscal largesse at prevailing rates could jeopardise the path of future interest rate cuts.

Trump is the most prominent example of voters voting against incumbent regimes, with every governing party facing an election in a developed country this year losing vote share, including Harris, Sunak, Macron and Modi. However, there is no apparent public appetite for fiscal conservatism and public debt is set to rise above $100trn in 2024, or about 93% of global GDP, and is projected to reach 100% of global GDP by 2030, 10 points higher than in 2019. There are significant structural drivers of the growing public debt burden, including the costs of an aging population, increasing healthcare and climate adaptation costs, and a step up in defence and energy security spending due to growing geopolitical tensions. While not necessarily a problem for the market or the economy in the near term, rising debt-to-GDP should lead to higher interest rates which could crowd out private investment and constrain central banks' freedom of manoeuvre.

[5] Apple, Microsoft, Alphabet, Amazon, NVIDIA, Meta and Tesla
[6] P/E stands for price-to-earnings ratio, which relates a company's share price to its earnings per share.

Another potential challenge comes in the form of above average valuations, with the S&P 500 forward P/E ratio at 22.2x, ahead of the five-year (19.6x) and 10-year (19.1x) averages, a decade during which US 10-year Treasuries typically yielded less than 3%. Earnings forecasts may also prove optimistic, with consensus earnings growth calling for 9.4% and 14.8% earnings per share growth in 2024 and 2025 respectively. However, valuation needs to be seen in the context of fundamentals with a historically low interest rate environment, high levels of profitability and high returns on equity.

Likewise, US market concentration – close to its highest level in a century – poses a potential risk to future returns. Today, the 10 largest companies make up 36% of the S&P 500 and trade at a forward P/E ratio of 31x, well above the remaining 490 stocks at 19x. While history suggests it is very difficult to maintain high levels of sales growth at high profit margins for extended periods of time, we have consistently argued this concentration (and associated returns and premium valuations) reflects the economic reality of the digital era where 'winners take most'. These winners – mostly technology companies – have enjoyed remarkable network effects, near-zero marginal cost of distribution and customer (or user) bases in the billions. The advent of AI could serve as a catalyst for non-technology sectors to take on more technology-like characteristics and support 'supernormal' future profit growth more broadly.

We also believe AI has the potential to significantly improve labour productivity, which would boost economic growth and corporate earnings while constraining inflation, making valuation concerns something of a moot point. This might already be happening, with US productivity above 2% on a quarter-on-quarter annualised basis and running 3.5% above its pre-Covid (2015-19) trendline, according to Piper Sandler. AI is being adopted significantly faster than prior general purpose technologies with 40% of Americans having used AI within two years of ChatGPT's launch versus only 20% of Americans having used the internet within two years of launch. We are optimistic on the potential for AI to accelerate economic growth.

We are also mindful of the fact that strong equity market returns, particularly when they coincide with low realised volatility, often beget further strength. While instinctively it may feel that this is 'as good as it gets', history suggests that similar periods of strong returns and low volatility (1995, 1997) were followed by further strength (1996-98). While past performance is not necessarily a guide to future returns, a low volatility rally does not necessarily presage future market volatility or poor returns, nor does the duration or magnitude of the current bull market. According to Canaccord, the median bull market gain since 1957 (defined as a 20%+ gain off a low) has been nearly 80% and lasted 661 days, versus a c63% gain over 517 days for the current run through the end of October 2024. Finally, we are encouraged by the fact that cyclical S&P 500 sectors (consumer discretionary, financials, industrials and IT) all closed at record highs following the US election result; similar cyclical breakouts have heralded positive returns for the S&P 500 over the next 12 months 86% of the time.

Our view is that while a new US regime necessarily involves policy uncertainty, we remain hopeful that these are unlikely to derail the economy or challenge the favourable AI investment backdrop. For now, the US economy remains robust with annualised real (gross domestic product (GDP) growth at c2.5-3% and core PCE at c2.5%, which should be a supportive backdrop for risk assets. The stubborn 'last mile' to reach the 2% inflation target appears to be due to lagged catch-up inflation in areas such as housing, healthcare and car insurance, which have taken longer to respond to the increase in market rates or input costs but should continue to normalise or be ameliorated via productivity improvements. Measures of wage inflation also appear benign, including the US Employment Cost Index (ECI) which rose +0.8% in Q3, the lowest increase since 2Q21. Trump's policy priorities around tariffs and tax cuts will likely be somewhat inflationary, but we assume his sensitivity to market performance remains a curb on the most extreme outcomes.

We also expect the Fed to adjust policy should the labour market weaken significantly ("We do not seek or welcome further cooling in labour market conditions"), but may pause ahead of potentially more stimulative US policy and the prospect of (inflationary) import tariffs. Indeed, the terminal rate (the anticipated bottom of the current Fed cutting cycle) has increased from c275bps following the 50bps first cut to c350bps prior to the election, and may increase further with a new US policy agenda. Treasury yields and real interest rates have already bounced significantly from mid-September lows (ironically when the Fed began their current cutting cycle) and equity markets have digested the sharp move higher with apparent ease: the S&P 500 returned +3% on an c80bps move up in 10-year bond yields, the magnitude and speed of which would normally cause a decline in equity prices.

The market has taken Trump's election and the Republican clean sweep in its stride, with the expectation of lower taxes and a deregulatory agenda provoking hitherto elusive 'animal spirits'. We may be moving into a new phase for the economy (and for markets), with higher nominal economic growth, higher real rates, higher fiscal deficits, the rebuilding of term premia and somewhat higher inflation. Against this backdrop, equities can still deliver strong positive returns, but the conditions also look more conducive to a potential regime change in terms of market leadership. We have written before about the obstacles for market leadership changes without significant changes in the structure of the economy or the market, but with new governments across the world spending aggressively and the rapid proliferation of the next general purpose technology in the form of AI, the probability of a regime shift appears to be increasing.

**Technology outlook**

According to Gartner, AI annual spending is estimated to reach $1.5trn this year, rising to $2.4trn by 2028. Blackstone's CEO Stephen Schwarzman has spoken about the $1trn required over the next five years to build new data centres in the US, and another $1trn outside the US. Hyperscalers clearly concur, backing their AI hyperbole with head-turning capex budgets that in aggregate should exceed $300bn next year, +25% y/y and a near-doubling from 2023 levels.

While some investors are concerned about the return on investment associated with such rapid growth (and remarkable absolute dollar numbers), these are well-funded, high-ROIC (return on invested capital) businesses with billions of users. As such, we take confidence in their clear excitement and willingness to invest in AI at scale. The early indications regarding the return on the increased spend are positive. Since the end of 2022 (ChatGPT launched November 2022), aggregate hyperscaler capex has risen by $93bn while their aggregate cloud revenue backlog has increased by $184bn, according to Jefferies. Even more remarkably, OpenAI recently revealed it expects sales to increase from $3.7bn this year to $11.6bn in 2025.

This growth trajectory reflects consumer AI adoption that has been fast and furious. A Wharton study on 800 US enterprises found weekly AI usage among business leaders surged from 37% to 72%; Perplexity – an AI-powered Answer Engine and potential Google disruptor – disclosed it is now serving 100 million search queries a week, equivalent to c400 million per month, up from 250 million monthly queries in July. Likewise, OpenAI weekly active users jumped from 200 million in August to 250 million in September.

Enterprises have also embraced AI with enthusiasm, with use-cases already extending well beyond software copilots. Klarna's* high-profile endorsement of AI in early 2024 was an important moment when the company announced that AI had enabled it to reduce headcount from 5,000 to 3,800 with annual savings of $40m pa. More recently the company disclosed it had used internally developed AI tools to replace both Salesforce* and Workday*. Walmart* recently announced it had used GenAI to create or improve over 850 million pieces of data in its product catalogue, work that would have required "nearly 100 times the current headcount to complete in the same amount of time". Amazon CEO Andy Jassy echoed this when he discussed how using GenAI to help with Java software upgrades had saved the company equivalent to 4,500 developer-years of work and delivered $260m in annualised efficiency gains. With gains like this available, it is no surprise that generative AI share of IT budgets (c3% today) is expected to triple over the next three years.

Beyond the implications for productivity gains and structurally higher corporate margins, the application of AI on internal operations opens the aperture on the AI opportunity. Today c$5trn is spent on IT, as compared to c$40trn on the wages of knowledge workers. Should AI begin to substitute rather than augment labour, the total addressable market (TAM) for AI could expand meaningfully. Returning to the Klarna* example, the contact centre software market is today estimated to be $23bn to support 17 million human agents. However, as AI begins to replace humans, the TAM could exceed $500bn considering the fully loaded cost of an agent is likely $30-40k pa.

The key to unlocking this much larger opportunity (and a key point on the journey to artificial general intelligence, or AGI) rests on continued AI model and silicon improvement. To this end, recent LLM releases from Meta (Llama-3) and Anthropic (Claude 3.5) suggest that all-important scaling laws continue to hold. However, the release of OpenAI's o1 model in September was a more important moment for AI as an advanced implementation of 'chain-of-thought' reasoning. This enables the model to perform human-like multi-step reasoning; by breaking down complex tasks into manageable steps ('thinking' about the question), o1 significantly outperforms GPT-4o on most reasoning-heavy tasks and exceeds human PhD-level performance on a benchmark of physics, biology and chemistry problems. According to Sequoia, the o1 model has "opened up an entire new plane for scaling compute" – the more inference time compute given to the model, the better it reasons. Reasoning is a necessary precondition for agentic AI, widely considered to be the next iteration of AI, where systems have agency to autonomously plan, make decisions and execute tasks with minimal human intervention.

The race to agentic, and in time AGI, is on with expectations now anchored around a 2030 rather than a 2050 timeline. Hyperscalers are investing aggressively against this opportunity with Mark Zuckerberg warning he would "rather risk building capacity before it is needed, rather than too late" even if the amount of compute needed to train the next-generation (Llama 4) foundation model is c10x more than that used to train Llama 3. Sundar Pichai, CEO of Alphabet, has also expressed how "the risk of under-investing is dramatically greater than the risk of over-investing for us". Little wonder then that NVIDIA CEO Jensen Huang has said the next generation Blackwell chip is seeing "insane" demand.

Strength in cloud capex and data centre investments has led Gartner to raise its IT budget forecast for 2025, projecting spending to reach $5.7trn – a 9.5% year-over-year increase, the highest annual growth rate since 2011. This is anticipated to follow 7.2% growth this year, marking the strongest back-to-back increase in annual IT spending expected so far this century. While some might argue this surge is suggestive of a 'bubble,' we see elevated spending supporting our view that GenAI represents the next general-purpose technology (GPT), requiring substantial new infrastructure.

Notably, the accelerating growth predicted for this year and next resembles the early years of the internet, the last major GPT, when ICT (information and communication technology) spending grew 6.7% in 1994 and 11.8% in 1995. Over the following five years (1995-2000), annual IT spending growth averaged 7.7%, more than twice that of global GDP (c3.4%). While the internet boom ultimately ended in a bust, it was preceded by seven years of elevated IT spending, during which the technology sector's forward P/E ratio grew to more than twice the market multiple. By contrast, the current AI cycle is just two years old, while the technology sector's relative P/E today (c1.3x) is well below dot.com bubble levels.

Despite this, investors should be prepared for elevated volatility and bouts of AI-related risk aversion. This year, these have been triggered by concerns around the durability of AI infrastructure spending and the Blackwell chip delay. As we have previously stated, early stages of new technology cycles are often punctuated by intense periods of increased volatility. Interestingly, between 1995 and 1998 – the internet years prior to the dot.com 'melt up' – there were nine NASDAQ Index corrections of -10% or more, seven of which were drawdowns of -15% or greater. However, during this volatile period, the Index rose by c350%. While history is an imperfect guide, investors should anticipate future volatility even if – as we have seen during the half year – AI-related news flow remains overwhelmingly positive.

**Technology risks**

Our significant exposure to AI means any setbacks to the AI narrative could be magnified in the portfolio. These may include a slowdown in the pace of AI model improvement (including a tapering off of the 'scaling laws' observed thus far), production challenges presented by the rapid development cadence of each generation of leading edge semiconductors (as we saw with NVIDIA's Blackwell delay), and other bottlenecks in scaling AI such as sourcing sufficient power for data centres. Disappointing AI adoption (undermining investor confidence) or very rapid adoption (provoking public or political backlash) could also present challenges, although neither is likely to derail the technology's progress longer-term.

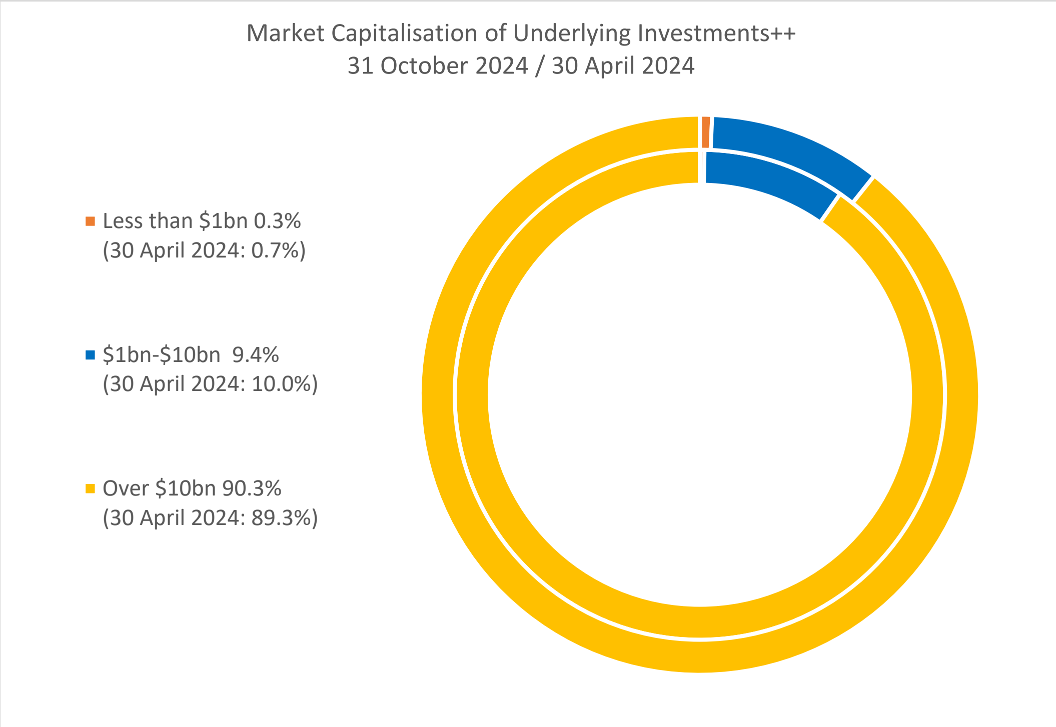
Regulation also presents a significant risk to the sector, especially where behavioural remedies may challenge some of the mega-caps' natural monopoly status. We are hopeful the worst-case scenarios will be avoided given potential changes in personnel leading some of the relevant government agencies (Department of Justice; Federal Trade Commission; Securities and Trade Commission) and the critical role mega-cap US technology companies will play in counterbalancing the AI threat from China. Indeed, a further deterioration in US-Sino relations may present a greater risk, and any escalation in tensions around Taiwan in particular would likely put pressure on the semiconductor industry.

**Conclusion**

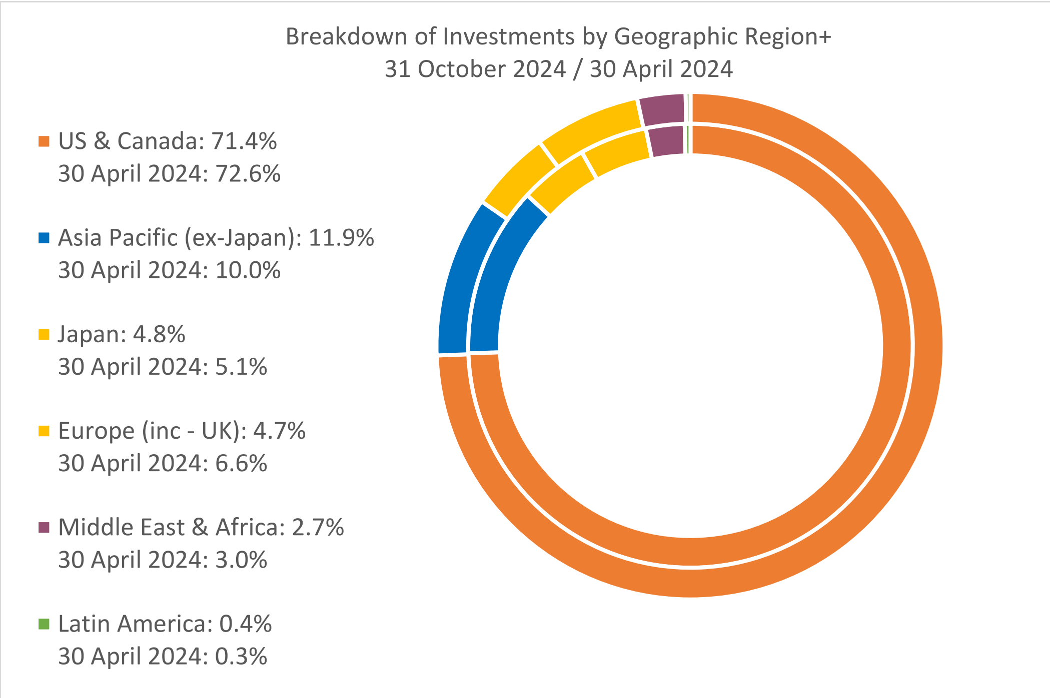
Early in this new cycle, we remain firmly AI 'maximalists,' encouraged by scepticism and bubble fears that appear driven more by expectations of mean reversion than by a true understanding of AI's potential. As long as scaling laws hold and budgets allow, AI capabilities will only continue to advance. As AI begins to more obviously substitute labour, its addressable market will expand far beyond IT spending alone. This should support a sustained, multi-year AI investment cycle that will benefit the technology sector as well as other industries, driving efficiency gains (through margin improvement), unlocking new revenue streams, and potentially enhancing valuations. Conversely, companies that fail to understand or adopt Generative AI may face significant challenges—or even existential threats to their business. For our part, we remain excited, inspired and optimistic about the AI era and the investment opportunities we believe it will create.

**Ben Rogoff & Alastair Unwin**
**Polar Capital Technology Trust**
**9 December 2024**

# PORTFOLIO BREAKDOWN




*++ % of invested assets*
*Outer circles represent data as at 31 October 2024, inner circles data as at 30 April 2024*




*+ % of Net Assets, totals do not add up to 100 due to the exclusion of other net assets*
*Outer circles represent data as at 31 October 2024, inner circles data as at 30 April 2024*

# CLASSIFICATION OF INVESTMENTS

**As at 31 October 2024++**

| | North America (inc. Latin America) | Europe | Asia Pacific (inc. Middle East) | Total 31 October 2024 | Total 30 April 2024 |
|---|---|---|---|---|---|
| | % | % | % | % | % |
| Semiconductors & Semiconductor Equipment | 23.5 | 1.8 | 10.6 | 35.9 | 35.2 |
| Software | 13.9 | 0.3 | 2.2 | 16.4 | 22.8 |
| Interactive Media & Services | 11.2 | 0.1 | 1.3 | 12.6 | 13.4 |
| Technology Hardware, Storage & Peripherals | 5.6 | - | 1.1 | 6.7 | 8.2 |
| Electronic Equipment, Instruments & Components | 2.2 | - | 2.9 | 5.1 | 3.8 |
| IT Services | 3.7 | 0.1 | - | 3.8 | 3.0 |
| Communications Equipment | 3.7 | - | - | 3.7 | 1.6 |
| Broadline Retail | 2.0 | - | 0.1 | 2.1 | 2.2 |
| Entertainment | 0.9 | 1.1 | - | 2.0 | 2.5 |
| Aerospace & Defense | 1.3 | - | - | 1.3 | 0.8 |
| Media | 0.9 | 0.2 | - | 1.1 | 0.5 |
| Electrical Equipment | 0.9 | - | - | 0.9 | - |
| Automobiles | 0.7 | - | - | 0.7 | 0.8 |
| Healthcare Equipment & Supplies | 0.4 | - | 0.3 | 0.7 | 0.4 |
| Hotels, Restaurants & Leisure | 0.5 | 0.1 | - | 0.6 | 0.5 |
| Building Products | - | - | 0.5 | 0.5 | 0.4 |
| Financial Services | 0.2 | 0.3 | - | 0.5 | 0.2 |
| Professional Services | - | 0.4 | - | 0.4 | - |
| Machinery | - | - | 0.3 | 0.3 | 0.8 |
| Life Sciences Tools & Services | - | 0.2 | - | 0.2 | 0.1 |
| Specialty Retail | - | 0.1 | - | 0.1 | - |
| Healthcare Technology | 0.1 | - | - | 0.1 | - |
| Chemicals | - | - | 0.1 | 0.1 | 0.1 |
| Trading Companies & Distributors | 0.1 | - | - | 0.1 | - |
| Ground Transportation | - | - | - | - | 0.3 |
| **Total investments (£4,007,531,000)** | **71.8** | **4.7** | **19.4** | **95.9** | **97.6** |
| Other net assets (excluding loans) | 2.1 | 1.0 | 2.8 | 5.9 | 3.7 |
| Loans | - | - | (1.8) | (1.8) | (1.3) |
| **Grand total (net assets of £4,179,544,000)** | **73.9** | **5.7** | **20.4** | **100.0** | **-** |
| At 30 April 2024 (net assets of £3,804,553,000) | 74.9 | 6.8 | 18.3 | - | 100.0 |

*++Classifications are derived from the Benchmark as far as possible. The categorisation of each investment is shown in the portfolio available on the Company's website. Not all sectors of the Benchmark are shown, only those in which the Company has an investment at the period end or in the comparative period.*

# PORTFOLIO OF INVESTMENTS

| Ranking | | | | | Value of holding £'000 | | % of net assets | |
|---|---|---|---|---|---|---|---|---|
| **31 Oct 2024** | **30 Apr 2024** | **Stock** | **Sector** | **Region** | **31 October 2024** | **30 April 2024** | **31 October 2024** | **30 April 2023** |
| 1 | (1) | Nvidia | Semiconductors & Semiconductor Equipment | North America | 496,521 | 395,876 | 11.9 | 10.4 |
| 2 | (2) | Microsoft | Software | North America | 297,240 | 335,337 | 7.1 | 8.8 |
| 3 | (4) | Meta Platforms | Interactive Media & Services | North America | 275,857 | 188,666 | 6.6 | 5.0 |
| 4 | (6) | Taiwan Semiconductor | Semiconductors & Semiconductor Equipment | Asia Pacific | 219,140 | 139,427 | 5.2 | 3.7 |
| 5 | (5) | Apple | Technology Hardware, Storage & Peripherals | North America | 195,144 | 163,959 | 4.7 | 4.3 |
| 6 | (3) | Alphabet | Interactive Media & Services | North America | 193,274 | 278,153 | 4.6 | 7.3 |
| 7 | (8) | Broadcom | Semiconductors & Semiconductor Equipment | North America | 175,372 | 96,108 | 4.2 | 2.5 |
| 8 | (13) | Arista Networks | Communications Equipment | North America | 102,607 | 62,166 | 2.5 | 1.6 |
| 9 | (14) | Cloudflare | IT Services | North America | 87,470 | 60,421 | 2.1 | 1.6 |
| 10 | (10) | Micron Technology | Semiconductors & Semiconductor Equipment | North America | 81,290 | 85,513 | 1.9 | 2.2 |
| **Top 10 investments** | | | | | **2,123,915** | | **50.8** | |
| 11 | (7) | Advanced Micro Devices | Semiconductors & Semiconductor Equipment | North America | 75,690 | 134,752 | 1.8 | 3.5 |
| 12 | (12) | Amazon.com | Broadline Retail | North America | 66,139 | 73,038 | 1.6 | 1.9 |
| 13 | (37) | Advantest | Semiconductors & Semiconductor Equipment | Asia Pacific | 65,265 | 26,645 | 1.6 | 0.7 |
| 14 | (16) | CyberArk Software | Software | Asia Pacific | 62,457 | 56,882 | 1.5 | 1.5 |
| 15 | (19) | ServiceNow | Software | North America | 57,078 | 43,916 | 1.4 | 1.2 |
| 16 | (41) | eMemory Technology | Semiconductors & Semiconductor Equipment | Asia Pacific | 53,818 | 25,127 | 1.3 | 0.7 |
| 17 | (38) | Tencent | Interactive Media & Services | Asia Pacific | 53,360 | 26,331 | 1.3 | 0.7 |
| 18 | (-) | Oracle | Software | North America | 49,005 | - | 1.2 | - |
| 19 | (21) | Spotify Technology | Entertainment | Europe | 48,122 | 40,702 | 1.1 | 1.1 |
| 20 | (18) | KLA-Tencor | Semiconductors & Semiconductor Equipment | North America | 47,795 | 47,574 | 1.1 | 1.3 |
| **Top 20 investments** | | | | | **2,702,644** | | **64.7** | |
| 21 | (26) | Axon Enterprise | Aerospace & Defense | North America | 47,765 | 31,277 | 1.1 | 0.8 |
| 22 | (33) | Quanta Computer | Technology Hardware, Storage & Peripherals | Asia Pacific | 46,691 | 27,418 | 1.1 | 0.7 |
| 23 | (17) | Disco Corporation | Semiconductors & Semiconductor Equipment | Asia Pacific | 45,320 | 55,005 | 1.1 | 1.4 |
| 24 | (89) | Palo Alto Networks | Software | North America | 41,698 | 4,101 | 1.0 | 0.1 |
| 25 | (44) | Shopify | IT Services | North America | 39,108 | 21,874 | 0.9 | 0.6 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 26 | (43) | Amphenol | Electronic Equipment, Instruments & Components | North America | 36,569 | 23,267 | 0.9 | 0.6 |
| 27 | (49) | The Trade Desk | Media | North America | 36,505 | 19,913 | 0.9 | 0.5 |
| 28 | (15) | Pure Storage | Technology Hardware, Storage & Peripherals | North America | 35,570 | 57,835 | 0.9 | 1.5 |
| 29 | (-) | Ciena | Communications Equipment | North America | 34,287 | - | 0.8 | - |
| 30 | (-) | MA-COM Technology Solutions | Semiconductors & Semiconductor Equipment | North America | 34,137 | - | 0.8 | - |
| **Top 30 investments** | | | | | **3,100,294** | | **74.2** | |
| 31 | (28) | Tesla | Automobiles | North America | 32,841 | 30,877 | 0.7 | 0.8 |
| 32 | (-) | TDK | Electronic Equipment, Instruments & Components | Asia Pacific | 30,240 | - | 0.7 | - |
| 33 | (25) | ASM International | Semiconductors & Semiconductor Equipment | Europe | 30,123 | 31,519 | 0.7 | 0.9 |
| 34 | (50) | E Ink | Electronic Equipment, Instruments & Components | Asia Pacific | 29,381 | 19,435 | 0.7 | 0.5 |
| 35 | (42) | MongoDB | IT Services | North America | 29,025 | 24,703 | 0.7 | 0.6 |
| 36 | (65) | Monolithic Power Systems | Semiconductors & Semiconductor Equipment | North America | 28,420 | 11,850 | 0.7 | 0.3 |
| 37 | (46) | Coherent | Electronic Equipment, Instruments & Components | North America | 26,572 | 20,575 | 0.7 | 0.6 |
| 38 | (48) | Monday.com | Software | Asia Pacific | 25,920 | 19,936 | 0.6 | 0.5 |
| 39 | (-) | Lotes | Electronic Equipment, Instruments & Components | Asia Pacific | 25,052 | - | 0.6 | - |
| 40 | (9) | ASML | Semiconductors & Semiconductor Equipment | Europe | 23,453 | 86,304 | 0.6 | 2.3 |
| **Top 40 investments** | | | | | **3,381,321** | | **80.9** | |
| 41 | (-) | Eaton | Electrical Equipment | North America | 23,439 | - | 0.6 | - |
| 42 | (53) | Nitto Boseki | Building Products | Asia Pacific | 22,673 | 16,690 | 0.5 | 0.4 |
| 43 | (51) | DoorDash | Hotels, Restaurants & Leisure | North America | 22,308 | 19,289 | 0.5 | 0.4 |
| 44 | (-) | AppLovin | Software | North America | 21,542 | - | 0.5 | - |
| 45 | (-) | SH Hynix | Semiconductors & Semiconductor Equipment | Asia Pacific | 19,487 | - | 0.5 | - |
| 46 | (61) | Roblox | Entertainment | North America | 19,476 | 13,212 | 0.5 | 0.4 |
| 47 | (63) | Fabrinet | Electronic Equipment, Instruments & Components | Asia Pacific | 18,247 | 12,655 | 0.5 | 0.3 |
| 48 | (32) | Netflix | Entertainment | North America | 17,779 | 28,412 | 0.4 | 0.7 |
| 49 | (-) | Relx | Professional Services | Europe | 17,670 | - | 0.4 | - |
| 50 | (27) | Datadog | Software | North America | 17,600 | 30,917 | 0.4 | 0.8 |
| **Top 50 investments** | | | | | **3,581,542** | | **85.7** | |
| 51 | (69) | MercadoLibre | Broadline Retail | North America | 17,348 | 10,587 | 0.4 | 0.3 |
| 52 | (59) | Elite Material | Electronic Equipment, Instruments & Components | Asia Pacific | 17,277 | 13,469 | 0.4 | 0.4 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 53 | (82) | Intuitive Surgical | Healthcare Equipment & Supplies | North America | 15,816 | 6,821 | 0.4 | 0.2 |
| 54 | (34) | HubSpot | Software | North America | 15,794 | 26,899 | 0.4 | 0.7 |
| 55 | (-) | Astera Labs | Semiconductors & Semiconductor Equipment | North America | 15,644 | - | 0.4 | - |
| 56 | (-) | Corning | Electronic Equipment, Instruments & Components | North America | 15,312 | - | 0.4 | - |
| 57 | (84) | Varonis Systems | Software | North America | 15,253 | 5,461 | 0.4 | 0.1 |
| 58 | (36) | SAP | Software | Europe | 15,134 | 26,651 | 0.3 | 0.7 |
| 59 | (45) | Harmonic Drive Systems | Machinery | Asia Pacific | 14,915 | 20,982 | 0.3 | 0.6 |
| 60 | (-) | GE Vernova | Electrical Equipment | North America | 14,072 | - | 0.3 | - |
| **Top 60 investments** | | | | | **3,738,107** | | **89.4** | |
| 61 | (-) | First Solar | Semiconductors & Semiconductor Equipment | North America | 12,859 | - | 0.3 | - |
| 62 | (64) | CommVault Systems | Software | North America | 12,483 | 12,120 | 0.3 | 0.3 |
| 63 | (74) | Hoya | Healthcare Equipment & Supplies | Asia Pacific | 12,365 | 8,276 | 0.3 | 0.2 |
| 64 | (-) | Adyen | Financial Services | Europe | 12,192 | - | 0.3 | - |
| 65 | (-) | Impinj | Semiconductors & Semiconductor Equipment | North America | 12,010 | - | 0.3 | - |
| 66 | (35) | Elastic | Software | North America | 11,982 | 26,879 | 0.3 | 0.7 |
| 67 | (80) | ASMPT | Semiconductors & Semiconductor Equipment | Asia Pacific | 10,972 | 7,231 | 0.3 | 0.2 |
| 68 | (55) | ARM ADR | Semiconductors & Semiconductor Equipment | Europe | 10,932 | 14,683 | 0.3 | 0.4 |
| 69 | (-) | Celestica | Electronic Equipment, Instruments & Components | North America | 10,615 | - | 0.2 | - |
| 70 | (-) | Cisco Systems | Communications Equipment | North America | 10,219 | - | 0.2 | - |
| **Top 70 investments** | | | | | **3,854,736** | | **92.2** | |
| 71 | (-) | Criteo Sa Spon ADR | Media | Europe | 8,861 | - | 0.2 | - |
| 72 | (54) | Tokyo Electron | Semiconductors & Semiconductor Equipment | Asia Pacific | 8,854 | 16,318 | 0.2 | 0.4 |
| 73 | (-) | Samsara | Software | North America | 8,585 | - | 0.2 | - |
| 74 | (81) | Nova | Semiconductors & Semiconductor Equipment | Asia Pacific | 8,548 | 7,111 | 0.2 | 0.2 |
| 75 | (-) | Palantir Technologies | Software | North America | 8,032 | - | 0.2 | - |
| 76 | (-) | DocuSign | Software | North America | 7,212 | - | 0.2 | - |
| 77 | (-) | F5 Networks | Communications Equipment | North America | 6,881 | - | 0.2 | - |
| 78 | (95) | Oxford Nanopore Technologies | Life Sciences Tools & Services | Europe | 6,445 | 2,012 | 0.2 | 0.1 |
| 79 | (-) | BWX Technologies | Aerospace & Defense | North America | 6,317 | - | 0.2 | - |
| 80 | (-) | Square | Financial Services | North America | 6,211 | - | 0.2 | - |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Top 80 investments** | | | | | **3,930,682** | | **94.2** | |
| 81 | (58) | BE Semiconductor Industries | Semiconductors & Semiconductor Equipment | Europe | 6,074 | 13,834 | 0.2 | 0.4 |
| 82 | (-) | Wise | IT Services | Europe | 6,017 | - | 0.1 | - |
| 83 | (-) | Zalando SE | Specialty Retail | Europe | 5,958 | - | 0.1 | - |
| 84 | (-) | Tower Semiconductor | Semiconductors & Semiconductor Equipment | Asia Pacific | 5,528 | - | 0.1 | - |
| 85 | (-) | Cellebrite | Software | Asia Pacific | 5,276 | - | 0.1 | - |
| 86 | (91) | Klaviyo | Software | North America | 4,970 | 2,841 | 0.1 | 0.1 |
| 87 | (-) | Global-e Online | Broadline Retail | Asia Pacific | 4,625 | - | 0.1 | - |
| 88 | (78) | Kinaxis | Software | North America | 4,386 | 7,651 | 0.1 | 0.2 |
| 89 | (-) | Doximity | Healthcare Technology | North America | 4,331 | - | 0.1 | - |
| 90 | (67) | Braze | Software | North America | 4,226 | 11,516 | 0.1 | 0.3 |
| **Top 90 investments** | | | | | **3,982,073** | | **95.3** | |
| 91 | (85) | MEC | Chemicals | Asia Pacific | 4,153 | 4,692 | 0.1 | 0.1 |
| 92 | (-) | Xometry | Trading Companies & Distributors | North America | 3,961 | - | 0.1 | - |
| 93 | (88) | Deliveroo | Hotels, Restaurants & Leisure | Europe | 3,813 | 4,197 | 0.1 | 0.1 |
| 94 | (-) | Camtek | Semiconductors & Semiconductor Equipment | Asia Pacific | 3,368 | - | 0.1 | - |
| 95 | (93) | VTEX | Interactive Media & Services | Europe | 3,225 | 2,532 | 0.1 | 0.1 |
| 96 | (-) | SiTime | Semiconductors & Semiconductor Equipment | North America | 2,409 | - | 0.1 | - |
| 97 | (94) | Seeing Machines | Electronic Equipment, Instruments & Components | Asia Pacific | 2,019 | 2,186 | - | 0.1 |
| 98 | (92) | Zuken | IT Services | Asia Pacific | 1,787 | 2,748 | - | 0.1 |
| 99 | (-) | Astroscale | Aerospace & Defense | Asia Pacific | 722 | - | - | - |
| 100 | (96) | Cermetek Microelectronics | Electronic Equipment, Instruments & Components | North America | 1 | 1 | - | - |
| | | **Total equities** | | | **4,007,531** | | **95.9** | |
| | | **Other net assets*** | | | **172,013** | | **4.1** | |
| | | **Total net assets** | | | **4,179,544** | | **100.0** | |

Note: Asia Pacific includes Middle East and North America includes Latin America.
*Refer to Balance Sheet below for more details.

# STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 31 OCTOBER 2024

| | | (Unaudited) | | | | | | (Audited) | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | **Six months ended 31 October 2024** | | | Six months ended 31 October 2023 | | | Year ended 30 April 2024 | | |
| | Note | **Revenue Return £'000** | **Capital Return £'000** | **Total Return £'000** | Revenue Return £'000 | Capital Return £'000 | Total Return £'000 | Revenue Return £'000 | Capital Return £'000 | Total Return £'000 |
| Investment income | 2 | **10,747** | **-** | **10,747** | 7,336 | - | 7,336 | 15,471 | - | 15,471 |
| Other operating income | 2 | **3,374** | **-** | **3,374** | 3,494 | - | 3,494 | 6,438 | - | 6,438 |
| Gains on investments held at fair value | 3 | **-** | **439,407** | **439,407** | - | 341,136 | 341,136 | - | 1,147,978 | 1,147,978 |
| Gains/(losses) on derivatives | 4 | **-** | **3,925** | **3,925** | - | (9,096) | (9,096) | - | (22,030) | (22,030) |
| Other currency (losses)/gains | 5 | **-** | **(3,548)** | **(3,548)** | - | 3,889 | 3,889 | - | (1,292) | (1,292) |
| **Total income** | | **14,121** | **439,784** | **453,905** | 10,830 | 335,929 | 346,759 | 21,909 | 1,124,656 | 1,146,565 |
| **Expenses** | | | | | | | | | | |
| Investment management fee | 6 | **(15,152)** | **-** | **(15,152)** | (12,155) | - | (12,155) | (25,919) | - | (25,919) |
| Other administrative expenses | 7 | **(793)** | **-** | **(793)** | (600) | - | (600) | (1,393) | - | (1,393) |
| **Total expenses** | | **(15,945)** | **-** | **(15,945)** | (12,755) | - | (12,755) | (27,312) | - | (27,312) |
| **(Loss)/profit before finance costs and tax** | | **(1,824)** | **439,784** | **437,960** | (1,925) | 335,929 | 334,004 | (5,403) | 1,124,656 | 1,119,253 |
| Finance costs | | **(912)** | **-** | **(912)** | (937) | - | (937) | (1,874) | - | (1,874) |
| **(Loss)/profit before tax** | | **(2,736)** | **439,784** | **437,048** | (2,862) | 335,929 | 333,067 | (7,277) | 1,124,656 | 1,117,379 |
| Tax | | **(1,305)** | **-** | **(1,305)** | (919) | - | (919) | (1,942) | - | (1,942) |
| **Net (loss)/profit for the period and total comprehensive (expense)/income** | | **(4,041)** | **439,784** | **435,743** | (3,781) | 335,929 | 332,148 | (9,219) | 1,124,656 | 1,115,437 |
| **(Losses)/earnings per share (basic and diluted) (pence)*** | 9 | **(0.34)** | **36.77** | **36.43** | (0.30) | 26.93 | 26.63 | (0.75) | 91.17 | 90.42 |

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

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

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

All items in the above statement derive from continuing operations.

The Company does not have any other comprehensive income.

# BALANCE SHEET
# AS AT 31 OCTOBER 2024

| | Note | **(Unaudited) 31 October 2024 £'000** | (Unaudited) 31 October 2023 £'000 | (Audited) 30 April 2024 £'000 |
|---|---|---|---|---|
| **Non-current assets** | | | | |
| Investments held at fair value through profit or loss | | **4,007,531** | 2,912,344 | 3,713,758 |
| **Current assets** | | | | |
| Receivables | | **55,589** | 30,208 | 37,607 |
| Overseas tax recoverable | | **419** | 379 | 346 |
| Cash and cash equivalents | 8 | **191,371** | 247,526 | 103,033 |
| Derivative financial instruments | | **14,522** | 6,814 | 9,557 |
| | | **261,901** | 284,927 | 150,543 |
| **Total assets** | | **4,269,432** | 3,197,271 | 3,864,301 |
| **Current liabilities** | | | | |
| Payables | | **(13,294)** | (53,547) | (11,295) |
| Bank loans* | | **-** | (50,345) | (48,036) |
| Bank overdraft | 8 | **-** | (342) | (437) |
| | | **(13,294)** | (104,234) | (59,768) |
| **Non-current liabilities** | | | | |
| Bank loans* | | **(76,594)** | - | - |
| **Net assets** | | **4,179,544** | 3,093,037 | 3,804,533 |
| **Equity attributable to equity shareholders** | | | | |
| Share capital | 10 | **34,329** | 34,329 | 34,329 |
| Capital redemption reserve | | **12,802** | 12,802 | 12,802 |
| Share premium | | **223,374** | 223,374 | 223,374 |
| Special non-distributable reserve | | **7,536** | 7,536 | 7,536 |
| Capital reserves | | **4,048,422** | 2,952,436 | 3,669,370 |
| Revenue reserve | | **(146,919)** | (137,440) | (142,878) |
| **Total equity** | | **4,179,544** | 3,093,037 | 3,804,533 |
| **Net asset value per ordinary share (pence)**** | 11 | **352.15** | 250.96 | 315.41 |

* As detailed within the Chair's Statement - see paragraph on Gearing.
** The comparative figures have been rebased following the ten for one share split on 13 September 2024.

Approved and authorised by the Board of Directors on 9 December 2024.

**Catherine Cripps**
**Chair**

# STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 31 OCTOBER 2024

**(Unaudited) Six months ended 31 October 2024**

| | Note | Share capital £'000 | Capital redemption reserve £'000 | Share premium £'000 | Special non-distributable reserve £'000 | Capital reserves £'000 | Revenue reserve £'000 | Total £'000 |
|---|---|---|---|---|---|---|---|---|
| **Total equity at 30 April 2024** | | 34,329 | 12,802 | 223,374 | 7,536 | 3,669,370 | (142,878) | 3,804,533 |
| **Total comprehensive income/(expense):** | | | | | | | | |
| Profit/(loss) for the period to 31 October 2024 | 9 | - | - | - | - | 439,784 | (4,041) | 435,743 |
| **Transactions with owners, recorded directly to equity:** | | | | | | | | |
| Ordinary shares repurchased into treasury | 10 | - | - | - | - | (60,668) | - | (60,668) |
| Share split costs | | - | - | - | - | (64) | - | (64) |
| **Total equity at 31 October 2024** | | **34,329** | **12,802** | **223,374** | **7,536** | **4,048,422** | **(146,919)** | **4,179,544** |

(Unaudited) Six months ended 31 October 2023

| | Note | Share capital £'000 | Capital redemption reserve £'000 | Share premium £'000 | Special non-distributable reserve £'000 | Capital reserves £'000 | Revenue reserve £'000 | Total £'000 |
|---|---|---|---|---|---|---|---|---|
| **Total equity at 30 April 2023** | | 34,329 | 12,802 | 223,374 | 7,536 | 2,683,759 | (133,659) | 2,828,141 |
| **Total comprehensive income/(expense):** | | | | | | | | |
| Profit/(loss) for the period to 31 October 2023 | 9 | - | - | - | - | 335,929 | (3,781) | 332,148 |
| **Transactions with owners, recorded directly to equity:** | | | | | | | | |
| Ordinary shares repurchased into treasury | 10 | - | - | - | - | (67,252) | - | (67,252) |
| Total equity at 31 October 2023 | | 34,329 | 12,802 | 223,374 | 7,536 | 2,952,436 | (137,440) | 3,093,037 |

(Audited) Year ended 30 April 2024

| | Note | Share capital £'000 | Capital redemption reserve £'000 | Share premium £'000 | Special non-distributable reserve £'000 | Capital reserves £'000 | Revenue reserve £'000 | Total £'000 |
|---|---|---|---|---|---|---|---|---|
| **Total equity at 30 April 2023** | | 34,329 | 12,802 | 223,374 | 7,536 | 2,683,759 | (133,659) | 2,828,141 |
| **Total comprehensive income/(expense):** | | | | | | | | |
| Profit/(loss) for the year to 30 April 2024 | 9 | - | - | - | - | 1,124,656 | (9,219) | 1,115,437 |
| **Transactions with owners, recorded directly to equity:** | | | | | | | | |
| Ordinary shares repurchased into treasury | 10 | - | - | - | - | (139,045) | - | (139,045) |
| **Total equity at 30 April 2024** | | **34,329** | **12,802** | **223,374** | **7,536** | **3,669,370** | **(142,878)** | **3,804,533** |

Note - Share capital, Capital redemption reserve, Share premium and Special non-distributable reserve are all non-distributable. Capital reserves and Revenue reserve are distributable.

# CASH FLOW STATEMENT
# FOR THE SIX MONTHS ENDED 31 OCTOBER 2024

| | Note | (Unaudited) Six months ended 31 October 2024 £'000 | (Unaudited) Six months ended 31 October 2023 £'000 | (Audited) Year ended 30 April 2024 £'000 |
|---|---|---|---|---|
| **Cash flows from operating activities** | | | | |
| **Profit before tax** | | **437,048** | 333,067 | 1,117,379 |
| **Adjustments:** | | | | |
| **Gains on investments held at fair value through profit or loss** | **3** | **(439,407)** | (341,136) | (1,147,978) |
| **(Gains)/losses on derivative financial instruments** | **4** | **(3,925)** | 9,096 | 22,030 |
| **Proceeds of disposal on investments** | | **1,965,901** | 1,140,262 | 2,857,451 |
| **Purchases of investments** | | **(1,837,141)** | (1,050,305) | (2,811,714) |
| **Proceeds on disposal of derivative financial instruments** | | **44,496** | 4,754 | 21,743 |
| **Purchases of derivative financial instruments** | | **(45,537)** | (18,093) | (50,759) |
| **Decrease/(increase) in receivables** | | **1,581** | 371 | (742) |
| **Increase in payables** | | **354** | 327 | 641 |
| **Finance costs** | | **912** | 937 | 1,874 |
| **Overseas tax** | | **(1,378)** | (919) | (1,909) |
| **Foreign exchange losses/(gains)** | **5** | **3,548** | (3,889) | 1,292 |
| **Net cash generated from operating activities** | | **126,452** | 74,472 | 9,308 |
| **Cash flows from financing activities** | | | | |
| Finance costs paid | | **(928)** | (934) | (1,871) |
| Ordinary shares repurchased into treasury | **10** | **(61,701)** | (68,839) | (139,836) |
| Share split costs | | **(59)** | - | - |
| Loan repaid | | **(46,688)** | - | - |
| Loan Drawn | | **78,179** | - | - |
| **Net cash used in financing activities** | | **(31,197)** | (69,773) | (141,707) |
| **Net increase/(decrease) in cash and cash equivalents** | | **95,255** | 4,699 | (132,399) |
| Cash and cash equivalents at the beginning of the period | | **102,596** | 239,096 | 239,096 |
| Effect of movement in foreign exchange rates on cash held | **5** | **(6,480)** | 3,389 | (4,101) |
| **Cash and cash equivalents at the end of the period** | **8** | **191,371** | 247,184 | 102,596 |

| | | | | |
|---|---|---|---|---|
| **Reconciliation of cash and cash equivalents to the Balance Sheet is as follows:** | | | | |
| Cash held at bank and derivative clearing houses | **8** | **173,081** | 138,967 | 69,581 |
| BlackRock's Institutional Cash Series plc (US Treasury Fund), money market fund | **8** | **18,290** | 108,217 | 33,015 |
| **Cash and cash equivalents at the end of the period** | **8** | **191,371** | 247,184 | 102,596 |

# NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 OCTOBER 2024

### 1. GENERAL INFORMATION

The Financial Statements comprise the unaudited results for Polar Capital Technology Trust Plc for the six-month period to 31 October 2024.

The unaudited Financial Statements to 31 October 2024 have been prepared in accordance with UK-adopted International Accounting Standard 34 "Interim Financial Reporting" and the accounting policies set out in the statutory annual Financial Statements of the Company for the year ended 30 April 2024.

Where presentational guidance set out in the Statement of Recommend Practice ("the SORP") for investment trusts issued by the Association of Investment Companies in July 2022 is consistent with the requirements of UK-adopted International Accounting Standard ("UK-adopted IAS"), the accounts have been prepared on a basis compliant with the recommendations of the SORP.

The financial information in this Half Year Report does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. The financial information for the six-month periods ended 31 October 2024 and 31 October 2023 has not been audited. The figures and financial information for the year ended 30 April 2024 are an extract from the latest published Financial Statements and do not constitute statutory accounts for that year. Full statutory accounts for the year ended 30 April 2024, prepared under UK-adopted IAS, including the report of the auditors which was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under section 498 of the Companies Act 2006, have been delivered to the Registrar of Companies.

The accounting policies have not varied from those described in the Annual Report for the year ended 30 April 2024.

The Directors believe it is appropriate to adopt the going concern basis in preparing the Financial Statements. As at 31 October 2024 the Company's total assets exceeded its total liabilities by a multiple of over 47. The Board continually monitors the financial position of the Company. The Directors have considered a detailed assessment of the Company's ability to meet its liabilities as they fall due. The assessments took account of the Company's current financial position, its cash flows and its liquidity position. In light of the results of these assessments, the Company's cash balances, and the liquidity position, the Directors consider that the Company has adequate financial resources to enable them to continue in operational existence for at least 12 months. Accordingly, the Directors are satisfied that it is appropriate to continue to adopt the going concern basis in preparing the Company's Financial Statements.

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

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

| **Standards & Interpretations** | | **Effective for periods commencing on or after** |
|---|---|---|
| Amendments to IAS 1 Presentation of Financial Statements<br>- Non-current liabilities with Covenants<br>- Deferral of Effective Date Amendment (published 15 July 2020)<br>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 the covenant could become repayable within twelve months. | 1 January 2024 |

| | | |
|---|---|---|
| Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7) | The amendments address the disclosure requirements to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. | 1 January 2024 |

ii) At the date of authorisation of the Company's Financial Statements, the following amended standard that potentially impacts the Company has been issued but not yet effective and has not been applied in the Financial Statements:

| **Standards & Interpretations** | | **Effective for periods commencing on or after** |
|---|---|---|
| Lack of Exchangeability (Amendments to IAS 21) | The amendments specify how to assess whether a currency is exchangeable and how to determine a spot exchange rate if it is not. | 1 January 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.

The Financial Statements are presented in Pounds Sterling and all values are rounded to the nearest thousand pounds (£'000), except where otherwise stated.

The majority of the Company's investments are in US Dollars, the level of which varies from time to time. The Board considers the functional currency to be Sterling. In arriving at this conclusion, the Board considered that Sterling is the 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. INCOME**

| | **(Unaudited) For the six months ended 31 October 2024 £'000** | (Unaudited) For the six months ended 31 October 2023 £'000 | (Audited) For the year ended 30 April 2024 £'000 |
|---|---|---|---|
| **Investment income** | | | |
| Revenue: | | | |
| UK dividend income | **58** | - | - |
| Overseas dividend income | **10,689** | 7,336 | 15,471 |
| **Total investment income** | **10,747** | 7,336 | 15,471 |
| **Other operating income** | | | |
| Bank interest | **1,898** | 1,365 | 2,529 |
| Money market fund interest | **1,476** | 2,129 | 3,909 |
| | **3,374** | 3,494 | 6,438 |
| **Total Income** | **14,121** | 10,830 | 21,909 |

*Included within income from investments is £48,000 (31 October 2023 and 30 April 2024: nil) of special dividends classified as revenue in nature. No special dividends have been recognised in capital (31 October 2023 and 30 April 2024: same).*

*All investment income is derived from listed investments.*

### 3. GAINS ON INVESTMENT HELD AT FAIR VALUE

| | **(Unaudited) For the six months ended 31 October 2024 £'000** | (Unaudited) For the six months ended 31 October 2023 £'000 | (Audited) For the year ended 30 April 2024 £'000 |
|---|---|---|---|
| Net gains on disposal of investments at historic cost | **332,797** | 100,399 | 476,684 |
| Transfer on disposal of investments | **(368,858)** | (29,361) | (151,853) |
| (Losses)/gains on disposal of investments based on carrying value at previous balance sheet date | **(36,061)** | 71,038 | 324,831 |
| Valuation gains on investments held during the year | **475,468** | 270,098 | 823,147 |
| | **439,407** | 341,136 | 1,147,978 |

### 4. GAINS/(LOSSES) ON DERIVATIVES

| | **(Unaudited) For the six months ended 31 October 2024 £'000** | (Unaudited) For the six months ended 31 October 2023 £'000 | (Audited) For the year ended 30 April 2024 £'000 |
|---|---|---|---|
| Gains/(losses)on disposal of derivatives held | **4,690** | (15,963) | (21,716) |
| (Losses)/gains on revaluation of derivatives held | **(765)** | 6,867 | (314) |
| | **3,925** | (9,096) | (22,030) |

The derivative financial instruments represent the call and put options, which are used for the purpose of efficient portfolio management. As at 31 October 2024, the Company held NASDAQ 100 Stock Index put options, and the market value of the open put option position was £9,950,000 (31 October 2023: NASDAQ 100 Stock Index put options with a market value of £3,806,000; 30 April 2024: NASDAQ 100 Stock Index put options with a market value of £7,192,000). As at 31 October 2024, the Company also held Microsoft Corp call options and Apple Inc call options, the market value of these open call options position were £2,736,000 and £1,836,000 respectively (31 October 2023: Microsoft Corp call options with a market value of £3,008,000; 30 April 2024: Microsoft Corp call options with a market value of £403,000 and Apple Inc call options with a market value of £1,962,000).

### 5. OTHER CURRENCY (LOSSES)/GAINS

| | **(Unaudited) For the six months ended 31 October 2024 £'000** | (Unaudited) For the six months ended 31 October 2023 £'000 | (Audited) For the year ended 30 April 2024 £'000 |
|---|---|---|---|
| Exchange (losses)/gains on currency balances | **(6,480)** | 3,389 | (4,101) |
| Exchange gains on settlement of loan balances | **9,753** | - | - |
| Exchange (losses)/gains on translation of loan balances | **(6,821)** | 500 | 2,809 |
| | **(3,548)** | 3,889 | (1,292) |

### 6. INVESTMENT MANAGEMENT AND PERFORMANCE FEES

INVESTMENT MANAGEMENT FEE

The investment management fee, which is paid by the Company monthly in arrears to the Investment Manager, is calculated on the daily Net Asset Value ("NAV") as follows:
- Tier 1: 0.80 per cent. for such of the NAV up to and including £2 billion;
- Tier 2: 0.70 per cent. for such of the NAV between £2 billion and £3.5 billion;
- Tier 3: 0.60 per cent. for such of the NAV above £3.5 billion;

Any investments in funds managed by Polar Capital are excluded from the investment management fee calculation.

PERFORMANCE FEE

The Investment Manager is entitled to a performance fee based on the level of outperformance of the Company's net asset value per share over its benchmark, the Dow Jones World Technology Index (total return, Sterling adjusted, with the removal of relevant withholding taxes) during the relevant performance period.

At 31 October 2024, there was no accrued performance fee (31 October 2023 and 30 April 2024: £nil). The quantum of any performance fee will be based on the audited net asset value at the year end on 30 April 2025.

A fuller explanation of the performance and management fee arrangements is given in the Annual Report.

**7. OTHER ADMINISTRATIVE EXPENSES**

At 31 October 2024, the Company's other administrative expenses, were £793,000 (31 October 2023: £600,000 and 30 April 2024: £1,393,000).

**8. CASH AND CASH EQUIVALENTS**

| | **(Unaudited) For the six months ended 31 October 2024 £'000** | (Unaudited) For the six months ended 31 October 2023 £'000 | (Audited) For the Year ended 30 April 2024 £'000 |
|---|---|---|---|
| Cash at bank | **166,427** | 138,576 | 69,964 |
| Cash held at derivative clearing houses | **6,654** | 733 | 54 |
| Money market fund | **18,290** | 108,217 | 33,015 |
| Cash and cash equivalent | **191,371** | 247,526 | 103,033 |
| Bank overdraft | **-** | (342) | (437) |
| **Total** | **191,371** | 247,184 | 102,596 |

As at 31 October 2024, the Company held BlackRock's Institutional Cash Series plc – US Treasury Fund with a market value of £18,290,000 (31 October 2023: £108,217,000 and 30 April 2024: £33,015,000), which is managed as part of the Company's cash and cash equivalents as defined under IAS 7.

**9. (LOSSES)/EARNINGS PER ORDINARY SHARE**

| | **(Unaudited) For the six months ended 31 October 2024 £'000** | (Unaudited) For the six months ended 31 October 2023 £'000 | (Audited) For the Year ended 30 April 2024 £'000 |
|---|---|---|---|
| **Net (loss)/profit for the period:** | | | |
| Revenue | **(4,041)** | (3,781) | (9,219) |
| Capital | **439,784** | 335,929 | 1,124,656 |
| Total | **435,743** | 332,148 | 1,115,437 |
| | | | |
| **Weighted average number of shares in issue during the period*** | **1,196,163,910** | 1,247,218,540 | 1,233,614,300 |
| Revenue* | **(0.34)p** | (0.30)p | (0.75)p |
| Capital* | **36.77p** | 26.93p | 91.17p |
| Total | **36.43p** | 26.63p | 90.42p |

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

**10. SHARE CAPITAL**

At 31 October 2024 there were 1,186,874,680 Ordinary Shares in issue (31 October 2023: 1,232,492,570* and 30 April 2024: 1,206,215,690*). During the six months ended 31 October 2024, there were no Ordinary Shares issued to the market (31 October 2023 and 30 April 2024: same).

At the Annual General Meeting held on 11 September 2024, Shareholders approved the resolution to split the existing Ordinary Shares of 25 pence each into ten new Ordinary Shares of 2.5 pence each. Following the completion of this share split, 137,315,000

Ordinary Shares of 25 pence each (including 18,073,403 shares held in treasury) were sub-divided into 1,373,150,000 new Ordinary Shares of 2.5 pence each (including 180,734,030 shares held in treasury) on 13 September 2024.

During the period, 19,341,010 (31 October 2023: 30,362,870* and 30 April 2024: 56,639,750*) Ordinary Shares of 2.5 pence each were repurchased into treasury at a total cost of £60,368,000 (31 October 2023: £66,918,000 and 30 April 2024: £138,355,000).

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

Subsequent to the period end, and to 9 December 2024 (latest practicable date), 1,947,765 Ordinary Shares were repurchased and placed into treasury at an average price of 338.11p per share.

### 11. NET ASSET VALUE PER ORDINARY SHARE

| | **(Unaudited) 31 October 2024 £'000** | (Unaudited) 31 October 2023 £'000 | (Audited) 30 April 2024 £'000 |
|---|---|---|---|
| **Undiluted:** | | | |
| Net assets attributable to ordinary shareholders (£'000) | **4,179,544** | 3,093,037 | 3,804,533 |
| Ordinary shares in issue at end of period* | **1,186,874,680** | 1,232,492,570 | 1,206,215,690 |
| **Net asset value per ordinary share*** | **352.15p** | 250.96p | 315.41p |

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

### 12. DIVIDEND

No interim dividend has been declared for the period ended 31 October 2024 nor the periods ended 31 October 2023 or 30 April 2024.

### 13. RELATED PARTY TRANSACTIONS

There have been no related party transactions that have materially affected the financial position or the performance of the Company during the six-month period to 31 October 2024.

### 14. POST BALANCE SHEET EVENTS

Subsequent to the period end, and to 9 December 2024, 1,947,765 Ordinary Shares were repurchased and placed into treasury at an average price of 338.11p per share.

There are no other significant events that have occurred after the end of the reporting period to the date of this report which require disclosure.

# Alternative Performance Measures (APMs)

In assessing the performance of the Company, the Investment Manager and the Directors use the following APMs which are not defined in accounting standards or law but are considered to be known industry metrics:

**NAV Total Return (APM)**
The NAV total return shows how the net asset value per share has performed over a period of time taking into account both capital returns and dividends paid to shareholders.

NAV total return reflects the change in value of NAV plus the dividend paid to the Shareholder. Since the Company has not paid a dividend the NAV total return is the same as the NAV per share return as at the six months ended 31 October 2024 and year ended 30 April 2024.

| | | **(Unaudited) For the six months ended 31 October 2024** | (Audited) Year ended 30 April 2024* |
|---|---|---|---|
| Opening NAV per share | **a** | **315.41p** | 223.95p |
| Closing NAV per share | **b** | **352.15p** | 315.41p |
| **NAV total return** | **(b/a)-1** | **11.6%** | 40.8% |

**(Discount)/Premium (APM)**

A description of the difference between the share price and the net asset value per share usually expressed as a percentage (%) of the net asset value per share. If the share price is higher than the NAV per share the result is a premium. If the share price is lower than the NAV per share, the shares are trading at a discount. A premium or discount is generally the consequence of supply and demand for the shares on the stock market.

| | | **(Unaudited) 31 October 2024** | (Audited) 30 April 2024* |
|---|---|---|---|
| Closing share price | **a** | **310.50p** | 292.00p |
| Closing NAV per share | **b** | **352.15p** | 315.41p |
| **Discount of ordinary share price to the NAV per ordinary share** | **(a/b)-1** | **(11.8%)** | (7.4%) |

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

# DIRECTORS AND CONTACTS

**Directors (all independent non-executive)**
Catherine Cripps (Chair)
Tim Cruttenden (Senior Independent Director)
Jane Pearce (Audit Committee Chair from 31 October 2023)
Adiba Ighodaro (appointed from 3 December 2024)
Charles Park
Stephen White

**Investment Manager and AIFM**
Polar Capital LLP
Authorised and regulated by the Financial Services Authority

**Portfolio Manager**
Ben Rogoff

**Deputy Manager**
Alastair Unwin

**Registered Office and address for contacting the Directors**
16 Palace Street, London SW1E 5JD
020 7227 2700

**Company Secretary**
Polar Capital Secretarial Services Limited
represented by Jumoke Kupoluyi, ACG

**Corporate Broker**
Stifel Nicolaus Europe Limited
150 Cheapside
London EC2V 6ET

**Depositary, Bankers and Custodian**
HSBC Bank Plc, 8 Canada Square, London, E14 5HQ

**Registered Number**
Incorporated in England and Wales with company number 3224867 and registered as an investment company under section 833 of the Companies Act 2006

**Forward Looking Statements**
Certain statements included in this 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 on pages 62 to 65 of the Annual Report. No part of these results constitutes, or shall be taken to constitute, an invitation or inducement to invest in Polar Capital Technology Trust plc or any other entity and must not be relied upon in any way in connection with any investment decision. The Company undertakes no obligation to update any forward-looking statements.

**Half Year Report**
The Company has opted not to post half year reports to shareholders. Copies of the Half Year Report will be available from the Secretary at the Registered Office, 16 Palace Street, London SW1E 5JD and from the Company's website at www.polarcapitaltechnologytrust.co.uk

**National Storage Mechanism**
A copy of the Half Year Report has been submitted to the National Storage Mechanism ('NSM') and will shortly be available for inspection at https://data.fca.org.uk/#/nsm/nationalstoragemechanism

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